



Building Consumer Confidence

Oral Testimony of the American National Standards Institute

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Statement of

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Thank you for the opportunity for the American National Standards Institute (ANSI) to testify today before the Working Group on Import Safety.

ANSI is the coordinator of this nation's private-sector led and public sector-supported voluntary consensus standards and conformity assessment system. ANSI speaks as the U.S. voice in standardization and conformity assessment forums around the globe. The Institute's Board includes the participation of business, government, and consumer representatives. And through ANSI's network of members, the Institute represents the interests of more than 125,000 companies and 3.5 million professionals worldwide.

Many, if not most of us in this room have spent a great deal of our time in the past few months on the issues before this Public Meeting: How do we strengthen consumer confidence in the underlying health and safety of products sold in this country? And the reason we are all here is because we all have something to offer to help restore that trust. And we all are here because we know we can't do it alone. And that may be the underlying genius of the American system of consumer protection.

Five days ago, ANSI held an open forum on the import safety issue, called *Building Consumer Confidence*. Over one hundred representatives of consumer groups, industry, government (including members of this Working Group), standards developers, compliance bodies, and others participated in a wide-ranging discussion on how to best work together to help ensure safety in imported products and to restore consumer confidence in the public-private partnership that regulates, and self-regulates, our consumer marketplace.

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We asked the panelists and audience members to respond to a series of seminal questions that we believed had to be answered in order to restore that trust:

- How do we build better safety procedures into product life cycles?
- How can we ensure the integrity of the current import system?
- What can we do to restore consumer trust?
- And how will the successful U.S. public-private partnership extend into the global community?

Over the period of a day we had a very wide-ranging discussion on all these issues. And we challenged participants to think where they wanted to move the process in a year's time.

Given the diversity of background and expertise among the conference participants, there was surprising unanimity as to the steps recommended for going forward. Briefly, in two interlocking recommendations, the results of the conference were as follows:

- 1) The current public-private system of import oversight was recognized as being by far the best model to use as the baseline for any reform efforts. Where design standards problems have been discovered, they have been rectified. And where testing and inspection gaps have been revealed, the private sector – including manufactures, compliance groups, and retailers – is bringing important resources to bear. Having said that, where compliance gaps have been identified, those who have taken on private sector responsibilities need to do a better job. And that reform effort is underway. For example, ANSI is working closely with the Toy Industry Association (TIA) on developing standardized testing procedures and criteria to certify testing laboratories. But as one government panelist stated, private sector initiatives need to have government regulatory back-up – to have “teeth” – if they are to be both effective and creditable.
- 2) The second going-forward proposal from the conference was to get a better handle on the entire global supply chain, from the smallest sub-sub contractor to the retailer. In particular, educational efforts need to be significantly increased up and down the supply chain. Gap analysis and continuous and rigorous testing and inspection regimes need to involve all parties at all levels – everyone has a role and responsibility in the process. We need to identify carrots (that help induce proper behavior by suppliers), and we need to have creditable sticks (increased penalties and other disincentives for violations).

We will be working with the participants of the conference – and others – to develop a consensus structure to flesh out and to implement these ideas. We will keep the Working Group informed of our progress in addressing these issues, and we welcome the opportunity to act as a resource to the Working Group as we work in parallel to address these important policy issues of ensuring consumer safety in the marketplace.