



October 30, 2012

Office of Information and Regulatory Affairs  
At The Office of Management and Budget  
725 17th Street, NW  
Washington, DC 20503

Comment solicitation request - <http://www.whitehouse.gov/sites/default/files/omb/oira/irc/eu-us-joint-solicitation-09072012.pdf>

## Overview

The Handmade Toy Alliance (HTA) was formed in response to the Consumer Product Safety Improvement Act (CPSIA) passed in August of 2008 by the U.S. Congress. We are an alliance of over 750 independent specialty toy stores, small batch toy makers and children's product manufacturers from across the United States and Europe who want to preserve access to unique handmade and small batch toys, clothes, and all manner of children's goods. The HTA seeks to:

- lend a voice to specialty toy stores, small batch toy makers and children's product manufacturers;
- assist in raising awareness of the issues that directly impact HTA members;
- provide HTA members access to their larger scale peers;
- support and promote HTA members.

The U.S. Consumer Product Safety Improvement Act drastically changed the landscape for retailing specialty toys and children's products in the United States. What was once a rewarding business to own and operate has become an arduous journey through a morass of regulations and a fight to survive. Instead of plentiful options for filling store shelves, supplies of unique specialty products withered away. Similarly, producers of small batch children's products in Europe saw their markets shrink and opportunities for expansion to the U.S. evaporate.

At the same time, there is a growing group of consumers who prefer durable toys that cater to a child's imagination and creative ability. Rather than entertain, handmade specialty toys encourage exploration, stimulate creativity and problem solving, promote playing together with others and allow growing confident at the child's own pace. But these types of toys are not readily available in the aisles of Walmart, Target and Toys R Us. You must seek them out in specialty toy shops.

Specialty toys are sold at several hundred independently owned toy stores all across America. Generally, the inventory for these stores comes from three sources;

1. domestically manufactured toys produced in small quantities by second tier companies,
2. toys from the European Union (EU) produced in small quantities by second tier companies,
3. and to a lesser extent – toys produced in larger quantities both in the US and abroad.

Because the CPSIA has negatively affected two of the three supply sources for specialty retailers, the market for children's products in the U.S. has been tilted to favor mass-produced products retailed in the



mass market. This market tilt causes many specialty toy stores to close or alter and rescale their businesses<sup>1</sup>. In turn, consumers are thwarted when choosing to encourage play, and children are more likely to be entertained by a licensed toy that soon loses its play value.

Independently owned specialty toy stores are economically viable because they differentiate themselves from mass market retailers selling children's products mass produced in the Far East. Providing unique and distinctive children's products affords them opportunity as well as a reason to exist. Without this distinction there is no practical way to compete with mass market retailers, no business opportunity, and no reason to exist.

The Handmade Toy Alliance (HTA) represents these specialty retail stores and they comprise 25% of our membership. We also represent the domestic small batch producers and those who import and produce European small batch items. These are the heart of specialty toy culture in America. It has an enriching and positive influence on our children and it deserves to grow and thrive.

### **The EU Predicament**

Certainly there are small batch toy manufacturers all over the world, but by-and-large, those that supply specialty toy stores in the U.S. are concentrated in the European Union. These second tier companies often produce toys by hand within Europe and not in completely automated factories. They employ workers from their communities and are important in their local economies. Typical yearly revenue for a second tier manufacturer ranges from €3 million to €30 million.

The countries that make up the EU already have stringent toy regulations in place.

#### **European Union – EN-71 European Toy Safety Standard and the recent Directive 2009/48/EC.**

This toy safety standard shares some commonality with the U.S. CPSIA and ASTM F963 standard. But because there is no harmonization and the standards are not identical, small batch manufacturers in Europe are forced to perform multiple additional tests in Consumer Product Safety Commission (CPSC) approved labs. The economic burden of additional tests required by the CPSIA makes it extremely difficult to economically bring these products to market in the U.S. Many small batch toy suppliers from the EU have been forced to cease exports to the U.S. or limit the number of products they export<sup>2</sup>. It is not that the products these companies produce are not safe, but that the economics of compliance with the CPSIA are unaffordable when added to the already existing compliance costs. Therefore, the U.S. CPSIA placed a new trade barrier between European small batch manufacturers and U.S. specialty retailers and to a lesser extent also between U.S. small batch manufacturers and European specialty retailers.

