



UNITED STATES OF AMERICA  
**CONSUMER PRODUCT  
SAFETY COMMISSION**

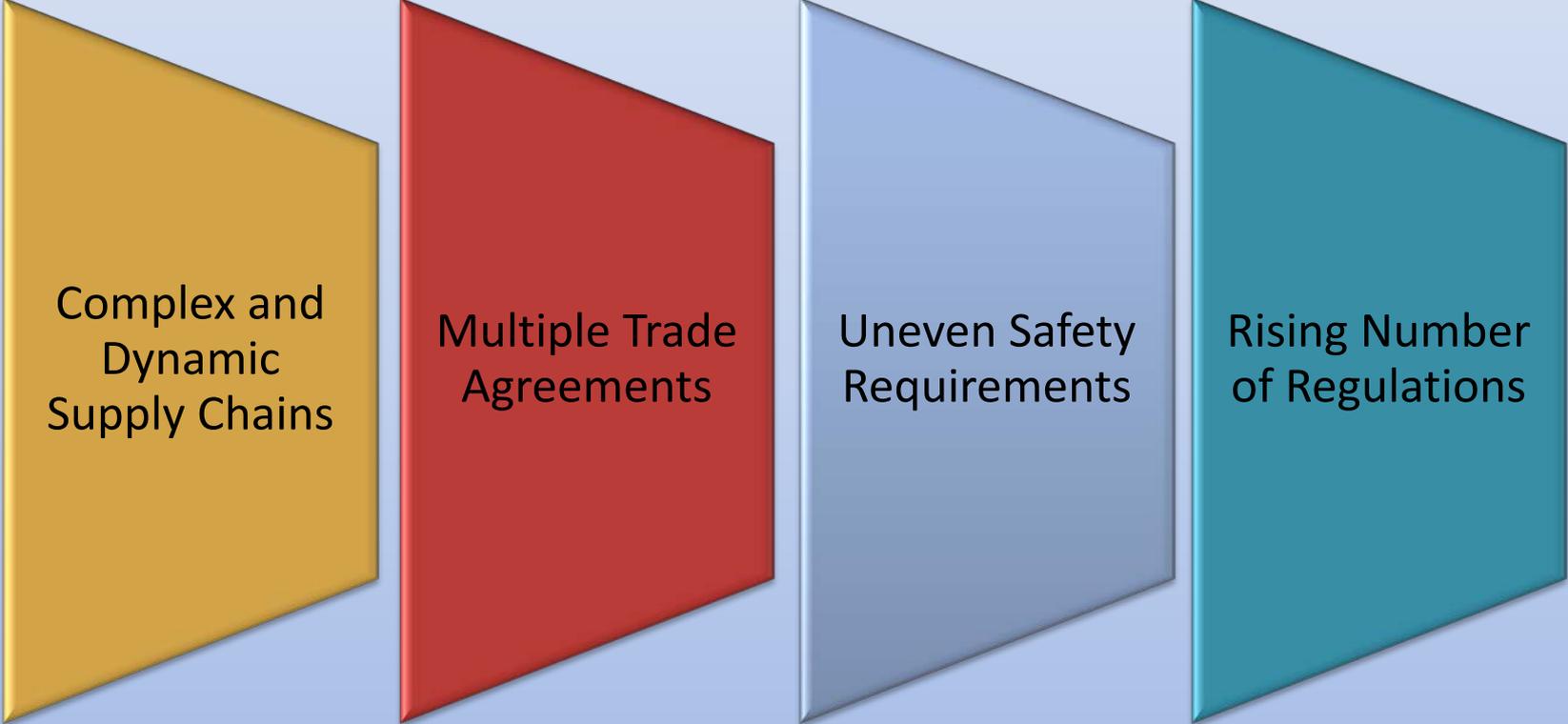
**COMMON BUYER CHALLENGES**  

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**GLOBAL SUPPLY CHAIN**

**SEPTEMBER 2015**

# Global Challenges



Complex and  
Dynamic  
Supply Chains

Multiple Trade  
Agreements

Uneven Safety  
Requirements

Rising Number  
of Regulations



CTAC

# Commercial Targeting and Analysis Center (CTAC)

- CBP hosts 10 federal agencies at the CTAC:



