

U.S. Consumer Product Safety Commission



Compliance Update ICPHSO May 10, 2006

J. Gibson Mullan
Director, Office of Compliance and Field Operations

May 9, 2006

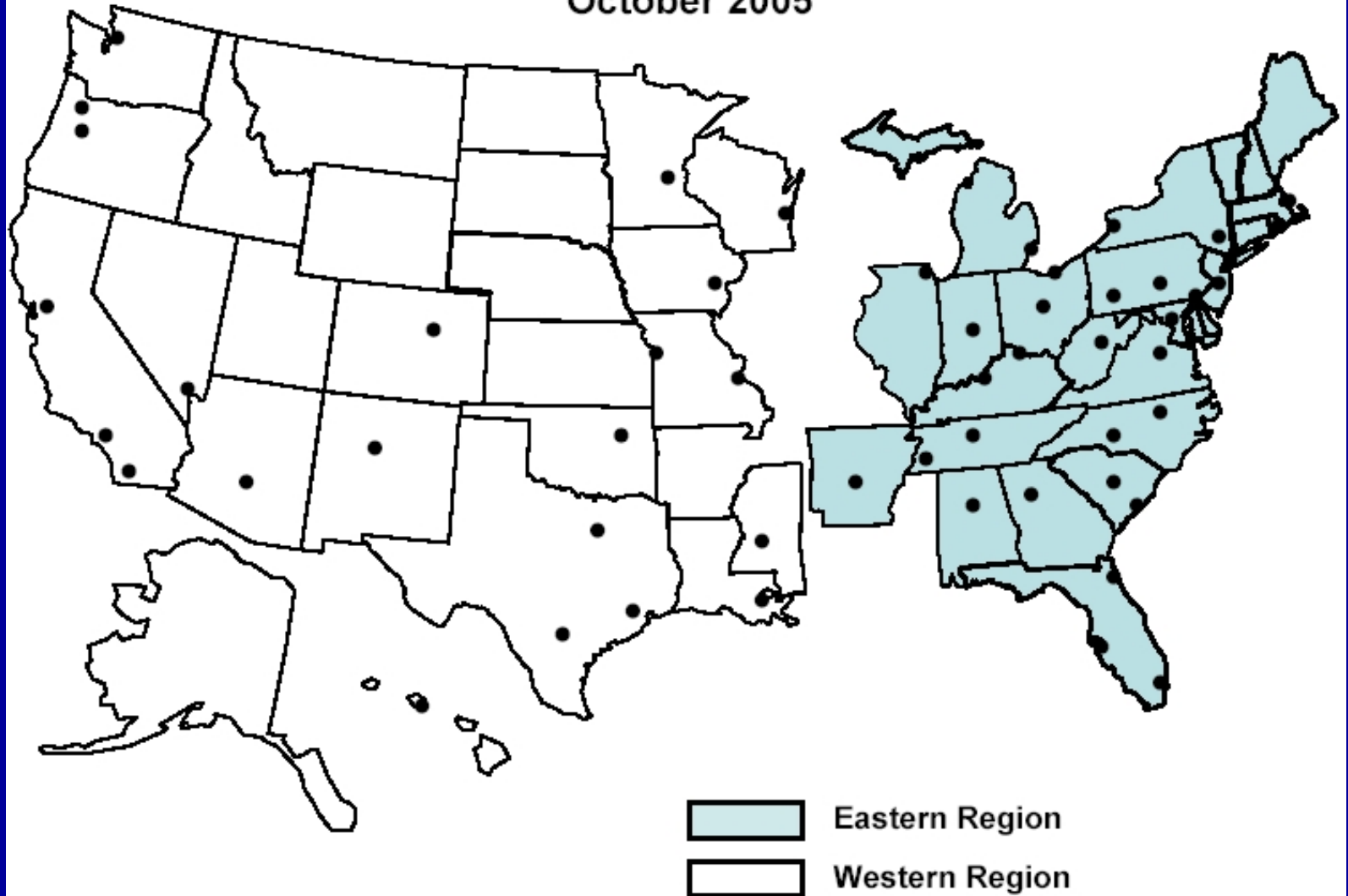
This information has not been reviewed by, and may not necessarily reflect the views of, the Commission.

CPSC Reorganization

- Commission voted in June 2005 to combine Office of Compliance with the Directorate of Field Operations
- New office is called “Office of Compliance and Field Operations”
- Last three field offices closed in Fall 2005
- New Division of Field Investigations now organized in two branches (nominally East and West)

2006 CPSC Field Locations

U.S. Consumer Product Safety Commission Field Locations
October 2005



Compliance and Field Operations

U.S. Consumer Product Safety Commission

THE OFFICE OF COMPLIANCE & FIELD INVESTIGATIONS

February 8, 2006 301-504-XXXX

John Gibson Mullan
Assistant Executive Director,
Office of Compliance
301-504-7626

Marc Schoem,
Deputy Director
301-504-7520

Dennis Blasius,
Acting Special Assistant
262-650-1216

Frederica Clair, Secretary x7522

To Report Under Section 15:
301-504-7913 Ext. 15 or
<http://www.cpsc.gov/sec15.html>

