

<b>SOLICITATION/CONTRACT/ORDER FOR COMMERCIAL ITEMS</b> <i>OFFEROR TO COMPLETE BLOCKS 12, 17, 23, 24, &amp; 30</i>				1. REQUISITION NUMBER REQ-4100-15-0008		PAGE OF 1 6	
2. CONTRACT NO. CPSC-D-15-0004		3. AWARD/ EFFECTIVE DATE	4. ORDER NUMBER 0004		5. SOLICITATION NUMBER		6. SOLICITATION ISSUE DATE
7. <b>FOR SOLICITATION INFORMATION CALL:</b>		a. NAME Eddie Ahmad		b. TELEPHONE NUMBER (No collect calls) (301) 504-7884		8. OFFER DUE DATE/LOCAL TIME ET	
9. ISSUED BY CONSUMER PRODUCT SAFETY COMMISSION DIV OF PROCUREMENT SERVICES 4330 EAST WEST HWY ROOM 523 BETHESDA MD 20814			CODE FMPS	10. THIS ACQUISITION IS <input checked="" type="checkbox"/> UNRESTRICTED OR <input type="checkbox"/> SET ASIDE: % FOR:			
			<input type="checkbox"/> SMALL BUSINESS	<input type="checkbox"/> WOMEN-OWNED SMALL BUSINESS (WOSB) ELIGIBLE UNDER THE WOMEN-OWNED SMALL BUSINESS PROGRAM			NAICS:
			<input type="checkbox"/> HUBZONE SMALL BUSINESS	<input type="checkbox"/> EDWOSB			SIZE STANDARD:
			<input type="checkbox"/> SERVICE-DISABLED VETERAN-OWNED SMALL BUSINESS	<input type="checkbox"/> 8(A)			
11. DELIVERY FOR FOB DESTINA- TION UNLESS BLOCK IS MARKED <input type="checkbox"/> SEE SCHEDULE		12. DISCOUNT TERMS Net 30		<input type="checkbox"/> 13a. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 700)		13b. RATING	
						14. METHOD OF SOLICITATION <input checked="" type="checkbox"/> RFP <input type="checkbox"/> IFB <input type="checkbox"/> RFP	
15. DELIVER TO CONSUMER PRODUCT SAFETY COMMISSION DIRECTORATE FOR ECONOMIC ANALYSIS 4330 EASTWEST HIGHWAY ROOM 723-02 BETHESDA MD 20814			CODE EC	16. ADMINISTERED BY CONSUMER PRODUCT SAFETY COMMISSION DIV OF PROCUREMENT SERVICES 4330 EAST WEST HWY ROOM 523 BETHESDA MD 20814			CODE FMPS
17a. CONTRACTOR/ OFFEROR INDUSTRIAL ECONOMICS INCORPORATED 2067 MASS AVE STE 4 CAMBRIDGE MA 02140		CODE	FACILITY CODE	18a. PAYMENT WILL BE MADE BY CPSC Accounts Payable Branch AMZ 160 P. O. Box 25710 Oklahoma City OK 73125			CODE FMFS
TELEPHONE NO.							
<input type="checkbox"/> 17b. CHECK IF REMITTANCE IS DIFFERENT AND PUT SUCH ADDRESS IN OFFER				<input type="checkbox"/> 18b. SUBMIT INVOICES TO ADDRESS SHOWN IN BLOCK 18a UNLESS BLOCK BELOW IS CHECKED <input type="checkbox"/> SEE ADDENDUM			
19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES			21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
	DUNS Number: [REDACTED] COR: Bill Zamula 301-504-7709 wzamula@cpsc.gov  Task order 0004 to contract CPSC-D-15-0004 is hereby issued to conduct cost analysis of cordless window covering options for the period of June 18, 2015 through June 17, 2016 in accordance with the contractor proposal (dated June 16, 2015) and the attached statement of work. <i>(Use Reverse and/or Attach Additional Sheets as Necessary)</i>						
25. ACCOUNTING AND APPROPRIATION DATA 0100A15DSE-2015-1412500000-EXHR004100-252H0						26. TOTAL AWARD AMOUNT (For Govt. Use Only) \$89,897.48	
<input type="checkbox"/> 27a. SOLICITATION INCORPORATES BY REFERENCE FAR 52.212-1, 52.212-4, FAR 52.212-3 AND 52.212-5 ARE ATTACHED. ADDENDA				<input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.			
<input type="checkbox"/> 27b. CONTRACT/PURCHASE ORDER INCORPORATES BY REFERENCE FAR 52.212-4. FAR 52.212-5 IS ATTACHED. ADDENDA				<input type="checkbox"/> ARE <input type="checkbox"/> ARE NOT ATTACHED.			
<input type="checkbox"/> 28. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN _____ COPIES TO ISSUING OFFICE. CONTRACTOR AGREES TO FURNISH AND DELIVER ALL ITEMS SET FORTH OR OTHERWISE IDENTIFIED ABOVE AND ON ANY ADDITIONAL SHEETS SUBJECT TO THE TERMS AND CONDITIONS SPECIFIED.				<input type="checkbox"/> 29. AWARD OF CONTRACT: _____ OFFER DATED _____, YOUR OFFER ON SOLICITATION (BLOCK 5), INCLUDING ANY ADDITIONS OR CHANGES WHICH ARE SET FORTH HEREIN, IS ACCEPTED AS TO ITEMS: _____			
30a. SIGNATURE OF OFFEROR/CONTRACTOR				31a. UNITED STATES OF AMERICA (SIGNATURE OF CONTRACTING OFFICER) 			
30b. NAME AND TITLE OF SIGNER (Type or print)		30c. DATE SIGNED		31b. NAME OF CONTRACTING OFFICER (Type or print) Kim Miles		31c. DATE SIGNED 6/18/15	