- Partner agencies have signed a collective Memorandum of Understanding to share information and systems access
- Other appropriate federal agencies may be added to CTAC in the future

# Ports of Entry



# International Trade Data System/Risk Assessment Methodology (ITDS/RAM)

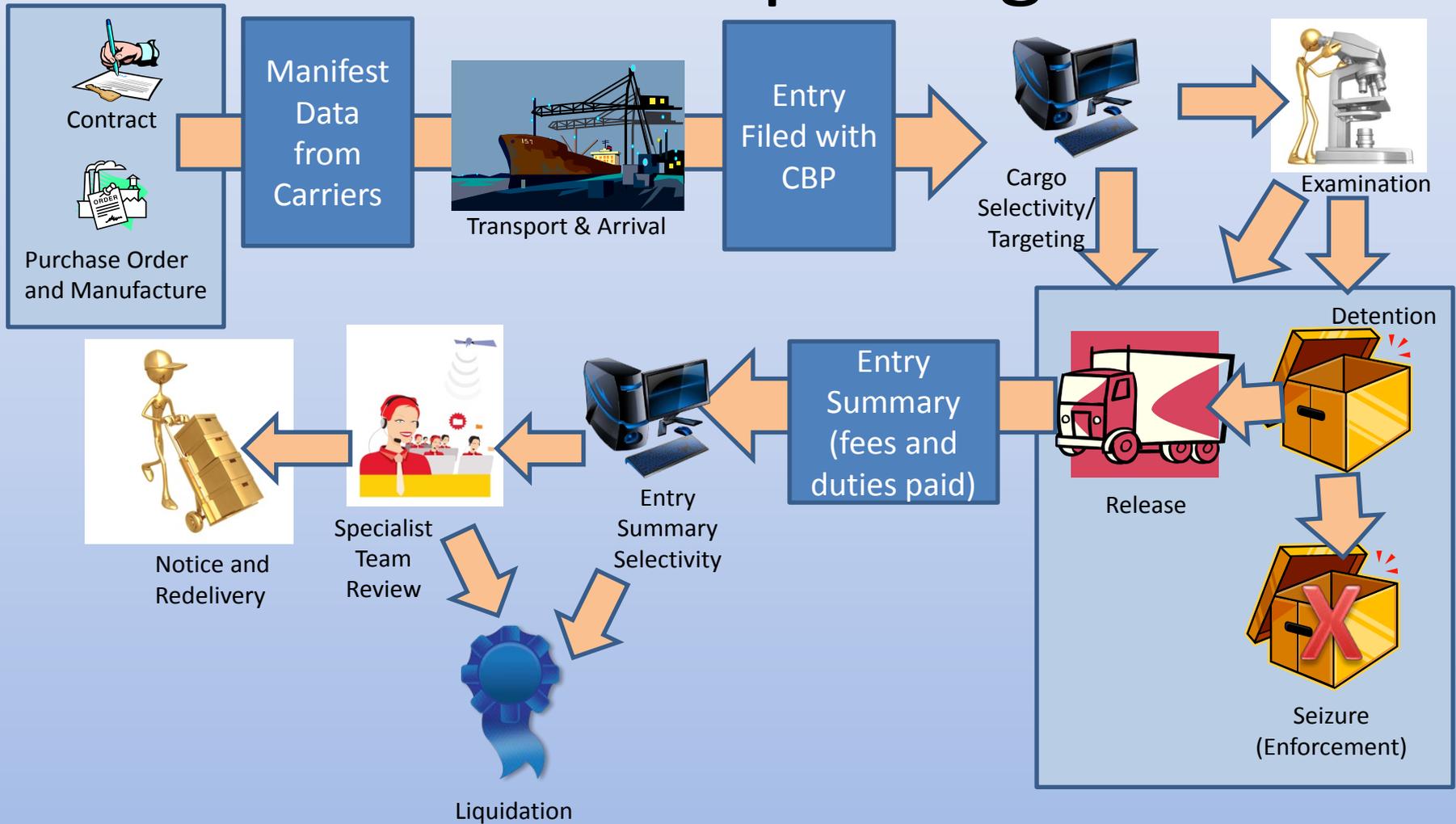
Nationwide, 30 Import Surveillance Investigators determine which imported products to examine across 312 ports of entry

