CPSC Toy Premium Conference January 9, 2001

Terri Rogers, Associate Director^{*} Recalls and Compliance Division

It was just about 13 months ago--Dec. 1999 that CPSC received word about a 13-month old little girl found dead in her playpen with half of a ballshaped container over her nose and mouth.

Marc Schoem and I immediately arranged for a CPSC investigator to contact and meet with local officials to gather information about the incident. From headquarters, we started getting information about the product from its distributor. There's really nothing unusual about our reaction--actually, it was normal for a report involving the death of a child. Two facts, however, intensified our concern in this case.

First, the container part of the premium toy was very similar in size and shape to a toy that was recalled in 1984 after 3 incidents of a part of the toy sticking to the face of a child. In each instance, it took some force to remove the part from the child's face.

Marc and I both have a long tenure at CPSC and the similarity struck us immediately.

Second, the new product was part of a premium campaign by a major national fast-food restaurant. This meant a huge number of products distributed over a relatively short period of time--in this case, more than 25 million toys in a matter of weeks.

Our experience has shown that if there is a problem with a toy, it will usually appear quickly with this type of distribution and promotion. We were concerned about additional incidents.

We worked with the distributor and announced the recall on December 27, 1999. Unfortunately, just a few weeks later another child was found dead with half of the toy's container over his nose and mouth. CPSC and the company renewed efforts to warn the public and recall the containers.

^{*} The opinions expressed by Ms. Rogers do not necessarily represent the views of the Commission

Last year we announced two other recalls of similar premium toys and a recall of another premium toy that presented a possible choking hazard. This last toy was packaged inside cereal boxes.

The deaths and incidents related to these premiums are the reason for this conference. As Chairman Brown mentioned, we want to alert everyone involved in the production, marketing, and distribution of toy premiums to the potential suffocation hazard with container-like objects and share with you information to help you choose and market safer premiums.

We turned to our technical staff for an evaluation and understanding of the suffocation hazard. Dr. Suad Nakamura of the Division of Health Sciences will provide more information on this issue shortly.

All CPSC hazard evaluations include an analysis of the population at risk. For toys, including premiums, the process begins with determining the age of children for whom the toy is intended --- age-grading.

CPSC enforces a number of regulations for toys and other children's products. Manufacturers, importers, distributors, and retailers must assure the products they sell comply with these regulations. Most of this audience is aware of these regulations so we will not be discussing them during this conference. Copies of the regulations are available at the registration desk, from the CPSC Office of Compliance or from our web site.

Celestine Kiss from our Human Factors Division will discuss age-grading in detail a little later. For now, I would like to talk with you about its importance. SLIDE

Proper age-grading is critical for a number of reasons:

- Many of our mandatory regulations, as well as industry voluntary safety standards, are tied to the age of the intended user. CPSC staff uses age-grading in all of its toy evaluations.
- Companies and testing laboratories need to know the age of the intended user to determine what requirements and tests apply to the toy.
- Companies need to know the proper age-grade to develop packaging and promotional materials and to target their marketing campaigns.
- Consumers need to know the proper age-grade in order to buy the right toys for their children.

Proper age-grading can help prevent injuries and deaths.

Take a few minutes to look at the photographs on the monitors.

[slide] The first one is a newborn infant.

[slide] These are all children less than a year old.

[slide]Next is a group of children between one and two years of age.

[slide]And these young boys are between two and three.

Intuitively, every person in this room appreciates the remarkable developmental changes a child goes through in the first three years of life: physically, intellectually, cognitively, and emotionally. The difference between that little baby handed to his parents moments after birth and the child just before his third birthday who can play games alone or with others, tell his parents when and what he wants to eat, and has started to comprehend abstract concepts is absolutely astounding. The years from three to six bring even more major developmental changes in children.

And yet, for many of us here, describing a toy often starts with merely saying "It's for children over three" or "it's for children under three".

I recently looked at a variety of premium toys and the labeling on their packaging.

Here are some examples of labeling I found: SLIDE

- Safety tested for children of all ages.
- Tested and recommended for children of all ages.
- 0+
- Recommended for all ages.

Some of the premium toys included yo-yos, spinning tops, tiny die-cast vehicles, puzzle pieces that have long, narrow extensions, mazes, flashlights and other light-up toys with small activating switches, toys that shoot projectiles, and miniature replicas of toys labeled and promoted for older children or tie-ins to movies for school-age children.