19. ITEM NO.	20. SCHEDULE OF SUPPLIES/SERVICES	21. QUANTITY	22. UNIT	23. UNIT PRICE	24. AMOUNT
0001	Conduct Cost Analysis of Cordless Window Covering Options  The total amount of award: \$89,897.48. The obligation for this award is shown in box 26.				89,897.48

32a. QUANTITY IN COLUMN 21 HAS BEEN  
 RECEIVED     INSPECTED     ACCEPTED, AND CONFORMS TO THE CONTRACT, EXCEPT AS NOTED: \_\_\_\_\_

32b. SIGNATURE OF AUTHORIZED GOVERNMENT REPRESENTATIVE    32c. DATE    32d. PRINTED NAME AND TITLE OF AUTHORIZED GOVERNMENT REPRESENTATIVE

32e. MAILING ADDRESS OF AUTHORIZED GOVERNMENT REPRESENTATIVE    32f. TELEPHONE NUMBER OF AUTHORIZED GOVERNMENT REPRESENTATIVE  
 \_\_\_\_\_  
 32g. E-MAIL OF AUTHORIZED GOVERNMENT REPRESENTATIVE

33. SHIP NUMBER    34. VOUCHER NUMBER    35. AMOUNT VERIFIED CORRECT FOR    36. PAYMENT    37. CHECK NUMBER  
 PARTIAL     FINAL     COMPLETE     PARTIAL     FINAL

38. S/R ACCOUNT NUMBER    39. S/R VOUCHER NUMBER    40. PAID BY

41a. I CERTIFY THIS ACCOUNT IS CORRECT AND PROPER FOR PAYMENT    42a. RECEIVED BY (*Print*)  
 41b. SIGNATURE AND TITLE OF CERTIFYING OFFICER    41c. DATE    42b. RECEIVED AT (*Location*)  
 42c. DATE REC'D (*YY/MM/DD*)    42d. TOTAL CONTAINERS