- ACE—Automated Commercial Environment
  - A CBP database housing all information regarding each imported product
- RAM – Risk Assessment Methodology
  - Analytic model designed to efficiently target violative products being imported into the United States, allowing the Import Investigator to select higher-risk lines for examination, while bypassing lines that have less risk

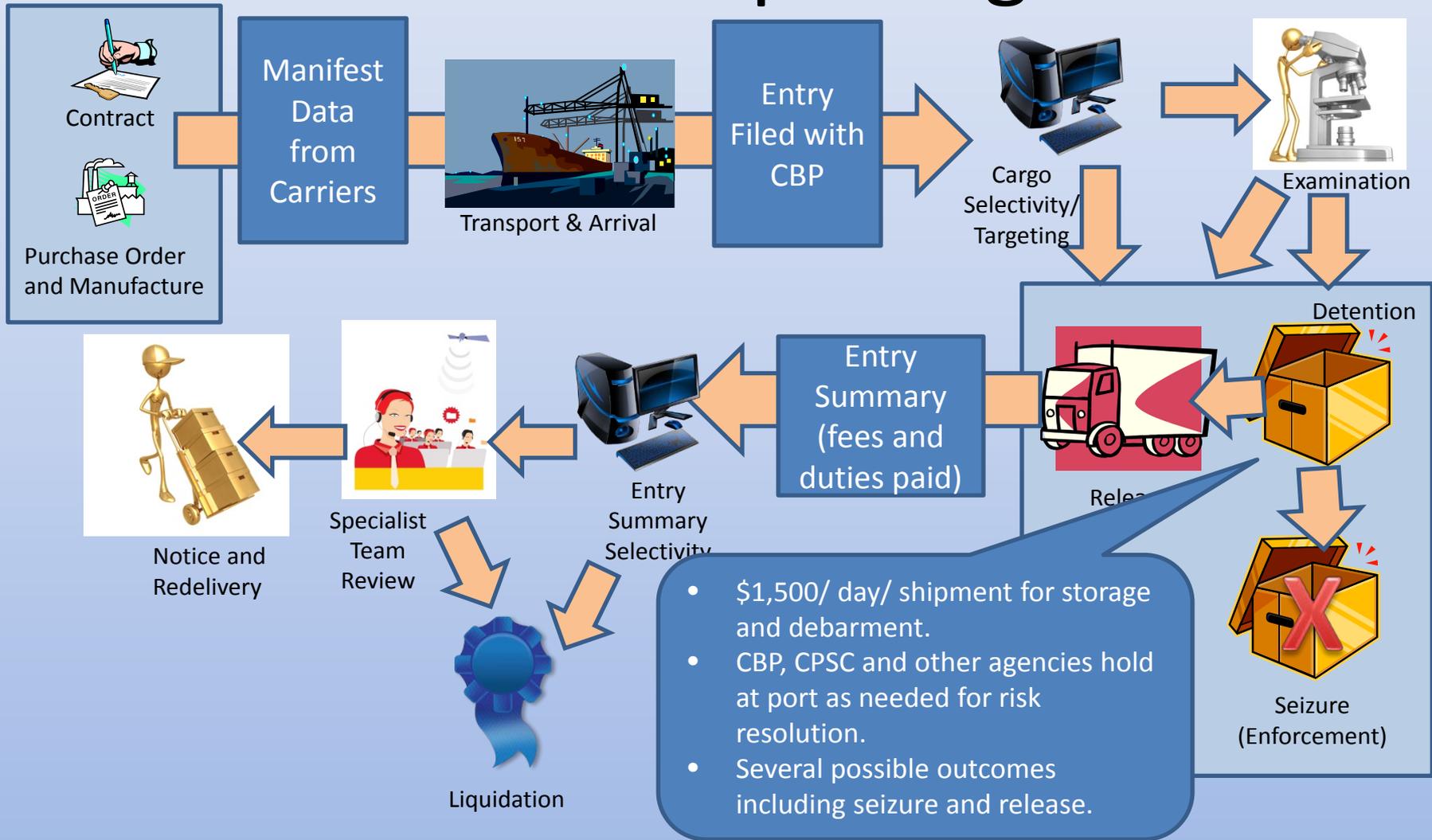
# ITDS/RAM Benefits

- Port inspectors receive risk-scored entry data for products of concern through CPSC systems
  - Policy
  - Inherent Product Risk
  - Supply Chain
  - Violation History
  - Recall History
- Allows for decisive action
- Improve coordination with CBP on holds and exams
- Facilitate movement of legitimate cargo