Compliance Fax Number:
301-504-0359
Emergency After Hours:
240-638-6955

Carol Cave, Director
Field Investigations
301-504-7677

Bruce Schwartz,
Deputy Director
Field Investigations
301-504-7678

Eric Auß,
Director—Eastem
630-871-5739

Frank Neva,
Director—Western
916-641-6134

Denise Beatty, Director
State & Local Programs
301-504-7676

Sammy Sanwar,
Program Assistant
x7882

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Deputy Director
516-938-5215

Dennis Blasius,
Deputy Director
262-650-1216

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Jeffrey Simon	Peter Viola	Lori-Ann Lytle	Clarice Moon	Johnnie Lewis	Liz Phillips
Cecil Smith	Gloria White	Cynthia Collins	Steve Mele	Gail Littlejohn	Bob Baxter
Susan Gabriel	Bob Webb	Dave Burns	Henry Simpson	Bruce Nurse	John Bobola
Charles Meyer	Randy Poth	Adrienne Codd	Tara Woodward	Helen Gergle	Bob Okarski
Alan Kern	VACANCY	Jay Hammond	Mike Giella	Yolanda Tiano	Allan Krasner
Bill Keenan	Hank Glogowski	Jason Twitchell	Ellen Estes	Charlene Roundtree	Jonathan Williams
Linda Seymour	Laurie Lovelace	Doug Pinheiro	Jackie Martinez	DuWayne Kapelis	Guadalupe Whyte
Glenn Dunlap	Maryanne McGierty-Sieber	Paulette Harris	Ken Knopf	Mary Ellen Boyd	Michelle Grundy

Pat Farrell,
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Loretta Searles
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Judy Smith
x7525

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Verlene Davidson
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Mary Toro, Associate Director
Chemical, Clothing,
Household & Tool Products
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Marilyn Borsari
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Geri Smith
x7529

Jason Hartman
x7591

Pam Major
x7590

Judy Hayes
x7618

Marie Emerson,
Secretary
x7617

Frank Krivda, Associate Director
Children's Products
301-504-7580

Catherine Cumberland
x7595

Dollie Hayes
x7603

Lee Willis
x7732

Keysha Watson
x6820

Carolyn Manley
x7607

Renee Rauchs-schwalbe
x7664

Marie Emerson,
Secretary
x7617

Ron Yelenik, Acting Director
Legal Division
301-504-7582

Eric Stone
Director
Legal Division
On Detail

Dennis Kacayonis
x7587

Belinda Bell
x7592

Reza Malhi
x7733

Sean Ward
x7602

Michelle Gillice
x7667

Bill Moore
x7583

Seth Popkin
x7612

Howard Tarnoff
x7589

Andrea Paterson
x7615

Richard Stern, Associate Director
Fueled, Electric,
& Recreational Products
301-504-7620

Mel Altman
x7419

Valery Ceasar
x7605

Tanya Topka
x7594

James Joholske
x7527

Sheela Kadambi
x7561

Blake Rose
x7613

Joe Vogel
x7599

Matt Lee
x7513

Richard Wright
x7598

Julie Wood
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Arlene Williams
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Marilyn Martin
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Teresa Bloxham

Tetsuo Doi

Brent Bradford

Jerome Boog

Zannie Weaver

Daniel Flegel

Marcia Kerr

Jesus Chairaz

Linda Sumner

Richard Loera

Marcus Morris

Michael Krause

Bette Rohrer

Lisa Gaines

Joy Rizzitello

Joe Burchyski

Lori Person

Shana Toole

Scott Putz

Marc Bernstein

Stephanie Mills

Greg Allen

Mary Pigott

Robert Hull

Olivia Perez

David Cheng

Martin White

Barbara Wilson

Christina Frederick

VACANCY

Sandra Vega-Garcia

Kathy Bellenfant

Karla Blackwell

Rosemary Perrizo

Dave Buchanan

Bridgette Cottral

Proposed Revision to Section 15 Reporting Rules

- Notice up for Commission vote
- Adds factors to be considered in determining whether a *defect* exists
- Adds new subsection discussing significance of *compliance* and non-compliance with safety standards
- Discusses how the changing number of products in use may be relevant to the existence of a *substantial product hazard*

Is Your Product Defective?

- Not all products that pose a risk of injury are defective
- Current reporting rule mentions factors to be considered in determining whether a risk of injury signals a product defect
- Proposed revision adds several factors:
 - The obviousness of the risk at issue
 - The adequacy of warnings and instructions to mitigate the risk
 - The role and foreseeability of consumer misuse

The Significance of Compliance or Non-Compliance with Standards

- Section 15 expressly requires firms to report if they obtain information indicating that a product does not comply with a mandatory standard adopted under the CPSA or a voluntary standard relied upon by the Commission under the CPSA
- Proposed revision explains that either compliance or non-compliance with safety standards may be relevant to preliminary determinations made by CPSC staff

Does a Substantial Product Hazard Exist?