**CPSC-D-15-0004, Task Order 4**  
**Conduct Cost Analysis of Cordless Window Covering Options**

**1- Background**

On May 23, 2013, Parents for Window Blind Safety, Consumer Federation of America, Consumers Union, Kids in Danger, Public Citizen, U.S. Public Interest Research Group, Independent Safety Consulting, Safety Behavior Analysis, Inc., and Onder, Shelton, O’Leary & Peterson, LLC (petitioners), petitioned the Commission to promulgate a mandatory standard to eliminate accessible cords on window covering products. 78 FR 42026. The petitioners requested that the Consumer Product Safety Commission (CPSC) address the hazard of strangulation to young children posed by window covering cords by: (a) promulgating a mandatory standard that prohibits any window covering cords when a feasible cordless alternative exists; and (b) requiring that all cords be made inaccessible through the use of passive guarding devices when a feasible cordless alternative does not exist.

The CPSC docketed the request as a petition, CP 13-2. The Commission published a Federal Register notice on July 15, 2013, requesting public comments on the petition. On October 1, 2014, CPSC staff prepared a briefing package in response to the petition (Staff Briefing Package in Response to the Petition CP 13-2 or Petition Briefing Package) and a ballot vote was scheduled for October 8, 2014. The memorandum from the Directorate for Economic Analysis provided market information for window coverings, a summary of the voluntary standard, and a preliminary estimate of the societal costs of deaths and injuries involving corded window coverings.

Window coverings include the following product categories: shades, blinds, curtains and draperies. The shades category includes cellular shades, pleated shades, roller shades, and Roman shades; the blinds category includes horizontal blinds and vertical blinds. Window coverings are consumer products that remain in use for a number of years.

“Traditional” or “corded” shades and blinds generally have cords located inside the product (inner cord), to the side of the product (operating cord or outer cord), or both. The inner cords may be exposed from the front, rear, or bottom of the window covering or can be rendered inaccessible, depending upon how the product is constructed. The outer cord or operating cord allows the user to raise, lower, open and close, rotate, or tilt the window covering. Operating cord systems generally fall into one of three categories: (1) standard or multiple cords; (2) single cord; and (3) continuous loop.

Corded products can be made “cordless” by allowing the product to operate without an outer cord. In lieu of an operating cord, cordless operating systems can be manual or motorized. A manual operating system allows users to lift or lower the window covering with a plastic handle or directly by hand. A motorized operating system uses a motor and control system to manipulate the window covering function, such as a remote control or wall switch.

Window coverings are generally sold as either stock products or custom products. Stock products (or common size window coverings) can be purchased at a variety of retailers, such as big box and home furnishing stores. Custom sized and custom designed window coverings can be purchased from mass merchants and specialty retailers. Retail prices for custom products are generally higher than that of stock products.

The market for window coverings also includes safer alternatives to products with cords, such as cordless window coverings, cord shrouds, and cord retractors. These alternatives address the hazard created by looping cords by eliminating the cords themselves, eliminating access to operating cords, limiting the length of the cord, loop, or bead chain, or by restraining the cord to keep the loop taut.

The Advanced Notice of Proposed Rulemaking (ANPR) was published in the Federal Register on January 16, 2015, with comments due by March 17, 2015. 80 FR 2327. Commission staff published detailed questions on the market for window covering cords and controls in the ANPR in an effort to obtain better market information. On February 2, 2015, the Window Coverings Manufacturers' Association requested a 75 day extension of the comment period, to June 1, 2015, to gather new information responsive to the ANPR questions.

Commission staff does not expect that commenters will provide satisfactory answers to most of these questions; however, the objective of this task is for the contractor to obtain the best possible information on these topics, with a focus on estimating the marginal costs associated with producing cordless (or cord inaccessible) window coverings for each covering type and filling in the gaps on market information identified in the memorandum prepared by the Directorate for Economic Analysis in the October 1, 2014 briefing package on the window covering petition.

Phase 1 of this project is being conducted under Task 2 of this contract. Two potential engineering experts have been recruited by the contractor and approved by CPSC for work on this task in Phase 1.