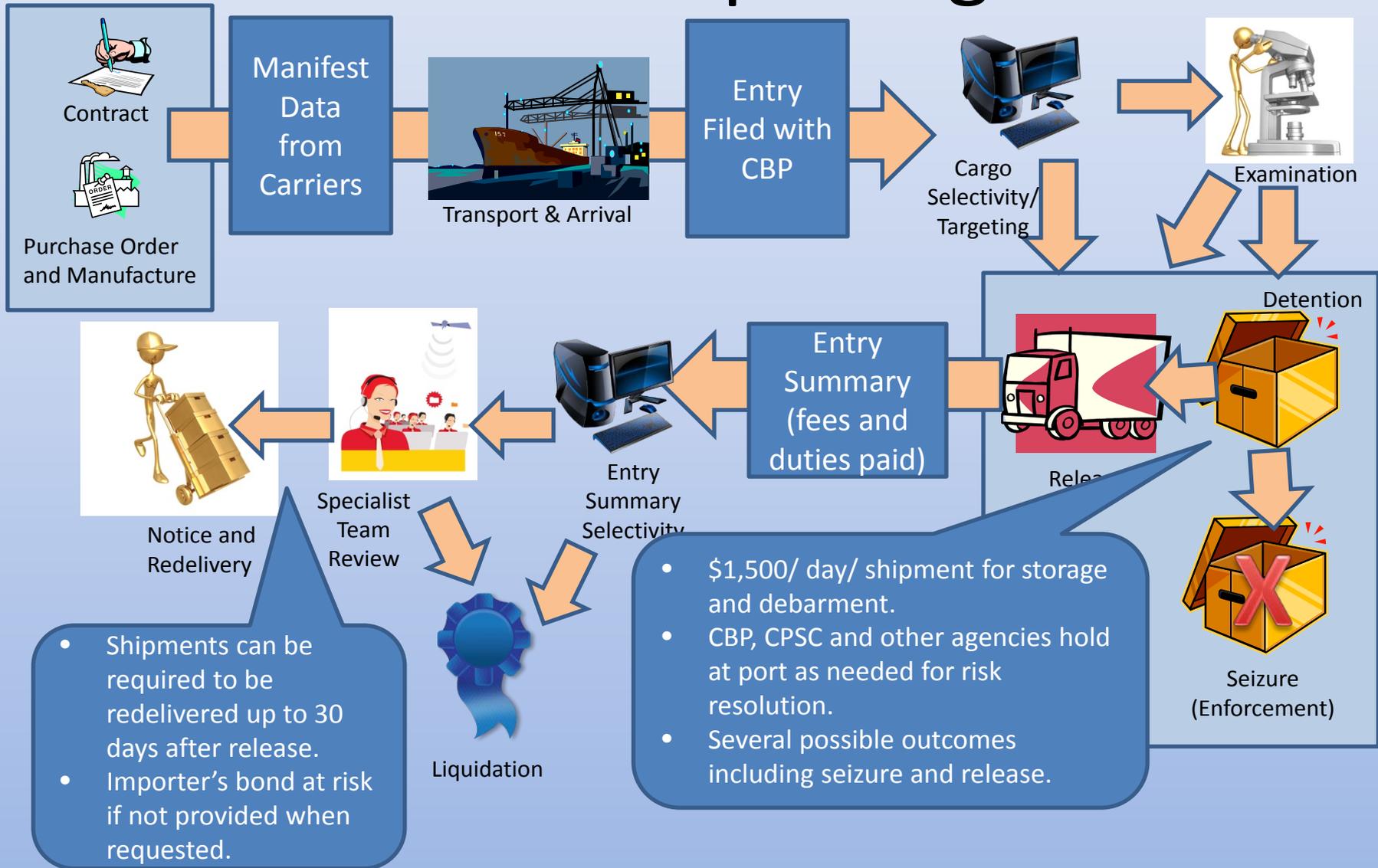
# Process for Importing Goods



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# Detentions

- Time Frames
  - If detention more than 60 days (\$1,500/day), CBP will release the product
  - Aim to resolve detentions within 30 days (\$1,500/day)
- Authority
  - CBP will not release products without CPSC approval

