



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

CPSC's IMPORT SURVEILLANCE

OVERVIEW

MARCH 2016

THIS PRESENTATION WAS PREPARED BY CPSC STAFF, HAS NOT BEEN REVIEWED OR APPROVED BY, AND MAY NOT REFLECT THE VIEWS OF, THE COMMISSION.

U.S. Consumer Product Safety Commission

- An independent federal agency
- Established in May 1973
- Responsible for consumer product safety functions of the federal government
- Five Commissioners, appointed by the President and confirmed by the Senate

Mission

Protecting the public against unreasonable risks of injury from consumer products through education, safety standards activities, regulation, and enforcement.

Consumer Products EXCLUDED from CPSC Jurisdiction

“... any article which is not customarily produced or distributed for sale to, or use or consumption by, or enjoyment of, a consumer...”²

- Alcoholic beverages, tobacco, firearms and explosives (BATFE)
- Motor vehicles and equipment (NHTSA)
- Pesticides (EPA)
- Aircraft (FAA)
- Boats (Coast Guard)
- Food and drugs (USDA and FDA)
- Occupational products (OSHA)
- Fixed-site amusement park rides (State jurisdiction)



²Section 3(a)(5)(A) of the Consumer Product Safety Act, 15 U.S.C. § 2052 (a)(5)(A)

CPSIA Requirements

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

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

Labels must be permanently attached to a children's product and its packaging to allow identification of the manufacturer, date, and place of manufacture, and cohort information (batch or run number).

