



United States of America  
FEDERAL TRADE COMMISSION  
600 Pennsylvania Avenue, NW  
Washington, DC 20580

Division of Advertising Practices

June 22, 2023

Via Electronic Mail ([lbrett@bbbnp.org](mailto:lbrett@bbbnp.org))

Laura Brett, Esq.

Vice President

National Advertising Division

112 Madison Avenue, 3<sup>rd</sup> Floor

New York, NY 10016

Re: Advertising for Bacardi's Havana Club Rum

Dear Ms. Brett:

We have reviewed the National Advertising Division's referral of Pernod Ricard's challenge regarding advertising by Bacardi USA ("Bacardi") for its Havana Club brand Puerto Rican rum. Pernod had challenged Bacardi's bottle labels and promotional materials—including a rum bottle "neck tag" declaring the bottle was "From: Cuba, To: USA, Date 1966"—as misleading as to the rum's origin and place of manufacture because the rum is not made in Cuba. In your May 17, 2023 referral letter, you advised us that Bacardi declined to participate in a self-regulatory review by NAD. Consequently, NAD did not render an opinion on the challenge and referred the matter to the Federal Trade Commission for our review.

Upon careful review of your referral and the bottle labels and promotional material at issue, and after receiving written assurance from Bacardi that the disputed neck tag has been permanently discontinued, we have determined not to take additional action at this time. In reaching this conclusion, we considered a number of factors, including resource allocation and enforcement priorities, the nature of any FTC Act violation, and the type and severity of any consumer injury.

The staff's decision to forego a formal investigation at this time is not to be construed as a determination that a violation may not have occurred, just as the pendency of an investigation should not be construed as a determination that a violation has occurred. The Commission



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reserves the right to take such further action as the public interest may require. The Commission appreciates your referral and the opportunity to continue to assist in supporting the NAD.

Sincerely,

Courtney A. Estep  
Acting Chief of Staff  
Division of Advertising Practices

cc: John E. Villafranco, Kelley Drye & Warren LLP