

FLAG DAY GREETINGS

06.14.2023 By William M. Borchard

For Flag Day this year, we are reporting about an association that certifies flags made in the United States, and about attempts to require Government agencies to buy only U.S-made American Flags.



Background

In the latest information found, America imported about 10 million American flags, almost all of them from China. Of course, imported American Flags must be legibly labeled with the country of origin.

Currently, all American flags bought by the U.S. Department of Defense are manufactured in the U.S. But all other federal agencies generally are only required to purchase American flags that contain at least 50 percent American-made materials, to be considered "Made in U.S.A." for government procurement purposes.

Certain states, including Arizona, Florida, Illinois, Maryland, Massachusetts, Minnesota, New Jersey, Tennessee, West Virginia, and Wisconsin, have enacted laws requiring certain American or State flags to be purchased from U.S. manufacturers.

Annin Flagmakers Inc., the largest and oldest flag maker in the U.S., was founded in 1847 and now is in its 6th generation of family ownership and operation. It produces about 15 million American flags per year, all manufactured in the U.S.

Flag Manufacturers Association of America (FMAA)

In 2003, FMAA was organized by a consortium of the leading United States flag manufacturers and suppliers. It obtained a <u>federal certification mark registration</u> for the "Certified Made in the U.S.A." seal.

This seal certifies that every step of the manufacturing process for the American flag has used U.S. materials, facilities, and labor, and that compliance with these certification standards is being monitored.

The All-American Flag Act

The All-American Flag Act was introduced in the Senate on June 14, 2022 (Flag Day), and a corresponding bill was introduced in the House on July 5, 2022, but neither bill was enacted, as has happened over about the past 20 years.

This bipartisan Senate bill would require federal executive agencies to buy flags completely produced and manufactured in the U.S., from materials sourced in the U.S. An exception would apply to a determination that flags of a satisfactory quality and in sufficient quantity cannot be procured in the U.S., as and when needed, at U.S. market prices. Additional exceptions would apply to procurements (1) by vessels in foreign waters; (2) for resale purposes in military facilities or with funds not appropriated for an agency; or (3) for less than \$100,000. The President would have the power to waive the buy-U.S. requirement in order to comply with any trade agreement to which the U.S. is a party.

On February 9, 2023, the Office of Management and Budget (OMB) issued a <u>Notice of Proposed Rulemaking</u> proposing to revise OMB Guidance for Grants and Agreements to implement the Build America, Buy America Act, which was included in the Infrastructure Investment and Jobs Act signed into law on November 15, 2021. The comment period closed March 13, 2023. This proposed regulation could possibly eliminate the need for further federal legislation on this issue.

We hope you have a happy Flag Day 2023.

For further information, contact William M. Borchard or your CLL attorney.

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Bill advises on domestic and international trademark matters at the highest level. His practice consists of counseling clients and handling domestic and international trademark and copyright matters including clearance, registration, proper use, licensing, contested administrative proceedings and infringement claims.