- Current rule sets forth factors to be considered in evaluating whether a substantial risk of injury exists
- One factor is the number of products distributed in commerce
- Proposed revision expressly recognizes that the risk of injury may decline when the number of products in use declines

Mattress Standards

- New open-flame mattress standard (16 CFR 1633) will take effect on July 1, 2007
- Commission is considering whether the existing cigarette ignition mattress standard (16 CFR 1632) should be modified or repealed
- Interim enforcement policy allows fewer tests under 1632 standard while firms are qualifying prototypes to meet new standard

Retailer Reporting

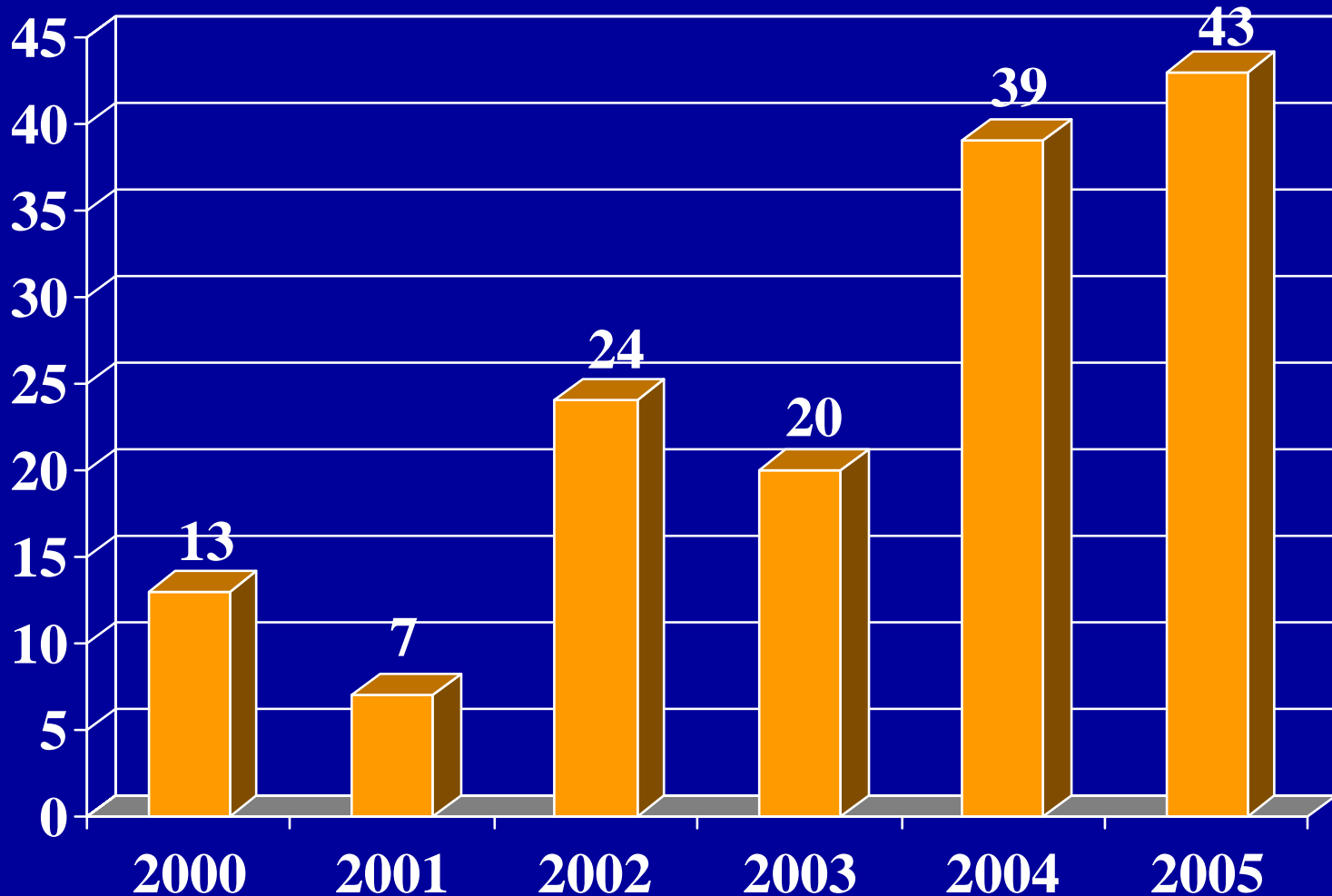
- Wal-Mart began weekly reporting October 2004 (beginning of FY 2005)
- Second retailer now following new model
- CPSC talking to several other major retailers about handling of safety information

3,727 Incidents Reported
by Wal-Mart in FY 2005

1,636 Incidents “Triggered”

406 In-Depth
Investigations
Assigned

Growth of Retailer Reports



Guidance on Reacting to Clearinghouse and Retailer letters

- Compliance staff plans to issue guidance on what firms should do when they receive notice of an incident from CPSC Clearinghouse or one reported to CPSC by a retailer
- Firms are not required to respond to either letter *unless* new information triggers section 15 reporting requirement
- Firms always can respond and make a record even when no report is required

