Bulletin - Pendleton

Stanton, Meridith <meridith_stanton@ios.doi.gov> Fri, Jan 31, 2014 at 11:30 AM
To: harvey pratt <[redacted], Rose Fosdick <RFosdick@kawerak.org>, "jonesrutheb@aol.com" <jonesrutheb@aol.com>, [redacted], Commissioner chuck harwood <charwood@ftc.gov>

(Michele, please send Vi a hard copy of this email and attachment.)

Good Morning All,

The Bulletin regarding the Pendleton settlement has cleared the Office of the Secretary's Communications Office review and is now posted on the IACB website, http://www.iacb.doi.gov/news.html. A copy has also been attached.

Best Regards,

Meridith

–

Meridith Z. Stanton
Director
Indian Arts and Crafts Board
Office of the Secretary
MS 2528-MIB
U.S. Department of the Interior
Washington, D.C. 20240
202-208-3773 (main)
202-208-3889 (direct)
1-888-Art-Fake (toll free)
202-208-4382 (fax)

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IACB Bulletin Regarding Pendleton.pdf
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United States Department of the Interior

INDIAN ARTS AND CRAFTS BOARD
Washington, DC 20240

BULLETIN: INDIAN ARTS AND CRAFTS ACT SETTLEMENT WITH PENDLETON WOOLEN MILLS

The Indian Arts and Crafts Board (IACB) of the U.S. Department of the Interior announces a settlement agreement it has signed with Pendleton Woolen Mills (Pendleton).

This agreement resolves concerns raised by the IACB regarding Pendleton's prior sales of the Pendleton "Sioux Star Blanket" through a section of its website labeled "Native American." The IACB alleged that Pendleton's marketing of this product violated the Indian Arts and Crafts Act, 25 U.S.C. § 305e (Act) because it did not sufficiently make clear that the Blanket was not produced by genuine Indian artisans and therefore did not qualify as an "Indian Product" as defined by the Act.

As part of the agreement, Pendleton recently donated $41,250 to the Red Cloud Indian School's The Heritage Center in Pine Ridge, South Dakota. These funds will assist with The Heritage Center's promotion of Sioux artisans and economic development through the production, promotion, and sales of authentic Sioux art and craftwork, and associated programs.

According to Father George Winzenburg, S.J., President of Red Cloud Indian School, "These resources will enable The Heritage Center to enhance its ongoing work to improve the economic status of Lakota artists and artisans that it serves through the promotion and sale of authentic Indian art in its exhibitions, gift shop and on-line store. It will also assist The Heritage Center to encourage other Tribal members to pursue their creative work and to spur economic development across the Pine Ridge Reservation."

Additionally, Pendleton has agreed to include a paragraph to help educate consumers about the Act in its print catalogs, on its website, and in marketing materials it distributes to retailers of its Native American inspired products for at least two years. Pendleton also has made changes to its internet marketing to ensure against any customer confusion regarding the origins of its products.

The IACB is pleased that this agreement will not only benefit Sioux artists and artisans, but also help to raise the understanding of and compliance with the Act through greater consumer awareness.

For more information on the Act, a truth-in-marketing law which carries civil and criminal penalties and prohibits the offer or display for sale, or sale, of any art or craft product in a manner that falsely suggests it is Indian produced, and Indian product, or the product of a particular Indian Tribe, please visit the IACB website at www.iacb.doi.gov, or call toll free at 1-888-ART-FAKE or 1-888-278-3253.

Act Settlement Agreement

Stanton, Meridith <meridith_stanton@ios.doi.gov> Fri, Jan 17, 2014 at 10:52 AM
To: harvey pratt [redacted]>, Rose Fosdick <RFosdick@kawerak.org>, "jonesrutheb@aol.com" <jonesrutheb@aol.com>, Commissioner chuck harwood <charwood@ftc.gov>, Robert Stanton <Robert_Stanton@ios.doi.gov>

(Michele - please send a hard copy of this email and attachment to Vi.)