# Exportation/Destruction/Seizure

- Exportation/Destruction
  - Importer may ask to export or destroy at any time
  - Exportation or destruction will occur under government supervision
- Seizure
  - CPSC can request CBP to seize the product
  - Once seized, CBP takes over the process
    - Fines, Penalties and Forfeitures Office issues notice; CBP has authority to remit forfeiture upon terms and conditions deemed appropriate

# Release

- Conditional Release
  - CPSC can allow conditional release under CBP bond, pending results of examination and testing
  - Product cannot be distributed while under conditional release
  - Factors considered – are there facilities at port to store products? Is the importer trustworthy? How serious is the suspected violation?
- Redelivery
  - Must be within 30 days after CBP or CPSC requests redelivery
  - Can lead to seizure, destruction, or exportation
  - Failure to redeliver can result in assessment of liquidated damages against importer

# CPSC Letters of Advice

- Sent to firms with a regulatory violation
- Remedies vary:
  - Seizure most common, if it's a repeat offender and product cannot be reconditioned
  - Correct future production
  - Stop sale and correct future production
  - Distribution level recall
  - Retail level recall
  - Consumer level recall
- Informed Compliance inspections

# CBP/CPSC Collaboration Summary

- CBP provides:
  - Import/Entry Information
  - Limited Targeting Information
  - CBP Exam Results
  - Enforcement/Seizure Information
- CPSC provides:
  - Targeting Information to Improve risk based decision making
  - CPSC exam results
  - Sample data
  - Laboratory analysis
  - Case findings

# CPSC National Product Testing & Evaluation Center

## Testing Areas



**Toy Test Lab**



**Children's Products Lab**



**Pool and Spa Products Lab**



**Impact Lab (Bike Helmets)**



**General Product Test Lab**



**Outdoor Power Sports Lab**



**Electrical Products Test Lab**



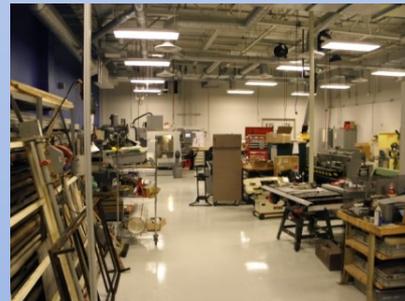
**Chemistry Lab**



**Combustion Products Test Lab**



**Modern Conference Space**



**Machine Shop**



**Flammability/Fire Test Lab**

# Field Screening Tools

- XRF (X-Ray Fluorescence)
- FTIR (Fourier Transform Infrared Spectrometer)
- Other tools and screening guides
  - Tracking labels guide
  - Certificates guide
  - Small parts cylinder
  - Push-Pull (force) gauges
  - Toy standard, F963
  - Children's Upper Outerwear with Drawstrings
- 15J Products
  - Handheld hair dryers
  - Holiday lights
  - Extension cords



# Common Import Violations/Defects

- Children Products
  - **Tracking labels**
  - **Certifications**
  - **Lead(content)**
  - **Phthalates**
  - Small parts
  - Lead(paint)
  - Toy standard
  - Art materials labeling
- Non-Children Products
  - Fireworks
  - Hair dryers
  - Holiday lights
  - Cigarette & multi-purpose lighters
  - Bicycle helmets
  - **Certifications**
  - Luminaries
  - Mattress flammability
  - Extension cords

# CPSIA Requirements

- Consumer Product Safety Improvement Act of 2008 (CPSIA)—imposes requirements for consumer products, non-children's, and children's.
- Manufacturer or importer must issue a certificate to indicate that the product complies based on third-party test results.

# Required Data Elements of a Certificate

1. Describe product covered by certification.
2. Certificate must identify separately each rule, ban standard or regulation under the Acts administered by the Commission.
3. Name, full mailing address, and phone number of the Importer or U.S. domestic manufacturer certifying compliance of the product.
4. Name, full mailing address, email, and phone number of the person maintaining test records in support of certification.

# Additional Required Data Elements

5. Date(s) when product was manufactured by month and year. For place of manufacture, provide city and country or administrative region.
6. Date of test(s) or test report(s) on which certificate is being based and the location of testing.
7. If a third party laboratory tested the product or conducted a testing program on which the certificate is based, give name, full address, and telephone of lab.