Typical testing costs for compliance and certification to EN-71, the European Union toy safety standard, range from \$1,000 to \$3,000 per product. The additional costs for third party testing for certification to the CPSIA range from \$750 to \$2,500. When manufacturing batch quantities that are typically less than 500, the amortization of these costs results in price increases that cannot be borne by the manufacturer, the importer, nor the consumer. It's an easy to understand equation:

$$\text{Additional cost to manufacture each product} = \text{additional batch testing cost} / \text{batch size.}$$

Large multinational companies producing toys have found ways to comply with both U.S. and EU regulations without significant economic burden through special rulings like firewalled labs and batch sizes that are well past 10,000 units, even into the hundreds of thousands. These companies also have the legal staff and infrastructure to navigate the myriad of regulations that apply. Second tier companies have none of these possibilities available to them.

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<sup>1</sup> See listings in Appendix

<sup>2</sup> See listings in Appendix



Yet these small batch toys and these countries have not been the source of unsafe products in the past. The safety record of small batch toys produced in Europe is exemplary. The Consumer Product Safety Commission's own recall data show no recall activity from these jurisdictions or from any small batch manufacturer in 2011. In the past four years, out of 155 recalls for toys, only 2 have been from the European Union and neither of those from a small batch manufacturer. We must go all the way back to 1999 to find a recall from a small batch manufacturer in the EU. A simple analysis indicates that the vast majority of recalls are of toys and children's products mass-produced in the Far East.

The broad swath that is the CPSIA did not focus on the root cause of toy safety issues but forced a one-size fits all approach on the smallest crafter, the largest multinational corporation, and every business in between.

### The H.R.2715 Solution

For three years, the Handmade Toy Alliance worked on Capitol Hill for a legislative fix for these unintended consequences from the CPSIA. There was wide agreement within Congress that relief should be provided for bicycle and ATV manufacturers, printers, thrift stores, and businesses represented by the HTA. We wrote letters, worked on language, testified before Congress, attended hearings and markups, visited Senators and Representatives, all to have our collective voice heard. This culminated in the passing of H.R.2715 in August of 2011 that has provisions that are a direct outgrowth of our work.

Specifically, attempts at legislative relief for the international small batch supply chain appear in two sections of the Consumer Product Safety Act (CPSA) as amended by H.R.2715.

- **First, section 14(d)(3)(A)(v) under REDUCING THIRD PARTY TESTING BURDENS,**  
*"... (A) ASSESSMENT.— Not later than 60 days after the date of enactment of this paragraph, the Commission shall seek public comment on opportunities to reduce the cost of third party testing requirements consistent with assuring compliance with any applicable consumer product safety rule, ban, standard, or regulation. The request for public comment shall include the following:*  
...  
*(v) The extent to which evidence of conformity with other national or international governmental standards may provide assurance of conformity to consumer product safety rules, bans, standards, or regulations applicable under this Act.*  
..."
- **and second, 14(d)(4)(A)(iii) under SPECIAL RULES FOR SMALL BATCH MANUFACTURERS.**  
*"... (A) SPECIAL CONSIDERATION; EXEMPTION.—*  
...  
*(iii) CERTIFICATION.—In lieu of or as part of any alternative testing requirements provided under clause (i), the Commission may allow certification of a product to an applicable consumer product safety rule, ban, standard, or regulation, or portion thereof, based on documentation that the product complies with another national or international governmental standard or safety requirement that the Commission determines is the same or more stringent than the consumer product safety rule, ban, standard, or regulation, or portion thereof. Any such certification shall only be allowed to the extent of the equivalency with a consumer product safety rule, ban, standard, or regulation and not to any other part of the consumer product safety rule, ban, standard, or regulation.*  
...  
*(E) DEFINITIONS.— For purposes of this paragraph—*  
*(i) the term 'covered product' means a consumer product manufactured by a small batch manufacturer where no more than 7,500 units of the same product were manufactured in the previous calendar year; and*  
*(ii) the term 'small batch manufacturer' means a manufacturer that had no more than \$1,000,000 in total gross revenue from sales of all consumer products in the previous calendar year. The dollar amount contained in this paragraph shall be adjusted annually by the percentage increase in the Consumer Price Index for all urban consumers published by the Department of Labor."*



The driving force behind this language was the lobbying effort of the HTA for the restoration of small batch supply from European second tier manufacturers.

