



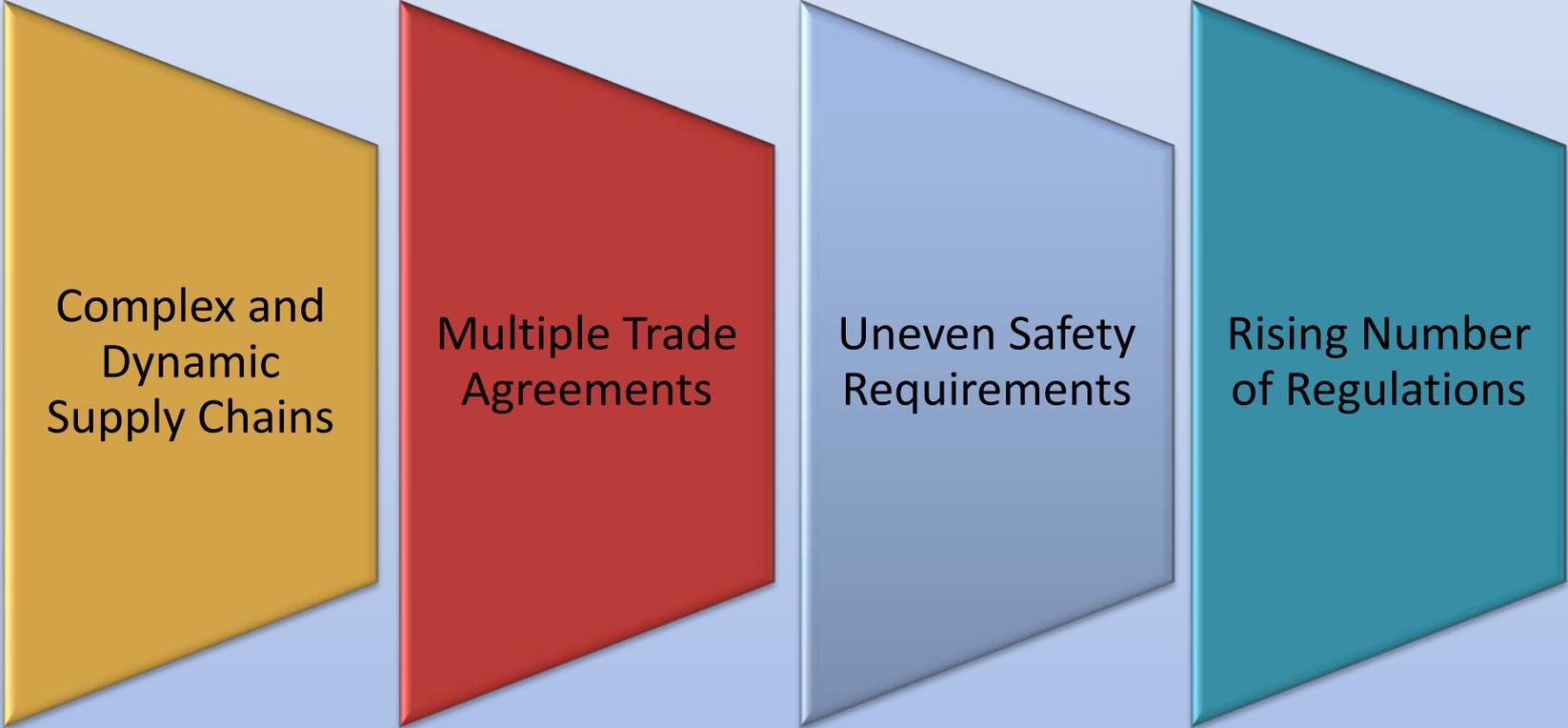
UNITED STATES OF AMERICA
**CONSUMER PRODUCT
SAFETY COMMISSION**

COMMON BUYER CHALLENGES

GLOBAL SUPPLY CHAIN

SEPTEMBER 2016

Global Challenges



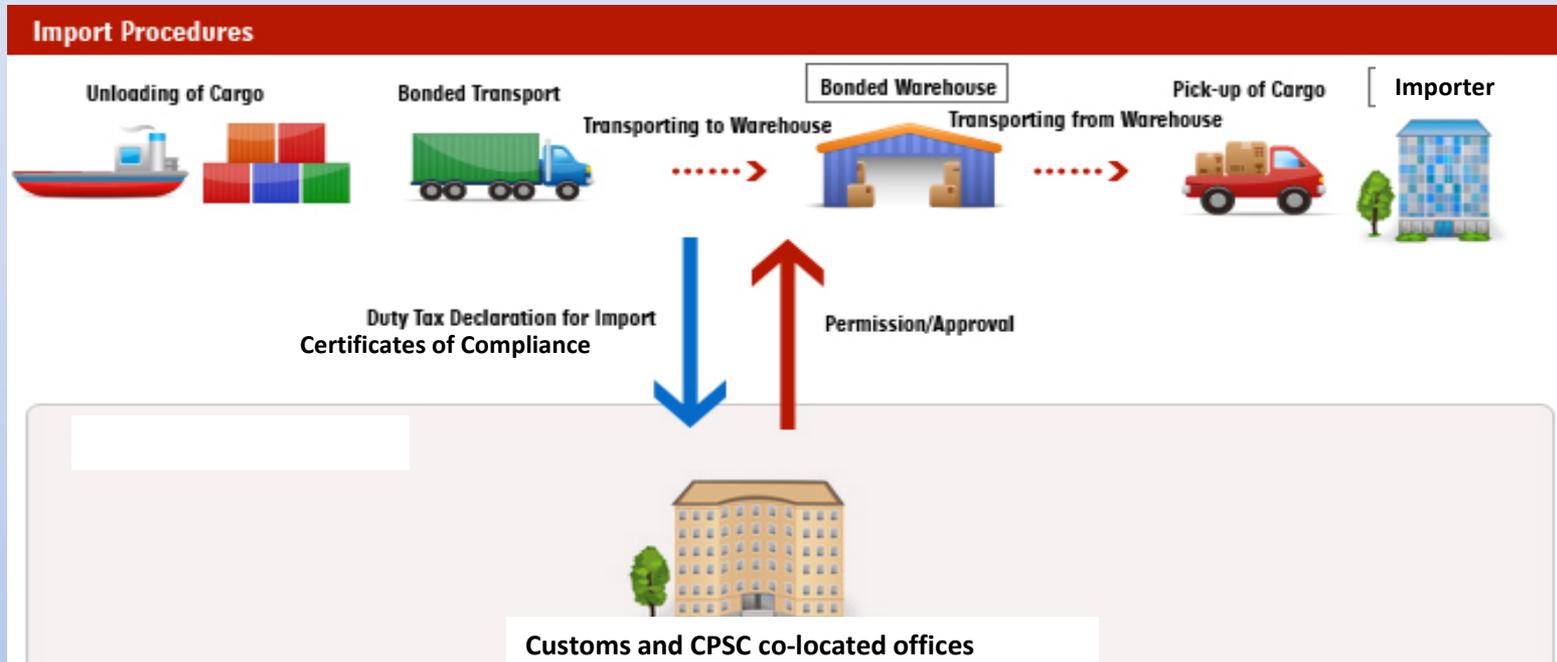
Complex and
Dynamic
Supply Chains

Multiple Trade
Agreements

Uneven Safety
Requirements

Rising Number
of Regulations

Basic Importation



1. Cargo is loaded onto a container ship in the foreign port of lading; cargo manifests are filed.
2. Ship travels to the United States and enters a Port of Unlading (several weeks on average).
3. Entries are filed by Customs brokers for all cargo on board.
4. Entries with CBP or other holds (CPSC included) are flagged for examination.
5. Containers are unloaded and distributed via truck or rail (direct to importer--to a CES for exam, to a CFS if consolidated).

Coordination with CBP

- CPSC's Office of Import Surveillance works closely with U.S. Customs and Border Protection (CBP)
- CPSC staff are co-located with CBP port personnel at major ports of entry throughout the United States.
- Data Sharing with CBP Improves CPSC's ability to assess risk on shipments arriving in the U.S. and to interdict non-complaint products.

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

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

Detentions/Seizures

- CPSC can request CBP to seize the product
- CBP will not release products without CPSC approval
- Cost to Importer = \$1,500 per day