Alternative Reporting Arrangements

- CPSC is working with a well known appliance manufacturer who is submitting incident information on a regular basis
- Experimental program may lead to the development of an alternative reporting model attractive to other manufacturers

Fireworks Enforcement

- In FY 2005, fireworks sampled by CPSC were found to be violative of CPSC standards more often than in FY 2004
- The increase in violations found is more pronounced in the case of shipments that have not been certified by third party testing organizations
- CPSC staff is considering possible actions to improve compliance

Cigarette Lighters

- CPSC staff has uncovered evidence of fraudulent practices in testing of cigarette lighters by third party organizations
- Problems include alterations of birthdays to disguise participation by children in multiple tests or to meet age distribution requirements of the standard
- Staff is disqualifying affected lighter models unless retested promptly

Lead (Pb) Issues

- CPSC issued an Interim Enforcement Policy for lead jewelry in 2005
- More than a dozen firms have conducted voluntary recalls since policy was issued
- CPSC has received no report of lead poisoning caused by jewelry that meets the safe harbor levels of the policy
- CPSC has received a petition and other requests for more action on lead

Recall Effectiveness

- Compliance staff is working to develop a Commission document that would describe “effective recall techniques”
- Staff is evaluating data from prior recalls to identify success stories and to consider how best to measure effectiveness
- Staff is now notifying retailer HQs as well as recalling firms when recall checks disclose missing posters or other problems

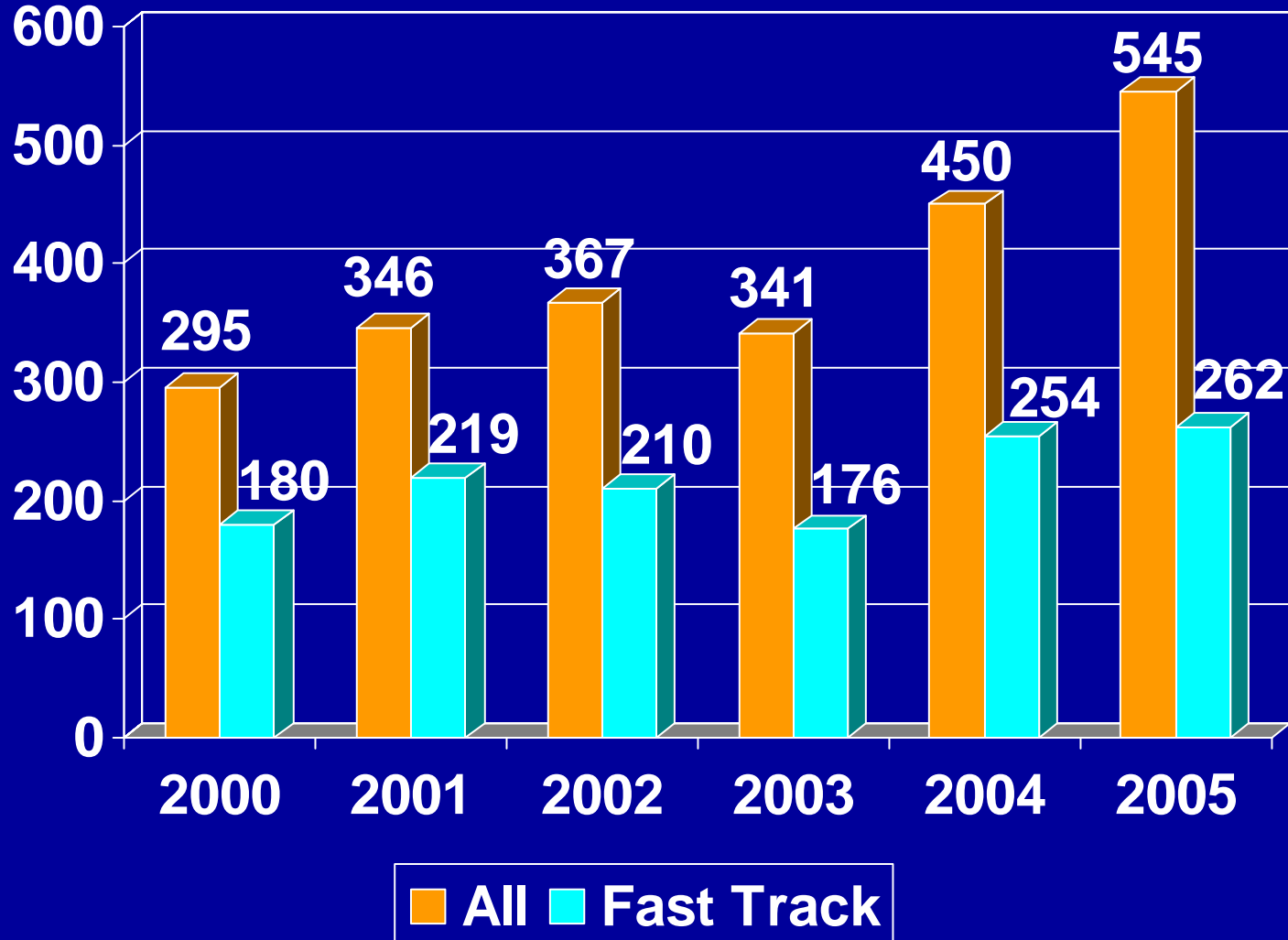
Generic Defect Notices

- Compliance staff has occasionally issued letters to manufacturers, importers and retailers notifying them that Compliance regards the presence or absence of a certain feature as a defect for an entire class of products
- Recent examples:
 - Baby walkers without stair fall protection
 - Children's upper outerwear with drawstrings