Good Morning All,

I have attached a copy of the IACB/Pendleton Woolen Mills settlement agreement for your information. While Pendleton signed the agreement in September, it was under review by DOJ until December when DOJ gave me the green light to sign the agreement. I only learned this week from DOJ, [redacted] that the Pendleton payment of $41,250 has been made to the Heritage Center at Red Cloud Indian School on the Pine Ridge Reservation, South Dakota, and that I could now share the information with you. Hence the delay in providing you with this copy. Next week I will coordinate with the Secretary's Press Office on preparing a press release regarding this settlement.

Best Regards,

Meridith

Pendleton Woolen Mills - Signed Settlement Agreement - 12-9-13.pdf
275K

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into between the United States of America ("United States"), on behalf of the Indian Arts and Crafts Board ("IACB"), and Pendleton Woolen Mills, Inc. ("Pendleton"). The purpose of this Agreement is to fully and finally resolve all matters between the United States, the IACB, and Pendleton arising from Pendleton's prior sales of the Pendleton Sioux Star Blanket. This Agreement is made with reference to the following:

WHEREAS, the United States and the IACB allege as follows: Starting in 2005, Pendleton marketed on its website the Sioux Star Blanket in a manner that inaccurately suggested that the Pendleton item referred to as the "Sioux Star Blanket" was an Indian product; Pendleton marketed the Sioux Star Blanket in a section of its website labeled "Native American"; the Sioux Star Blanket was named after a well-known Sioux symbol; the website image of the product depicted what appeared to be a genuine Sioux blanket; the accompanying description of the Sioux Star Blanket did not sufficiently make clear that the Blanket was not produced by genuine Indian artisans; and the Sioux Star Blanket did not qualify as an "Indian product" as that term is defined by the Indian Arts and Crafts Act; and

WHEREAS, counsel for Pendleton represented to the United States that, since 2005, Pendleton has sold approximately 570 Sioux Star Blankets through its website with gross sales totaling $108,290; and

WHEREAS, the United States and the IACB allege that Pendleton's Internet marketing of the Sioux Star Blanket constitutes a violation of the Indian Arts and Crafts Act, 25 U.S.C. § 305e; in order to address this alleged violation, the IACB notified Pendleton by letter on January 12,

2010, that its Internet marketing of the Sioux Star Blanket may be in violation of the Indian Arts and Crafts Act, 25 U.S.C. § 305e, after which Pendleton was notified by the United States that a civil action had been authorized based on an alleged violation of the Indian Arts and Crafts Act, 25 U.S.C. § 305e; and

WHEREAS, in response to requests from the United States, Pendleton altered its Internet marketing of the Sioux Star Blanket by changing the name of the "Native America" section of its website to "Native American Inspired," changing the name of the "Sioux Star Blanket" to the "Plains Star Blanket," and editing the accompanying description of the product to state that it was not an authentic Indian product, along with other changes consistent with the letter and spirit of the Indian Arts and Crafts Act; and

WHEREAS, the United States and the IACB claim that, pursuant to the Indian Arts and Crafts Act, 25 U.S.C. § 305e, for this alleged first-time violation, Pendleton is liable for a penalty of up to, and potentially in excess of, $1 million, in addition to the costs of the IACB's investigation; and

WHEREAS, although Pendleton disagrees with the claims and liability asserted by the United States and IACB, it is the mutual desire of the parties to this Agreement to resolve all matters arising out of Pendleton's Internet marketing of the Sioux Star Blanket with finality and without the need for litigation.

NOW, THEREFORE, it is agreed as follows:

1. This Agreement is entered into by the parties without any admission of liability by Pendleton or any Pendleton officer, director, employee, or representative.

