



## **Building Consumer Confidence**



**Toy Industry** Association, Inc.

# **Product Safety Issues in the Toy Industry**

Carter Keithley  
President  
Toy Industry Association (TIA)

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# Overview

## □ Agenda

- Background
- 2007 Events
- Industry Action
- Import Safety System Improvements Needed
- Building Safety into Imported Products
- Rebuilding Consumer Confidence

# Background

- ❑ Historically, the US toy industry has had a good safety record.
  - Leadership in standards setting (lead, small parts).
  - Average and consistent product recall levels.
  
- ❑ Magnets issue arose in 2006, TIA closely involved in rapid development of new magnets standards via ASTM International.
  
- ❑ Lead primarily a children's jewelry issue

# 2007 Events

- ❑ China-sourced product quality issues began to surface, against backdrop of ongoing economic issues (“off-shoring” and currency valuation).
- ❑ Increasingly large numbers of children’s toy jewelry were recalled for lead content.
- ❑ Magnet recalls were expanded by Mega Brands (4 million units) in May.
- ❑ RC2 recalled 1.5 million Thomas & Friends toys for lead paint in June.

# 2007 Events

- ❑ Then the Mattel/Fisher-Price avalanche began in August, for both lead and magnets, and continued into September.
- ❑ Media and government attention reached a crescendo, hearings began.
- ❑ While magnets were important, attention focused on lead as the stronger issue.

# Import Safety System Improvements Needed

- ❑ In early summer, industry analysis confirmed that toy safety standards were not the issue, but that safety testing and inspection systems needed improvement.
- ❑ Magnet issues seemed to be design-related, while excess lead in paint was viewed as being the significant testing problem.

# Building Safety Into Imported Products

- TIA consulted with ANSI, CPSC and Congress to develop a 3-part toy industry initiative:
  - Work with ANSI to develop standardized testing procedures.
  - Also with ANSI, develop criteria to certify testing laboratories as qualified to perform testing to US standards.
  - Encourage the Federal government to require third-party testing of all toys sold in the US.

# Rebuilding Consumer Confidence

- ❑ Two timeframes:
  - Short term, for 2007 holiday season.
  - Longer term, more permanent solution.
- ❑ Short-term – toy brands, retailers, licensors undertake massive inspection/re-inspection process, together with consumer communication campaign.
- ❑ Longer-term – Industry testing/inspection program, supported by consumer communications campaign.