Most of these toys would probably comply with all of the mandatory and voluntary tests.

They don't include small parts, sharp points or edges, or toxic substances. That does not mean they are age-graded correctly. And it doesn't mean the toys are safe and appropriate for all children. They may still be hazardous to some children.

Think about those photographs and the labeling examples I just showed you. This kind of labeling is telling consumers that the toy it is on is safe for children of ALL ages. I don't know how you interpret "all" but to me that includes that little newborn and all the rest of the children in those pictures. Candidly, I don't think any of the toys I just mentioned would be appropriate for most of these children. Some premiums I've seen labeled for children of all ages might be appropriate for two year olds, but that's not the way they were labeled.

When a child has a toy that is not appropriate for her skills and abilities, she is going to find another way to play with it—mouth it, throw, kick or hit it, or put part of it in her own or another child's ear, nose or eye.

Remember that I mentioned companies need to know the age-grade for a toy in order to know how to market it? As an example, look at the CPSC small parts regulation. Before we test a toy for small parts, we age-grade it. The criteria we use are part of the regulation: SLIDE

- The manufacturer's stated intent (such as on a label) if it is a reasonable one;
 - The advertising, promotion, and marketing of the toy; and
 - Whether the toy is commonly recognized as being intended for children under three years of age.

For premium toys, these criteria are especially critical because the way they are marketed and promoted can determine whether our staff considers the toy intended for children under three. When a toy is packaged with another item that is generally recognized as being for children under three, we believe it is being marketed and promoted as intended for that age group. Examples would be food that children under three eat such as cereals, hamburgers or chicken pieces, and most candies. Another example is clothing sized for children under three.

Depending on the type of premium program, we recommend that firms distributing premiums consider: SLIDE

• Offering consumers an opportunity to order the premium through mail, tollfree telephone number or web site and clearly providing the recommended age information with the item or service being sold. [include small part warning]

SLIDE

 In restaurants, gas stations, or at events where premiums are being handed out, offer consumers a choice of items recommended for different ages and label each accordingly. Don't just say "under three" or "over three" If the toy is appropriate for children beginning at 18 months or 24 months, label it accordingly.

SLIDE

• Offer a premium toy that is appropriate for a wide age range, such as a simple soft stuffed animal.

BACK UP ONE SLIDE

For fast food and other restaurants, the best way may be to offer consumers a choice of premiums. But this method has to be carefully planned and executed to work effectively.

Children and parents see and hear the advertising you do. Make it clear that there IS a choice. Don't hide it in the fine print where busy parents and children who can't read won't notice it.

If you have a major promotion going on for some toys that are only appropriate for children starting at three years of age, your signage and information about alternative toys should be just as colorful and conspicuous.

It's a good idea to display samples of the toys so that the children can see them. Employees at all levels need to know what the choices are and the importance of the difference. Someone needs to assure that sufficient supplies of all the toys are on hand.

The "0+" that was on some toy packages was actually about 1" high, making it the most prominent thing on the package and really easy to see. This is a good idea for marking properly age-graded premiums that will be used in busy restaurants.

Premium toys for younger children should be as interesting and comparable in value as the toys for the older children. Otherwise, both of your customer groups-- the children and their parents -- will be unhappy. Or the toys will wind up in the wrong hands, children will be at risk, and your company will be facing a recall.

You can have a terrific selection of toys, but if your staff and your customers don't know about them, your program will fail.

Testing toys to the requirements specified for all ages is not wrong and, in fact, if toys are not your major business, it a good idea. BUT it is NOT a substitute for age grading and for marketing the toy appropriately. Instead of insuring safety, improper age grading or not age grading at all can result in putting a toy into the hands of a child too young to use it safely -- all too frequently, resulting in injuries and possibly even death.

Finally, if my experience at CPSC has taught me anything, it's that unforeseen problems can occur even to the most conscientious and careful firms. It's not possible to predict all the creative ways in which children will use a product or to catch all production errors before products are distributed. When necessary, firms need to be prepared to act quickly and to be able to conduct a coordinated, effective recall. Marc Schoem, the Director of the Recalls and Compliance Division will discuss the ins and outs of conducting a recall at the end of the program.