CPSC Surveillance Activities

Retail

- Program plan for regulated products; surveillance for defects and other risks

Internet

- Check for conformity with regulations and for recalled products

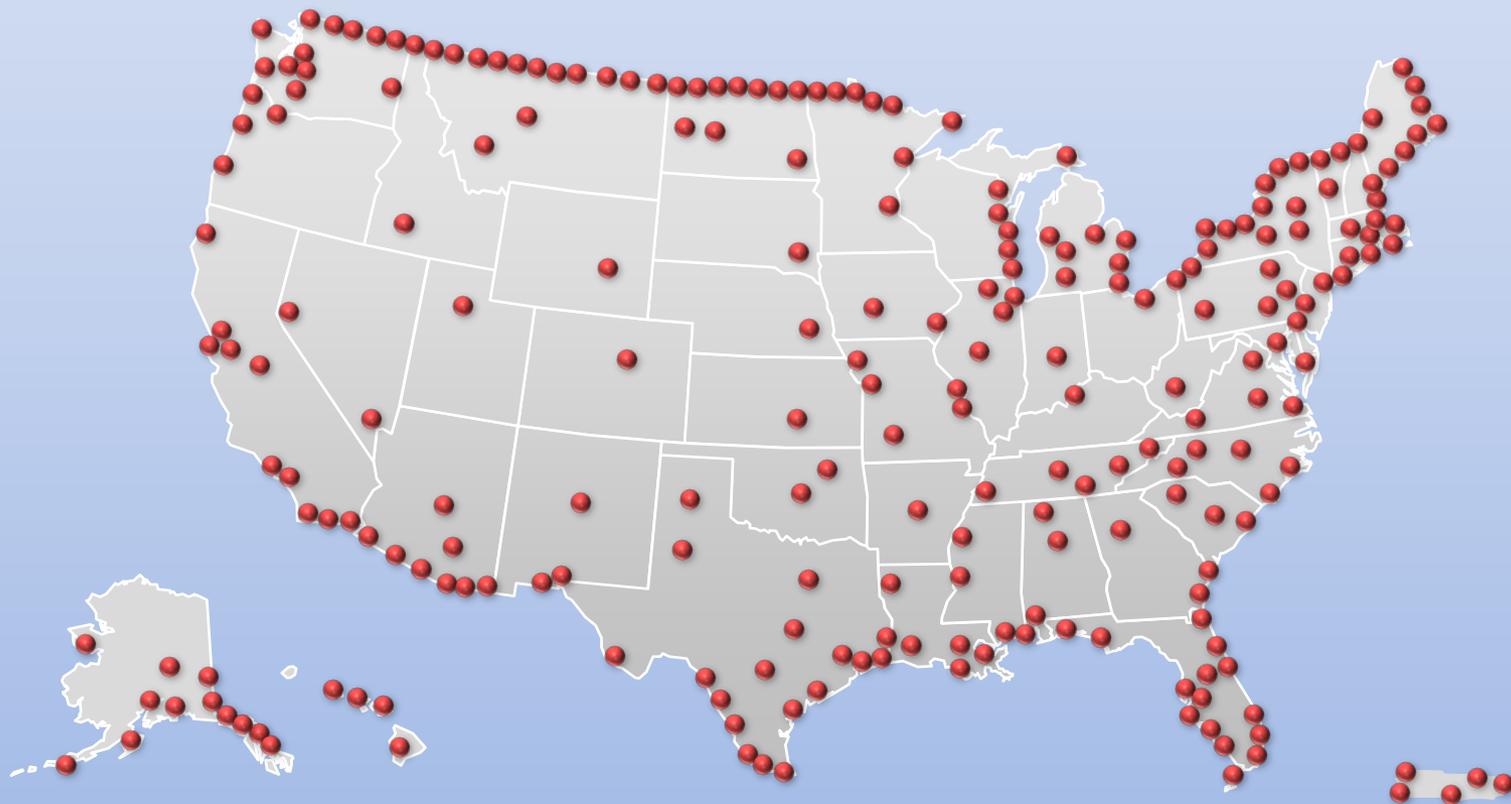
Ports and Airports

- Investigators at key ports of entry
- Analysts identify most likely at-risk products

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.