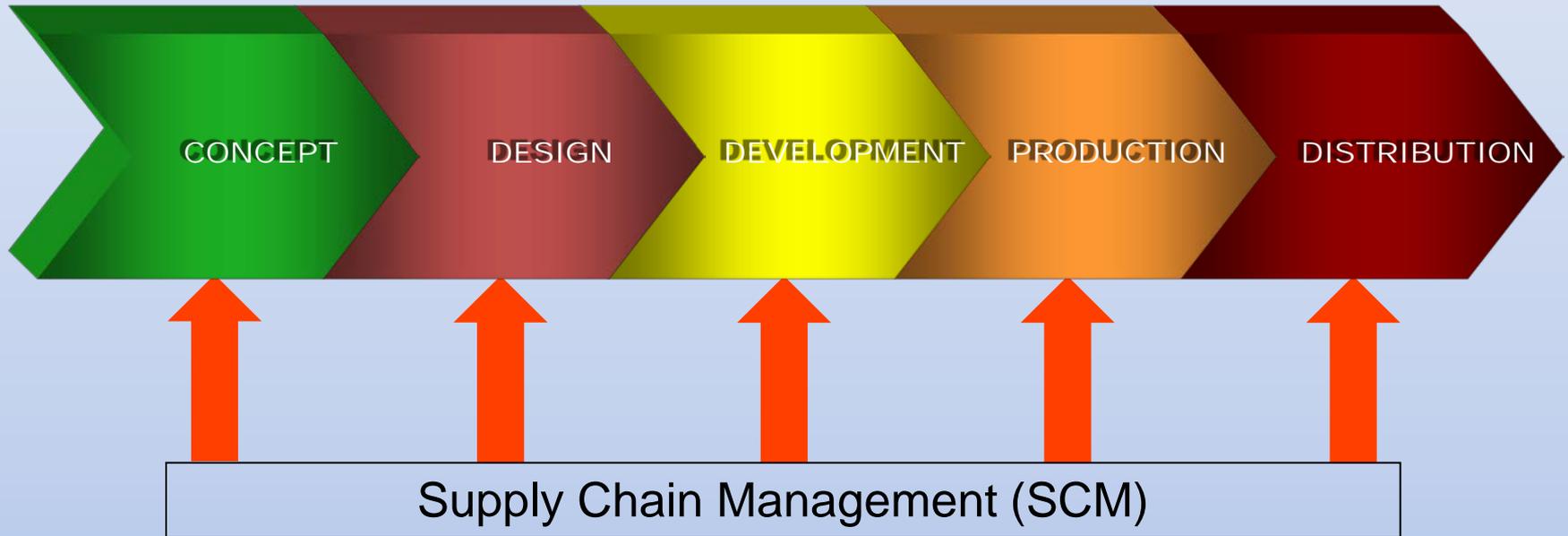
Avoid Pitfalls that Delay Release

- Make certificates readily available
- Ensure the correct citation to each CPSC regulation to which the product is being certified on the certificate
- Make sure 3rd party testing body is accredited by CPSC
- Purchase from trusted foreign manufacturers and/or suppliers

Common Import Violations/Defects

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

Design for the Supply Chain



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

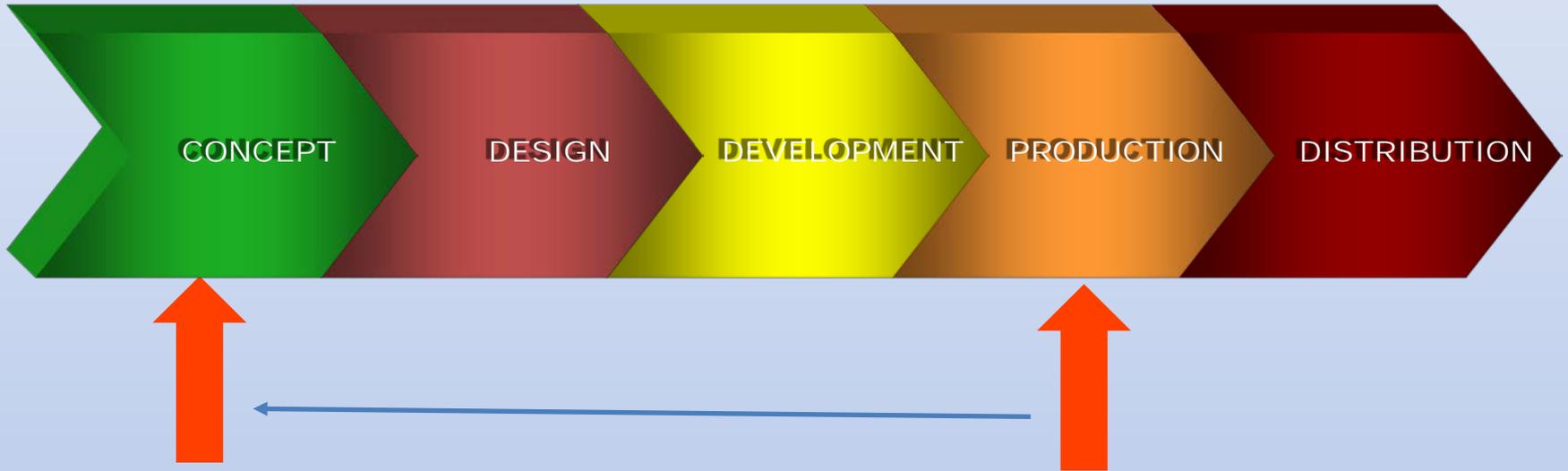
Establish a Compliance Program

- 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.