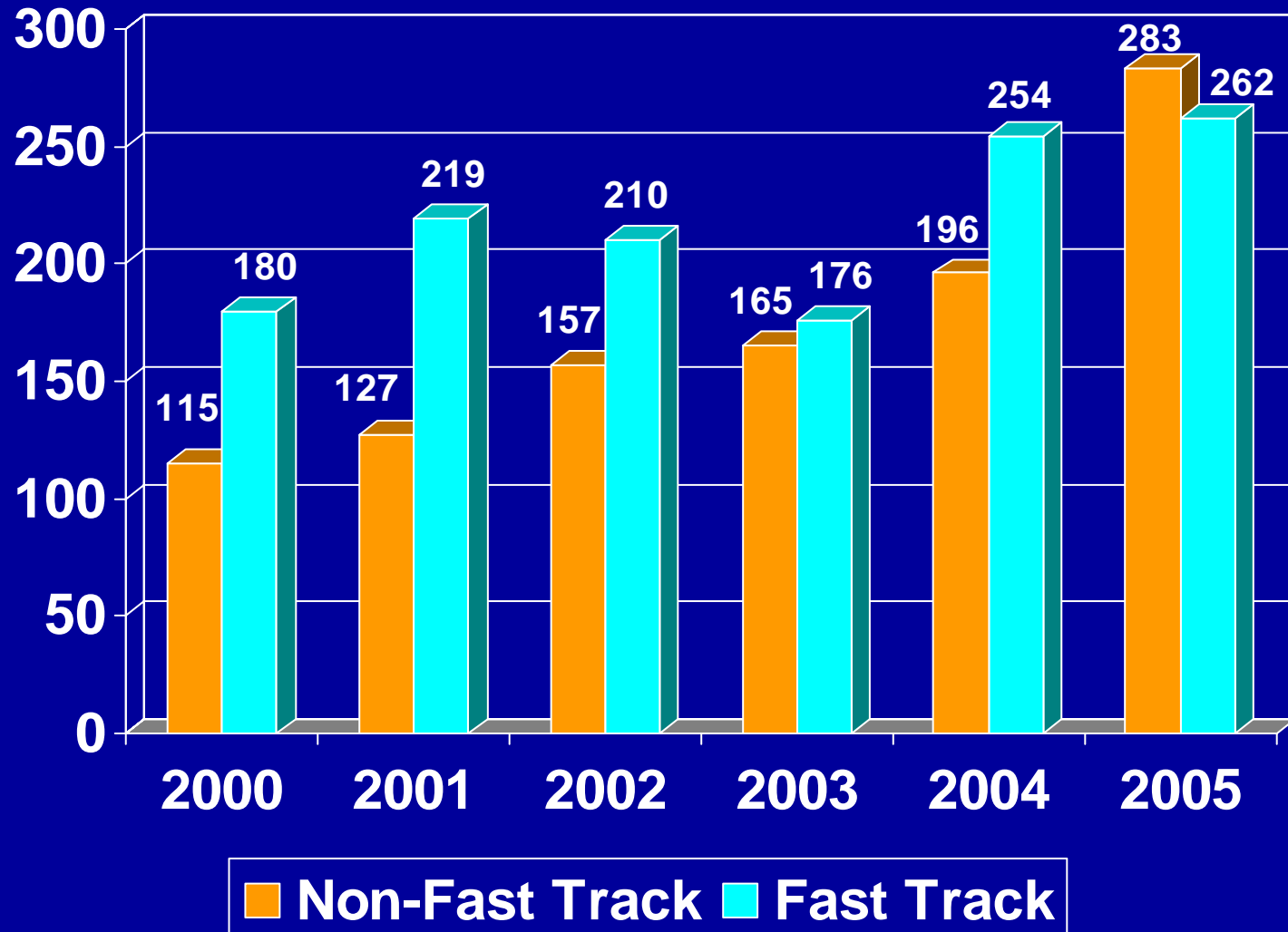
Preliminary Determination Appeals

- In response to section 15 reports (except Fast Track cases), Compliance staff makes a *preliminary determination* whether the reported problem amounts to a substantial product hazard
- If so, Compliance staff seeks corrective action (typically a recall)
- Compliance staff is always willing to meet with the firm to discuss its position or receive additional information

