

Dated: November 27, 2002.

**Robert deV. Frierson,**

*Deputy Secretary of the Board.*

[FR Doc. 02-30620 Filed 11-27-02; 2:06 pm]

BILLING CODE 6210-01-P

## FEDERAL TRADE COMMISSION

### Sunshine Act Meeting

**AGENCY:** Federal Trade Commission.

**TIME AND DATE:** 10 a.m., Tuesday, January 7, 2003.

**PLACE:** Federal Trade Commission Building, Room 532, 600 Pennsylvania Avenue, NW., Washington, DC 20580.

**STATUS:** Part of the meeting will be open to the public. The rest of the meeting will be closed to the public.

**MATTERS TO BE CONSIDERED:** *Portion Open to the Public:* (1) Oral Argument in Schering-Plough Corporation *et al.*, Docket 9297.

*Portion Closed to Public:* (2) Executive Session to follow Oral Argument in Schering-Plough Corporation, *et al.*, Docket 9297.

**FOR FURTHER INFORMATION CONTACT:** Mitch Katz, Office of Public Affairs: (202) 326-2180. Recorded Message: (202) 326-2711.

**Donald S. Clark,**

*Secretary.*

[FR Doc. 02-30651 Filed 11-27-02; 8:45 am]

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## FEDERAL TRADE COMMISSION

### Notice and Request for Comment Regarding Textile Corporate Leniency Policy

**AGENCY:** Federal Trade Commission.

**ACTION:** Notice of Textile Corporate Leniency Policy Statement and request for comment.

**SUMMARY:** The Federal Trade Commission (the "Commission") is announcing a policy statement describing the Commission's approach to self-reported minor and inadvertent violations of certain provisions of the rules and regulations implementing the Textile Fiber Products Identification Act ("Textile Act"), 15 U.S.C. section 70, *et seq.*, and the Wool Products Labeling Act ("Wool Act"), 15 U.S.C. section 68, *et seq.* Although this policy is already in effect, the Commission is soliciting comments about this policy from interested persons. If, after considering any comments, the Commission determines to revise the policy, it will publish a revised policy statement.

**DATES:** The policy statement is effective on December 2, 2002. Comments must be received by December 31, 2002.

**ADDRESSES:** Send written comments to Secretary, Federal Trade Commission, Room H-159, 600 Pennsylvania Ave. NW., Washington, DC 20580. All comments should be captioned "Textile Corporate Leniency Comments." Comments in electronic form should be sent to: [textilecorporateleniency@ftc.gov](mailto:textilecorporateleniency@ftc.gov) as prescribed below.

**FOR FURTHER INFORMATION CONTACT:** Constance M. Vecellio, Attorney, Federal Trade Commission, 600 Pennsylvania Ave., NW., Washington, DC 20580, (202) 326-2966, or [cvecellio@ftc.gov](mailto:cvecellio@ftc.gov).

**SUPPLEMENTARY INFORMATION:** This policy statement discusses how the Commission expects to consider mitigating factors in matters where minor and inadvertent violations of the Textile or Wool Rules are self-reported by a company. This policy statement provides guidance and information only, and does not create any rights, duties, obligations, or defenses, implied or otherwise. The Commission specifically retains its discretion for determining how to proceed in particular cases.

As noted above, the Commission is soliciting comments about this policy from interested persons. If a comment contains nonpublic information, it must be filed in paper form, and the first page of the document must be clearly labeled "confidential." Comments that do not contain any nonpublic information may instead be filed in electronic form (in ASCII format, WordPerfect, or Microsoft Word) as part of or as an attachment to email messages directed to the following e-mail box:

[textilecorporateleniency@ftc.gov](mailto:textilecorporateleniency@ftc.gov). Such comments will be considered by the Commission and will be available for inspection and copying in accordance with Section 4.9(b)(6)(ii) of the Commission's Rules of Practice, 16 CFR section 4.9(b)(6)(ii), on normal business days between the hours of 8:30 a.m. and 5 p.m. at Room 130, Federal Trade Commission, 600 Pennsylvania Avenue, NW., Washington, DC 20580.

### I. Introduction

The Commission is announcing a policy statement that describes generally how the Commission will exercise its discretion in matters where minor and inadvertent violations of the Textile or Wool Rules are self-reported by a company. The purpose of the policy is to help increase overall compliance with these rules while also minimizing the burden on business of

inadvertent labeling errors that are not likely to cause injury to consumers. In developing this policy, the Commission looked for guidance to its existing Civil Penalty Leniency Program, 62 FR 16809 (April 8, 1997). That program was adopted under Section 223 of the Small Business Regulatory Enforcement Fairness Act of 1996, (Pub. L. No. 104-21) ("SBREFA"), and affects only small businesses. This Textile Corporate Leniency Policy is not limited to small businesses, and it differs from the Civil Penalty Leniency Program in that it is not limited to situations involving the assessment of civil penalties.

### II. Background

#### A. Statutory Disclosure/Labeling Requirements

The Textile and Wool Acts cover most textile products, including apparel and home furnishings such as sheets and towels. They require that labeling of wool and other textile products convey three basic pieces of information to consumers: the fiber content, the country of origin, and the name (or registered identification number) of the manufacturer, importer, or some other dealer responsible for the item. The Textile and Wool Rules promulgated by the Commission explain in detail how this information should be conveyed, and these requirements have been well publicized through "how to comply" guides and industry seminars. The industry, however, is very large, and many of its members are small businesses. About 17.7 billion textiles were sold in the United States in 2001, and about 34,000 companies participated in the manufacture, importation, and sale of these items. Accordingly, it is not surprising that minor violations regularly occur.

#### B. Enforcement Authority and History

The Textile and Wool Acts provide that violations of those acts, or of the implementing Textile or Wool Rules, are violations of the Federal Trade Commission Act.<sup>1</sup> Violations of the Textile or Wool Rules can be prosecuted administratively or in district court. In addition, pursuant to section 5(l) of the Federal Trade Commission Act ("FTC Act"), 15 U.S.C. 45(l), violation of a Commission administrative order can result in a federal court action, with civil penalties of up to \$11,000 per violation. The Commission also can seek penalties in appropriate situations under section 5(m)(1)(B) of the FTC Act, 15 U.S.C. 45(m)(1)(B). Under this section, a company that engages in a

<sup>1</sup> Section 3 of the Textile Act, 15 U.S.C. 70a; Section 3 of the Wool Act, 15 U.S.C. 68a.