2. In consideration of this settlement, Pendleton agrees to make, or to maintain, the following changes to its marketing of Native American themed products:

A. Pendleton will not include a "Native American" section on its website, in its print catalogs, or in materials provided to retailers. Pendleton may include a section named or referred to as "Native American Inspired" in any of these marketing materials;

B. To the extent that Pendleton sells the product previously named the "Sioux Star Blanket," it will be named the "Plains Star Blanket";

C. Pendleton's Native American Inspired product descriptions will make clear that its products are not Indian products; and

D. Pendleton agrees to not include any federally recognized Native American tribal name in any of its product names without express authorization from such Native American tribe. Notwithstanding the foregoing, Pendleton may use geographic designations such as cardinal directions, names of State, or names of geographic landmarks, and such use shall not violate this agreement, even if such geographic designations may also be contained in the name of a federally recognized Native American tribe. Moreover, nothing in this agreement shall be construed to prevent accurate, descriptive, or fair references to such tribes or the use of same in language used to describe a product. Any such use of a federally recognized Native American tribe name shall be in accordance with the Indian Arts and Crafts Act.

3. In further consideration of this settlement, Pendleton agrees that, not later than thirty (30) days after execution of this Agreement, and for a minimum of two (2) years following execution of this Agreement by all parties, it shall include the following paragraph (hereinafter referred to as the "Paragraph") in its print catalogs, on its website, and in marketing material it distributes to retailers of its Native American Inspired products:

The Indian Arts and Crafts Act of 1990 (P.L. 101-644), as amended, is a truth-in-marketing law that prohibits the offer or display for sale, or sale, of any art or craft product in a manner that falsely suggests it is Indian produced, an Indian product, or the product of a particular Indian Tribe. Covering all traditional and contemporary American Indian and Indian-style art and craftwork produced after 1935, the Act carries both criminal and civil penalties. For more information on the Act, please visit www.iacb.doi.gov.

A. Pendleton agrees to include the Paragraph in all of its print catalogs containing Native American Inspired Products. The design, placement, and size of the Paragraph will be consistent with other text in Pendleton's print catalogs that explains the history and nature of the company.

B. Pendleton agrees to include the Paragraph on a separate page within its website labeled "Indian Arts and Crafts Act." The design, placement, and size of the Paragraph will be consistent with other text on Pendleton's website that explains the history and nature of the company. A link to the "Indian Arts and Crafts Act" will be included under the "Native American Inspired" heading Pendleton's website, as well as at the bottom of the page of any product contained within the "Native American Inspired" section of the website.

C. Pendleton agrees to include the Paragraph in marketing materials sent to its retailers of Native American Inspired products. The design, placement, and size of the Paragraph will be consistent with other text in Pendleton's print catalogs that explains the history and nature of the company.

4. In further consideration of this settlement, Pendleton agrees that, no later than thirty (30) days following execution of this Agreement by all parties and their respective counsel, it will donate to the Red Cloud Indian Heritage Center in Pine Ridge, South Dakota (RCIHC) an amount of Forty-One Thousand, Two Hundred and Fifty dollars ($41,250);

5. This Agreement settles any and all existing and potential enforcement actions, civil actions, allegations, and claims arising out of Pendleton's marketing of the Sioux Star Blanket. This Agreement may be pleaded as a complete defense to, and may be used as a basis for an order dismissing any administrative action, enforcement action, or civil claim against Pendleton brought by the IACB or the United States, arising out of Pendleton's marketing of the Sioux Star Blanket.

6. Notwithstanding any other provisions of this Agreement, it is understood that, if the United States determines that Pendleton, or any of its employees, has knowingly given false, incomplete, or misleading information in the negotiations of this Agreement or in the investigation that led to this Agreement, Pendleton and/or its employees may be subject to criminal or civil proceedings.

7. Pendleton and the United States agree that neither party nor their successors or assigns will commence or pursue any action or claim against the other party or any of their officials, representatives, officers, or employees, or former officials, representatives, officers, or employees, in connection with this matter.

8. This Agreement was negotiated and drafted jointly by counsel for all parties hereto and shall be interpreted fairly and not against any party as the drafter thereof.