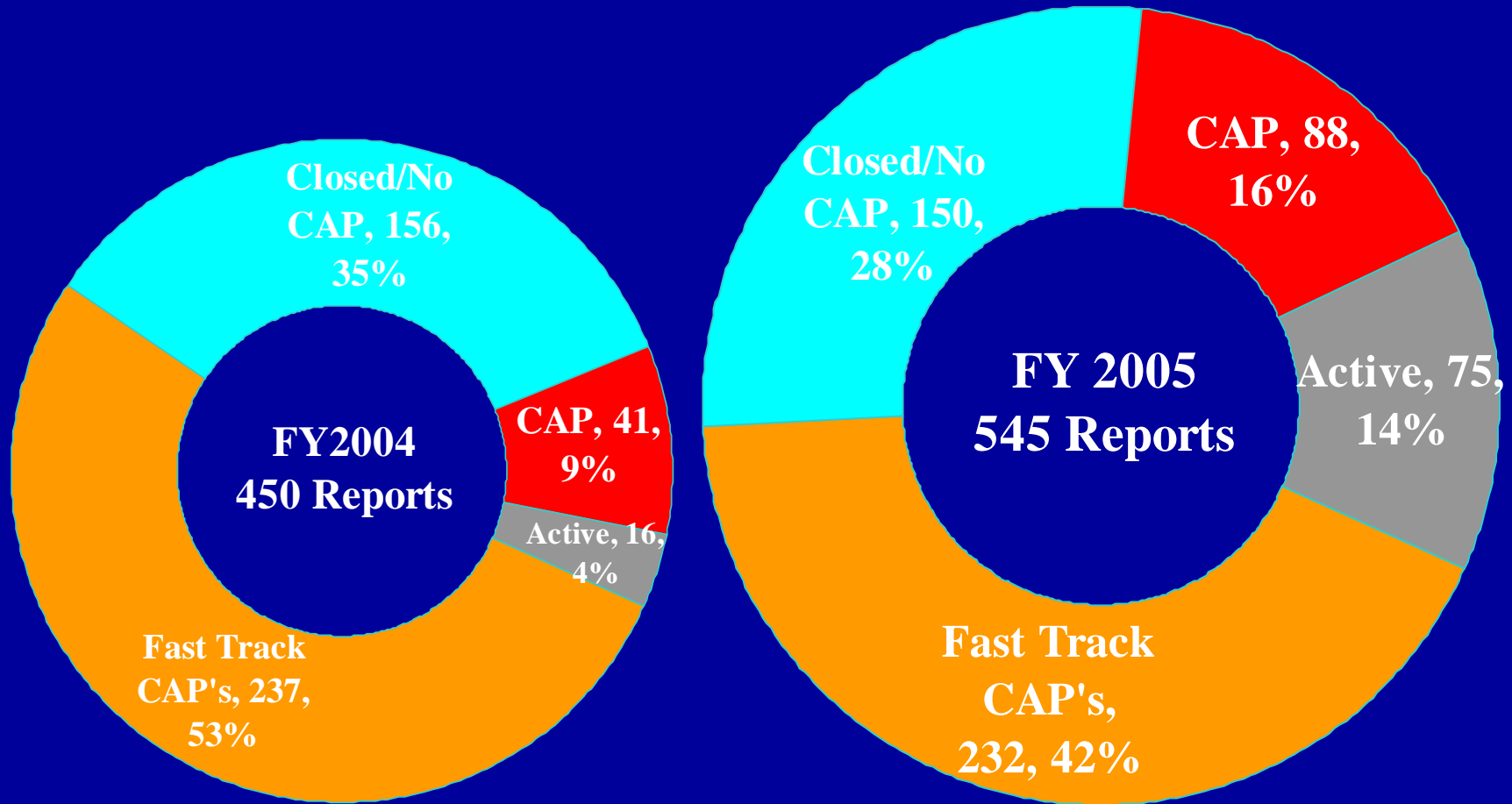
Section 15 Reports by Fiscal Year



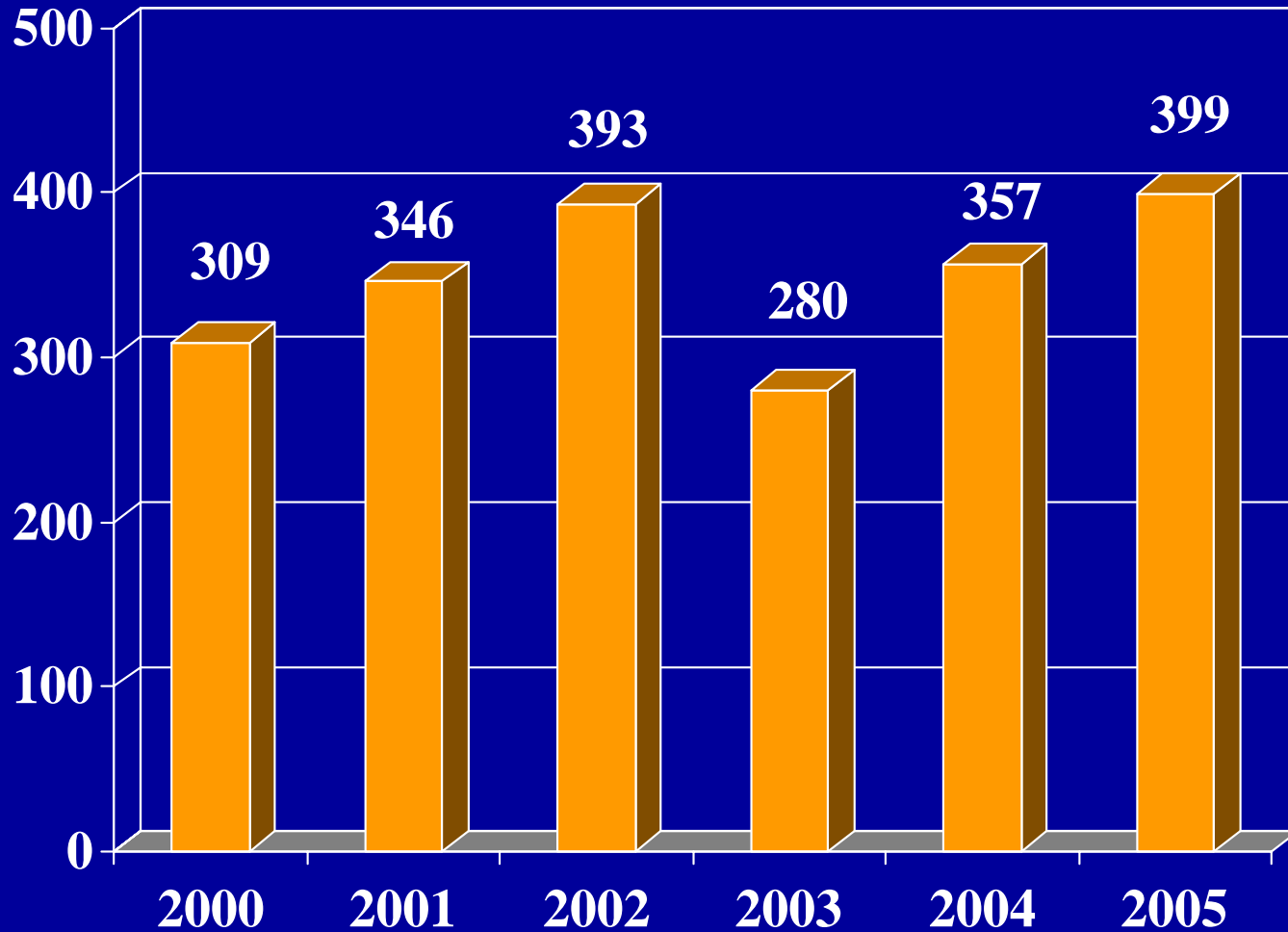