Ports of Entry

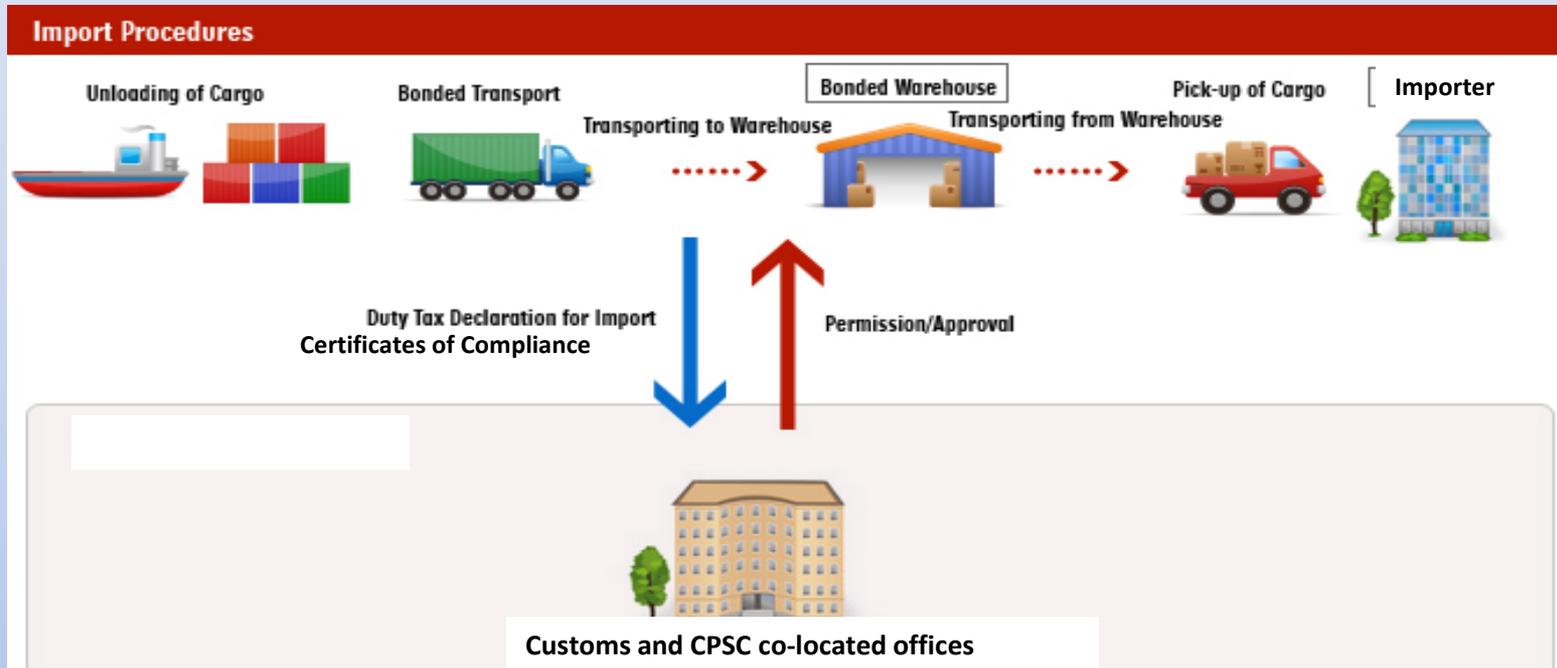


International Trade Data System/Risk Assessment Methodology (ITDS/RAM)

Nationwide, Compliance 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 potentially non-complaint 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

Basic Importation 101



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 (CPSC included) holds 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, etc.)

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

CPB/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

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

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
- 15J Products
 - Children's Upper Outerwear with Drawstrings
 - Handheld hair dryers
 - Holiday lights
 - Extension cords



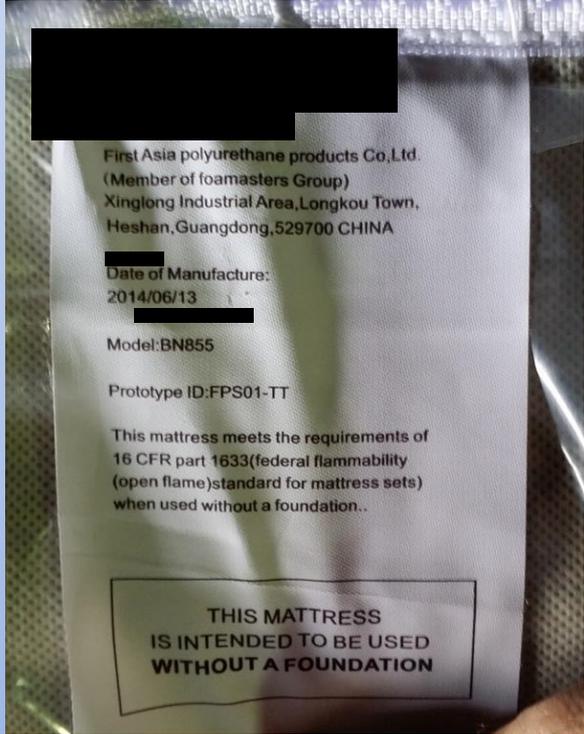
Examinations in Warehouses



Examples of Products Intercepted and Deemed Non-Compliant



Mattresses



Hairdryers



Lighters



Holiday Lights

Drawstrings



Fireworks



Generators



Baby Shoes Containing Lead



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

Internal Coordination

The Import Surveillance office works with CPSC's Office of General Counsel and coordinates closely with CPSC's Office of Compliance and Field Operations.

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

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 demands redelivery based on CPSC's request
 - Can lead to seizure, destruction, or exportation
 - Failure to redeliver can result in assessment of liquidated damages against importer

Case Study-Toy Trucks

- A first time importer provided a certificate showing that each purchase order passed all requirements, including lead.
- After, Compliance Investigator (CI) checked a box of trucks and tested the wheels with the XRF. The wheels exceeded the lead limit.
- After speaking with the broker, he found that the manufacturer ran out of wheels and order them from a different supplier.
- Although the certificate indicated wheels were tested, it did not specifically state those had been tested.

Examples of CI Responsibilities

- **Examine imported cargo**
 - 35,000 products physically screened in FY15
- **Sample potentially non-complaint or defective products**
 - Over 2,500 samples collected in FY15
- **Conduct Establishment Inspections (EIs)**
- **Conduct Informed Compliance Inspections (ICIs)**
- **Build cases on repeat violators and refer them to OGC for civil and/or criminal prosecution**



Responsibilities (continued)

- **Train Customs and Border Protection Officers, and other federal agencies, regarding CPSC function at the Port**
- **Provide informational outreach to the Trade Community**
- **Participate in CBP PGA meetings, Quarterly Brokers' Meeting, etc.**

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