



U.S. CONSUMER PRODUCT SAFETY COMMISSION

4330 EAST WEST HIGHWAY
BETHESDA, MARYLAND 20814-4408

Record of Commission Action Commissioners Voting by Ballot*

Commissioners Voting: Chairman Inez M. Tenenbaum
Commissioner Thomas H. Moore
Commissioner Nancy A. Nord
Commissioner Anne M. Northup
Commissioner Robert S. Adler

ITEM:

Spin Master, Inc. and Spin Master, Ltd. – Proposed Civil Penalty Settlement of \$1,300,000.00
(Briefing package dated October 19, 2011, OS No. 5328)

DECISION:

The Commission voted (5-0) to provisionally accept the Settlement Agreement and Order, which would order Spin Master, Inc., and Spin Master, Ltd. (collectively "Spin Master") to pay a civil penalty of \$1,300,000.00. The provisional Settlement Agreement and Final Order will be announced in a *Federal Register* Notice. The Commission's Office of General Counsel Compliance Division staff negotiated the proposed agreement to settle the staff's allegations that Spin Master violated the reporting requirements of section 15(b) of the Consumer Product Safety Act ("CPSA"), 15 U.S.C. § 2064(b). The Agreement and Order also settles staff allegations that Spin Master knowingly introduced or delivered Aqua Dots, which are banned hazardous substances under the Federal Hazardous Substance Act ("FHSA") section 2(q)(1)(A), 15 U.S.C. § 1261(q)(1)(A), for introduction into interstate commerce, or knowingly caused the same to happen; additionally staff alleges that Spin Master knowingly received Aqua Dots in interstate commerce and delivered or proffered them for delivery for pay or otherwise, or knowingly caused the same to occur. The failure to furnish information required by section 15(b) is a prohibited act under section 19(a)(4) of the CPSA, 15 U.S.C. § 2068(a)(4). Section 20(a)(1) of the CPSA, 15 U.S.C. § 2069(a)(1), permits the imposition of civil penalties for any person who knowingly violates section 19 of the CPSA by a company's failure to report information under section 15(b). Section 5(c)(1) of the FHSA, 15 U.S.C. § 1264(c)(1), permits the imposition of civil penalties for a company's knowing violations of prohibited acts under FHSA section 4(a) and (c), 15 U.S.C. § 1263(a) and (c).

For the Commission:

A handwritten signature in black ink, appearing to read "Todd A. Stevenson".

Todd A. Stevenson
Secretary

*Ballot vote due October 26, 2011