Section 15 Reports by Fiscal Year



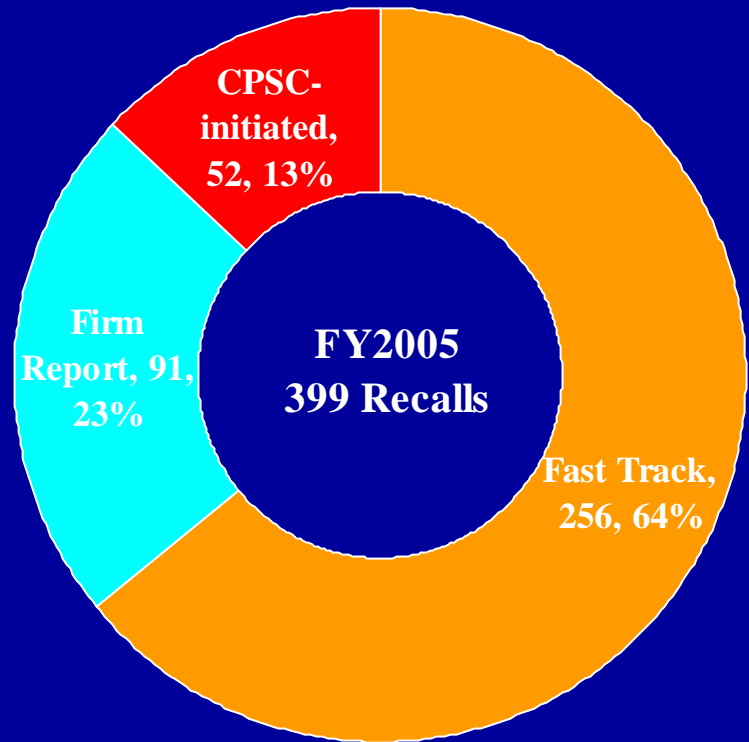
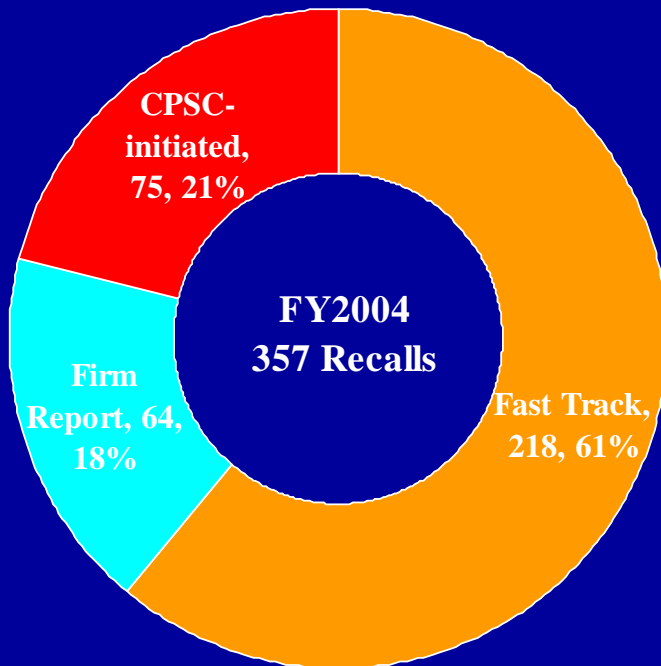
Disposition of Section 15 Reports