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

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 unintended foreseeable use

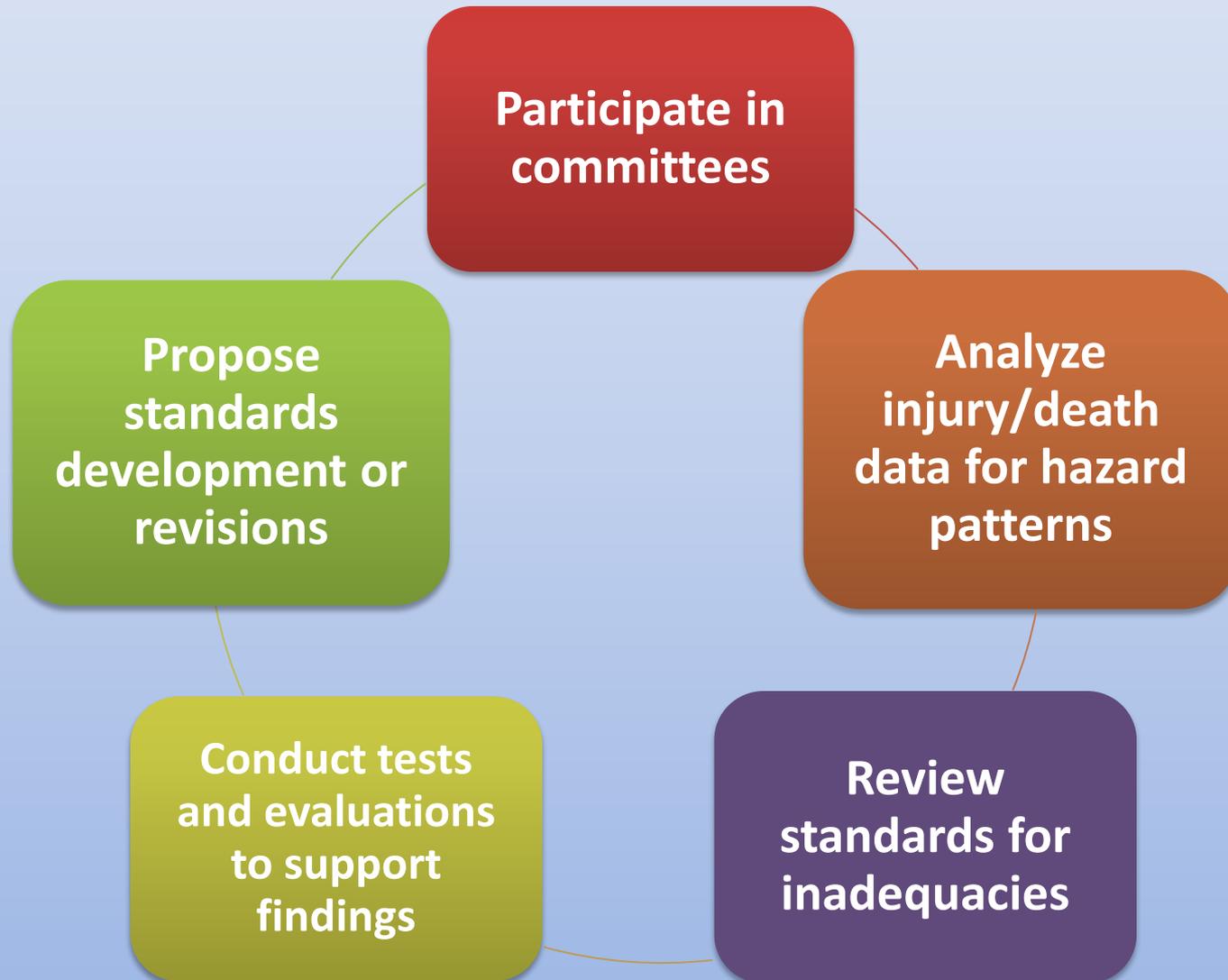
Safer Products Start Here!



<http://business.cpsc.gov>

- New online tool designed specifically to help businesses comply with federal consumer product safety requirements.
- Asks a series of guided questions, and based on the answers produces a downloadable (PDF) report.
- Provides customized guidance with links to product safety regulations that may apply to the product and important information on labeling, certification and testing requirements.

CPSC Voluntary Standards Monitoring



Best Preventative Practices

Manufacturers and importers should use best practices to ensure that safe products enter into the chain of commerce.

- Importers/suppliers must work as a team.
- Know where and how your product will be used.
- Know and understand all requirements and standards.
- Comply with consensus standards and technical regulations.

Best Preventative Practices

- Design safety into product.
 - It is your responsibility to work with the designer.
- Avoid long-term repercussions: Damage to Brand Name and “Made in My Country.”

Contact Information

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