# CPSIA Requirements - Children's

- Third party testing: Certification based on testing performed by an accredited third party laboratory recognized by the CPSC.
- Children's Product Certificate (CPC) required.
  - CPC shows conformance to applicable requirements (*e.g.*, flammability, lead, phthalates), based on third party testing.
- Children's products are products designed or intended primarily for children 12 years or younger.

# CPSIA Requirements – Non-Children's

Regulations for some non-children's products require:

- **Testing:** Any laboratory can perform the testing for non-children's products. Third party testing is not required.
- **Certification:** A General Certificate of Conformity (GCC) is required for all products subject to a rule, ban, standard, or regulation enforced by the CPSC.

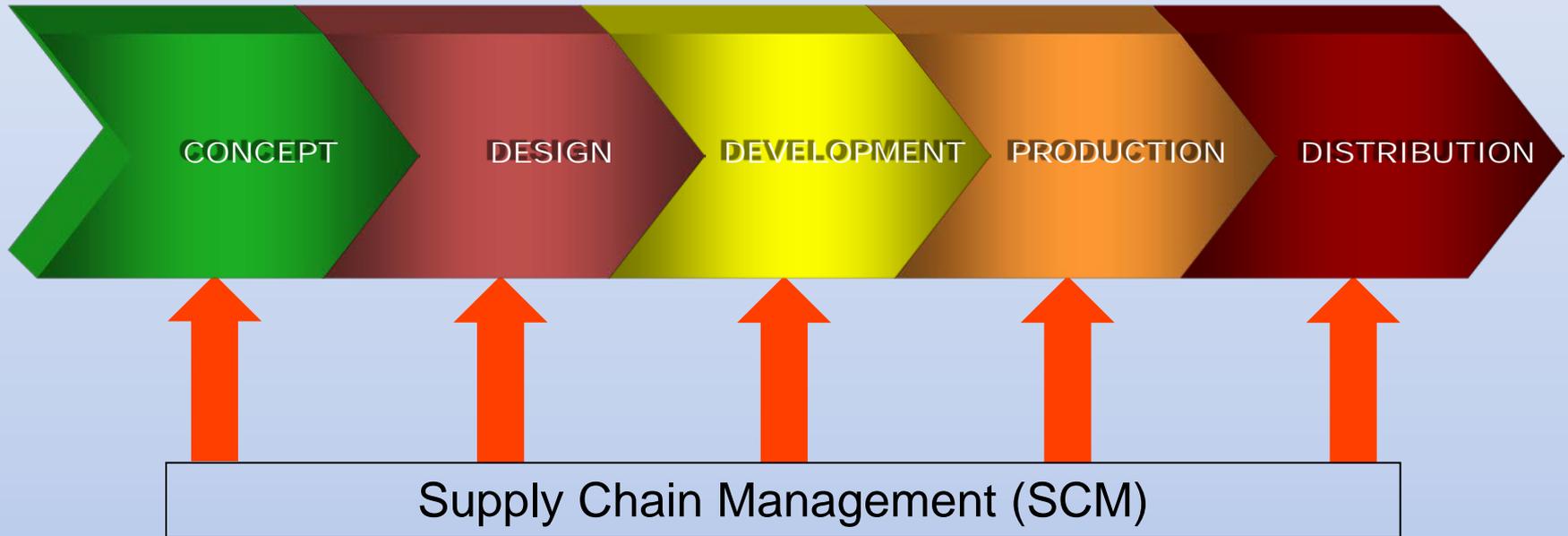
# CPSIA Requirements - Tracking Labels

- Require manufacturers of children's products, to *the extent practicable*, to place distinguishing marks on a product and its packaging that would enable the purchaser to ascertain the source, date, and cohort (including the batch, run number, or other identifying characteristic) of production of the product by reference to those marks.

# CPSIA Requirements - Tracking Labels

- Labels must be permanently affixed to the product and its packaging to allow identification of the manufacturer, date, and place of manufacture, and cohort information (batch or run number).

# Design for the Supply Chain



Supply Chain Management is a process of obtaining information about the product throughout the entire product life cycle.