## **2- Description of Work**

### **Phase 2**

Phase 2 builds on the selection of engineering consultants already completed in Phase 1. The market research review in Phase 1 will be conducted concurrently with Phase 2 work on response to comments and expert cost estimates.

#### **Subtask 1: Expert Cost Estimates**

The contractor shall select an engineering consultant from the two experts identified by the contractor and approved by CPSC. The contractor shall provide cost estimates for the

various alternatives to corded products for the major types of window coverings (horizontal blinds, vertical blinds, shades, etc.) as well as costs for safety devices, such as cord shrouds. The cost estimates will consist of added manufacturing costs associated with the cordless products as well as discussions of possible reductions in utility to consumers for all the major types of window coverings. Ultimately, the goal is to develop marginal cost estimates on a per product in use basis. The effort could include conducting patent searches to identify alternative safety technologies for window coverings.

As a point of departure for this analysis, CPSC staff proposed several changes to the performance requirements in the 2012 voluntary standard, ANSI/WCMA A100.1.2012 as detailed in a letter to WCMA dated July 22, 2104.<sup>1</sup> The cost analysis shall evaluate the feasibility and costs of options to meet the changes discussed in the CPSC staff letter, including the option of eliminating operating cords altogether. The analysis shall cover the following topics:

- Determine whether changes to meet the proposed changes are technologically feasible for recently or currently manufactured products
- Provide estimates of the incremental costs of any changes needed to meet each of the proposed performance requirements for the various types of window coverings.
- Determine what current operating systems, if any, would meet the changes implied in the letter
- Determine what products, or percentage of products currently on the market, already meet the suggested change in requirements.
- Provide cost estimates on a per product in use basis.

## **Subtask 2: Review Public Comments and Conduct Comprehensive Cost Analysis**

In Subtask 2, the contractor shall prepare a Comprehensive Cost Analysis report. The Comprehensive Cost Analysis will build on the market research conducted in Phase 1 and incorporate findings from the expert cost analysis conducted in Subtask 1. In addition, the contractor shall review all the substantive public comments (i.e. comments with economic implications) submitted in response to the ANPR and extract from them any useful information that may assist in conducting the Comprehensive Cost Analysis. As part of the final report, the contractor shall summarize the information received from comments and respond to any substantive economic comments that deal with potential impacts of a standard on the industry or consumers. The contractor shall provide in the report the bases for the comprehensive cost estimates, including methodologies used, data sources used, and assumptions made.

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<sup>1</sup> Letter from George A. Borlase, Assistant Executive Director for Hazard Identification and Reduction, U.S. Consumer Product Safety Commission to Ralph Vasami, Executive Director, Window Coverings Manufacturers Association, dated July 22, 2014.

**Government Furnished Materials:**

CPSC staff provided complete background information in Phase 1.

**Delivery or Performance**

The contractor shall appoint a lead program manager with overall responsibility for performance under the contract. The lead program manager shall be the single point of interface with the government for all matters concerning technical progress.

All supporting data used in the preparation of the reports shall be provided in Excel spreadsheets, Word documents, or SAS datasets. Reports shall be emailed to William Zamula ([wzamula@cpsc.gov](mailto:wzamula@cpsc.gov)), preferably in a recent version of Microsoft Word. CPSC staff shall provide comments on all draft plans and reports within two weeks and draft final reports within four weeks.

The period of performance is one year from the date of the award of the task. The contractor shall conduct a conference call with CPSC staff within one week after task assignment.

ITEM	QUANTITY	DELIVERY OR PERFORMANCE
(1) Conference call	1	Within one week after task assignment
(2) Draft Summary of Comments/Response to Comments Report	2	Within 3 months after task assignment
(3) Draft Expert Cost Estimates	2	Within 4 months after task assignment
(4) Final Summary of Comments/Response to Comments	2	Within 5 months after task assignment
(5) Final Expert Cost Estimates	2	Within 6 months after task assignment
(6) Draft Comprehensive Cost Analysis	2	Within 7 months after task assignment
(7) Final Comprehensive Cost Analysis	2	Within 9 months after task assignment