



UNITED STATES
CONSUMER PRODUCT SAFETY COMMISSION
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CHAIR ALEXANDER D. HOEHN-SARIC

Remarks of Chair Alexander D. Hoehn-Saric

Virtual Address to The Toy Association

**Tuesday, March 7, 2023
3:00 PM Eastern**

Thank you [Steve] for the kind introduction and thanks for the invitation to speak today. The toy industry is a significant part of the consumer product marketplace, and given the vulnerable population that uses toys, they are a major focus for the CPSC.

Consumers rely upon you to make toys that are fun for kids and that will be used over and over again. But consumers also expect – rightfully so – that the toys they buy are safe. Safe not only when used as expected, but also when their kids do unexpected things or treat their toys roughly.

You know that, and you design your products with safety in mind. We at the CPSC are partners in advancing toy safety. CPSC routinely shares information with the industry about death and injury trends and data. Staff collaborates on improving voluntary standards. And we educate Americans about hazards and the steps they can take to minimize those risks.

But CPSC also acts as a failsafe to protect the public. When there is defective toy – which inevitably will happen – we work with you to conduct fast and effective recalls or to notify the public of the hazard if a recall cannot be issued quickly enough to protect consumers. CPSC tracks recall effectiveness, and if we see continued injuries, will reach out to ask more from you to protect Americans.

CPSC also creates a level playing field by going after companies that fail to comply with the law. It is unfair to responsible companies that take safety seriously to have to compete with companies that flaunt the law and put consumers at risk.

CPSC has been committed to protecting consumers and improving product safety from its start. Thankfully, we have made significant progress in the last 50 years. We now enforce strict lead limits in children's products, we have promulgated mandatory safety standards for infant durable nursery products, and we have developed strong standards for toy safety based on ASTM F-963. To consumers benefit, deaths and injuries caused by common household products in the past half century have declined dramatically.

The modern age, however, has created new challenges that are in many ways more complex than those faced by the agency when it was founded in the 1970s. The consumer landscape has shifted with the growth of e-commerce, the proliferation of online resale platforms, and the

development of products that integrate machine learning and IoT technologies. My focus as chair is to ensure that our agency is prepared to adapt and meet challenges like these.

With respect to online retailers, the toys that consumers buy online should be as safe as those they buy at the mall. Unfortunately, too often consumers are buying directly from shady manufacturers and importing hazardous goods in ways that are hard for us to monitor – and facing injury or worse from those products.

Moreover, online secondary markets are failing to adequately monitor their sites and as a result far too many recalled products are being sold to unsuspecting families. CPSC sent around 55,000 takedown requests last year to online retailers. And there is no way we are catching everything.

Counterfeit toys sold online are also a problem as, too often, these counterfeits are defective or contain hazardous materials such as lead.

I believe that online retailers need to place a greater priority on safety. They are in the best position and have the resources needed to proactively protect their customers. The platforms should better vet sellers and monitor products sold on their sites to make sure they meet mandatory and voluntary standards and have not been previously recalled.

CPSC is also focusing on working with stakeholders to better identify and address emerging hazards. One such hazard is e-bike fires, which are causing massive damage, and fatalities across the country. The crux of those fires, however, is the lithium-ion battery used to power the bikes. We have dealt with lithium-ion fires for years on a product-by-product basis but are questioning whether they need to be dealt with more holistically. While toys generally use much smaller batteries, I'd would be interested if you are seeing issues in the marketplace with lithium-ion battery powered riding toys or other products.

I also mentioned machine learning. Consumer products that rely on machine learning to adapt over time may present new and unexpected hazards long after they are introduced into the marketplace – and these changes may not be fully under the control or understanding of the manufacturer. Best practices are still evolving with respect to ML and AI. And here too, I would be interested in your experiences and where you think such technologies are going in the toy marketplace.

By working collaboratively, we hopefully can advance product safety for these and other complex emerging issues.

Collaboration really is critical to consumer product safety on so many levels.

I recognize the enormous amount of work and resources that all stakeholders put into creating and making toys that meet CPSC's mandatory safety standards. In addition, I know that it takes time and effort to participate in the ASTM voluntary standards process. The process can be difficult, and negotiations can be strained at times. I hear this from industry and I hear it from CPSC staff. I thank you for your ongoing work. It is through engagement and mutual respect that we can advance the goal we all share – making toys safer for kids.

I understand that things have been moving forward regarding updates to F-963 on phthalates and on acoustic toys, and there are just a few remaining technical issues that need to be resolved before those two parts of the toy standard can be fully updated and implemented. CPSC stands

ready and willing to assist you in moving these safety improvements to the standard forward as quickly as possible.

I also recognize that there are areas where the CPSC and the toy industry are not always on the same page.

Last year, Congress passed Reese's Law, which directed the CPSC to evaluate existing voluntary standards for consumer products that contain button and coin cell batteries and to establish a strong mandatory safety standard.

Staff did their work and proposed a standard that is, in a number of ways, stronger than the toy standard. Given the severity of the hazard, I urge all members of this association to look at the performance standards in the proposed rule that is out for comment now and consider comparable updates to the toy standard.

Although an update to the toy standard with respect to battery enclosures is not mandated by Reese's Law, I hope you would agree with me that there is no reason for children's toys to have less safe battery compartments than TV remote controls. And while our statute provides other ways to update the toy standard, it is faster and better for all if updates are done through the voluntary standards process.

And finally, the Commission has begun to hear growing concerns about safety hazards from water beads. These beads are small, until they interact with water, at which point they can grow to many times their size. Young children who pick them up and swallow them can be severely injured when the beads expand inside their bodies.

I know that staff has raised the ingestion hazard with the industry and the ASTM committee. In addition, I have asked them to look into concerns that have been raised by consumers regarding potential toxicity of these beads. I urge all of you to take these concerns seriously and, as appropriate, take additional steps to ensure the safety of these products on a voluntary basis.

I deeply value our shared commitment to safety and putting consumers first, and I appreciate the invitation to speak here today. I haven't made it to Toy Fair yet, but hope to be able to join you in the fall.

And with that, I am happy to take questions.