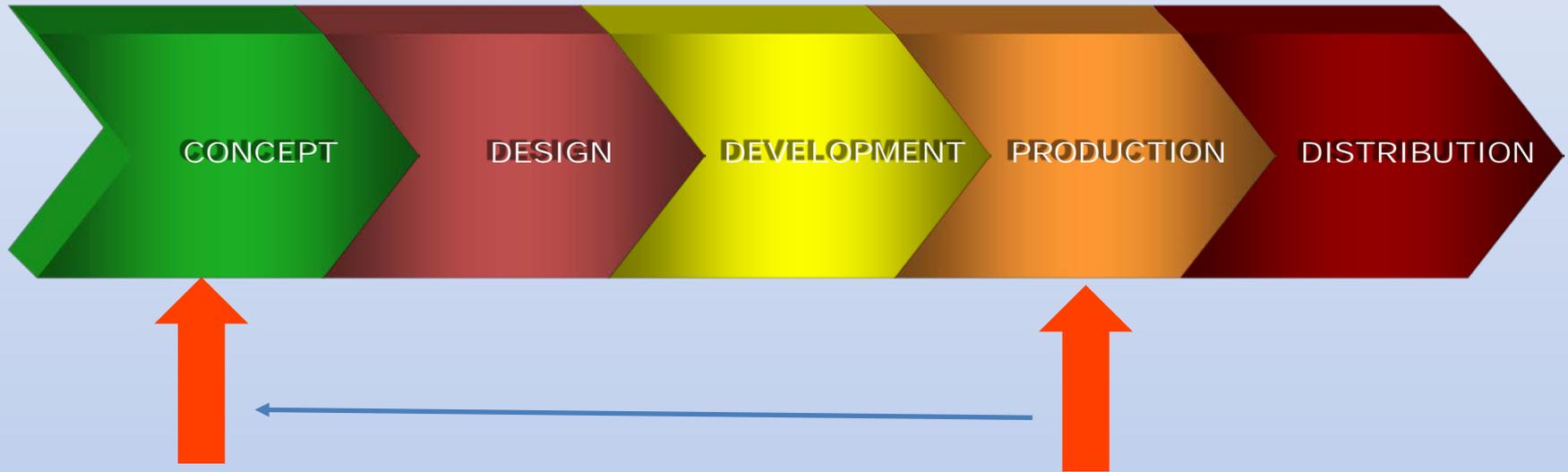
# Establish a Compliance Program

- Institute internal controls and procedures to capture appropriate data
  - Returns from distribution chain
  - Parts orders
  - Consumer complaints, claims, lawsuits, online product reviews
  - Retailer reports/feedback
  - Incidents reported to/posted on [SaferProducts.gov](https://www.saferproducts.gov)
- Disclose required information to regulators
- Update and review controls and procedures
- Provide employees with compliance training, and the mechanism to report issues

# Supply Chain Management

- Monitor the entire chain
- Catch problems early in the process
  - Minimize costly delays at the ports
- Retailers asking for greater visibility into manufacturer's supply chains
- Traceability is key!
  - Know your suppliers

# Design for Safety



## Benefits:

Changes to product design can be made before significant time, resources, and monetary investment.

Design recommendations can be made while product is still a “concept”. Design changes can be implemented to minimize impact to product functionality.

# Design Analysis

- Form a review team
- Define users
- Define environments
- Define the life cycle of the product
- Identify failure modes
- Determine the foreseeable use, misuse, abuse
- Identify potential hazards
- Review data
- Review standards – understand the rationale
- Keep asking “What if.....?”

# Identify Product Hazards

*Know the Hazards Associated with your Product*

Life threatening /serious injury

- Strangulation
- Entrapment
- Positional asphyxia
- Fall/head injury
- Choking/ingestion/aspiration
- Drowning
- Shock/electrocution
- Fire/burn
- Amputation
- Laceration
- Fracture
- Eye injury
- Impalement
- Fall

# Foreseeable Use

- Manufacturer's intended use
- Foreseeable use analysis: potential ways that a consumer will interact with and/or operate a product
- Reasonably foreseeable misuse or abuse

# Safety Culture

- Establish a formal safety design review team
- Design safety into the product
- Develop a rigorous in-house test program that goes beyond the minimum standards
- Conduct safety reviews at critical stages of product design
- Design for intended and not intended foreseeable use

# Contact Information

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