Voluntary Recalls by Fiscal Year



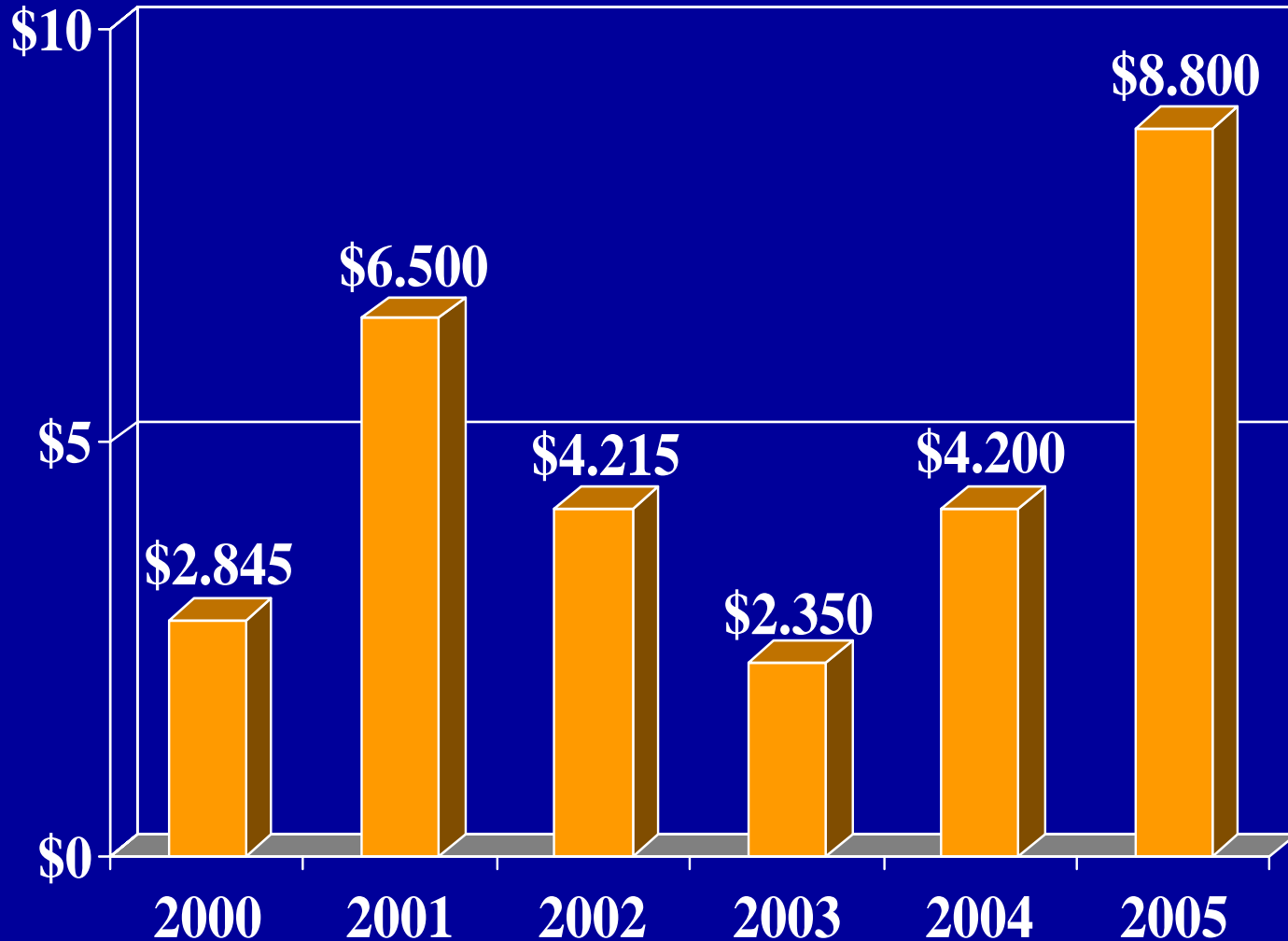
Recalls by Source



Recall Notice to Foreign Manufacturers

- CPSC staff has initiated a pilot program to give Chinese manufacturers direct notice of U.S. recalls involving their products
- CPSC will use the press release announcing the recall in the U.S. as the vehicle for notice to foreign manufacturer
- Following notice to the manufacturer, CPSC staff will provide the same recall information to the Chinese government.

CPSC Civil Penalties by Fiscal Year in Millions



Questions?

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Operations

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