10. This Agreement constitutes the entire agreement and understanding between the parties concerning the subject matter hereof, supersedes all prior negotiations and proposed agreements, written and oral, and represents the final disposition of any and all matters, allegations, and claims arising out of Pendleton's marketing of the Pendleton Sioux Star Blanket.

No representations, understandings, or agreements have been made or relied upon in the making of this Agreement other than those specifically set forth herein. This Agreement can be modified only in a writing signed by the parties.

11. This Agreement may be executed in two or more counterparts, including photocopies, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument.

DATED: ~~September~~ December 9, 2013.

UNITED STATES OF AMERICA

By: _____

DATED: ~~September~~ December 9, 2013.

THE INDIAN ARTS AND CRAFTS BOARD

By: _____

DATED: September 11, 2013.

PENDLETON WOOLEN MILLS, INC.

By: _____

APPROVED AS TO FORM AND CONTENT:

DATED: ~~September~~ December 9, 2013.

Patrick G. Nemeroff
United States Department of Justice
Attorney for the United States of America
and the Indian Arts and Crafts Board

DATED: September 12, 2013.

Steven B. Ungar
Lane Powell, PC
Attorneys for Pendleton Woolen Mills, Inc.

Stanton, Meridith <meridith_stanton@ios.doi.gov>

Re: Bulletin

1 message

georgewinzenburg <gwinzenburg@redcloudschool.org> Tue, Feb 18, 2014 at 5:53 PM
To: "Stanton, Meridith" <meridith_stanton@ios.doi.gov>

Meridith,

Thank you for sending me the link. I plan to visit Pendleton Woolen Mills this spring to discuss the company's offer to establish a longterm relationship with Red Cloud Indian School in support of the arts (The Heritage Center). I will keep you informed.

We had a lovely reception at 5:30 p.m. on February 12. It ended before snow started to fall. Unfortunately, I was not able to spend the next day at Gonzaga College Prep speaking to students because schools were close due to the snow storm.

I hope that your travel went well. I'm now back in Pine Ridge where the temperature is about 50 degrees and it's sunny.

Fr. George

On Feb 18, 2014, at 3:46 PM, Stanton, Meridith wrote:

> Father George,
>
> What a week last week! Were you able to make it to DC? If so, I hope it was a very productive trip - though snowy, icy, and freezing.
>
> Thought you might like to see the following link, http://nativenewsonline.net/currents/indian-arts-crafts-act-settlement-pendleton-woolen-mills-reached/.
>
> Best Regards,
>
> Meridith

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Re: Bulletin

georgewinzenburg <gwinzenburg@redcloudschool.org> Tue, Feb 18, 2014 at 5:53 PM
To: "Stanton, Meridith" <meridith_stanton@ios.doi.gov>

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>
> Best Regards,
>
> Meridith

.

Father Winzenburg

[redacted]

Stanton, Meridith

From: [redacted]
Sent: Friday, December 10, 2010 8:39 AM
To: Stanton, Meridith
Subject: Re: [redacted]

Good Morning,
thank you for your mail. We are open year round storehours for winter are monday through friday 12 noon until 8pm, saturday 12 noon until 6pm and the store is closed on Sundays during the winter. I will have a booth in [redacted] at LNI next week thursday and friday. [redacted] will be working at the store during this time.
Hope to see you here, have a safe trip.
[redacted]

--- On **Thu, 12/9/10, Stanton, Meridith** <*Meridith_Stanton@ios.doi.gov*> wrote:

From: Stanton, Meridith <Meridith_Stanton@ios.doi.gov>
Subject: Winter Hours for [redacted]
To: "[redacted]
Date: Thursday, December 9, 2010, 5:43 PM

Good Evening,

Could you please tell me if you are open during the winter, and if so what days and hours? I plan to be in [redacted] next week and will be in the area. If you will be open, I would like to stop by.

Thank you,

Meridith Stanton

Meridith Z. Stanton

Indian Arts and Crafts Board

U.S. Department of the Interior

Washington, D.C. 20240

1-888-Art-Fake (toll free)

Meridith_Stanton@ios.doi.gov