The CPSC has already requested comments as required under the clause 14(d)(3)(A)(v) REDUCING THIRD PARTY TESTING BURDENS and CPSC staff has prepared a document titled “*Consideration of Opportunities to Reduce Third Party Testing Costs Consistent with Assuring the Compliance of Children’s Products*”, dated August 29<sup>th</sup>, 2012. This document includes the following language:

*“Staff recommends that the Commission consider creating, maintaining, and recognizing a list of equivalent tests in international standards, conformity to which would be indicative of conformity to the corresponding test in a CPSC-administered children’s product safety rule.*

*While no other international standard is identical to a CPSC-administered children’s product safety rule, there are many tests within certain other international standards that are the same, or that are more stringent than, their equivalent test within the CPSC-administered children’s product safety rule. For example, the toy abuse tests in the European standard EN71, part 1, and the International Standard ISO 8124-1 are the same, or more stringent than, their corresponding tests in ASTM F963-11. Recognizing other international standards, or tests within a standard, as equivalent to a CPSC rule, could allow children’s product certifiers to avoid repeating some third party tests for the same product and directly avoid additional testing costs, while assuring compliance to the applicable children’s product safety rules. This scheme could be used for certification, material change, and periodic testing purposes. Harmonized or equivalent tests would be required to be conducted by a CPSC-accepted testing laboratory. Thus, a project to consider establishing equivalency between tests in our regulations and comparable international standards must also consider how third party conformity assessment bodies will be accredited to perform tests to such standards.*

*It is possible that an effective implementation of this recommendation could result in a significant reduction in third party testing costs that might be realized by many manufacturers.”*

Subsequently, the CPSC Commissioners voted to move forward on this issue, but only to have staff draft a request for information and summarize the responses. They specifically chose a watered-down direction indicated as follows:

*“International Standards Equivalency to Children’s Product Safety Rules: The Commission directs staff to draft a Request For Information (RFI) for publication in the Federal Register to determine which, if any, tests in international standards are equivalent to tests in comparable CPSC-administered Children’s Product Safety Rules. The RFI shall include questions regarding how establishing equivalency between tests in CPSC’s regulations and comparable international standards would reduce overall third party testing burdens, while assuring compliance with the applicable children’s product safety rules, regulations, standards, or bans. The burden of demonstrating equivalence shall be on the submitter of information. Upon receiving the responses to the RFI, staff shall review the responses and summarize any recommended course of action for the Commission. This summary shall include the costs of the course of action, including any additional research that might be warranted. Staff shall seek Commission approval prior to formally establishing a list of equivalent tests to those in CPSC-administered Children’s Product Safety Rules.”*

Unfortunately, the Commissioners included the phrase “The burden of demonstrating equivalence shall be on the submitter of information.” This seems irrational since CPSC staff has significantly more expertise in comparing and comprehending international standards than do the members of the HTA. Consequently we do not expect much relief from this directive.

The subsection (iii) of SPECIAL RULES FOR SMALL BATCH MANUFACTURERS indicates that the CPSC may accept compliance with an international standard as an alternative test when it is determined to be “the same or more stringent” than what is required by the CPSA. The intent being that if a small batch product is



already undergoing third party tests to ensure safety and if those tests prove to be adequate, then that small batch product should be allowed entry to the specialty toy market in the U.S.

This small batch rule includes the definition of the size of the manufacturer as one that has revenue of less than \$1 million yearly and produces no more than 7,500 units of the same product in the period of one year. The definition serves to limit the size of a company that can benefit from the small batch rule. Unfortunately the definition excludes second tier small batch manufacturers within the U.S. and those in the EU through the revenue cap. This definition of a small batch manufacturer actually only encompasses the smallest of businesses and home-based crafters rather than the manufacturer that actually produces product in small batches.

The CPSC has also interpreted the law so that in cases where a combination of a foreign manufacturer and a domestic importer bring product to the U.S. that the rule applies to BOTH. This interpretation renders any hope that legislative relief might be applicable for a small importer useless as a means for breaking the small batch children's product trade barrier between the U.S. and EU. For instance, it was previously common for a small importer to bring products from a few European second tier manufacturers to the U.S. and to distribute those products to specialty retail.

### **The Birthing of H.R.2715**

It is instructive to see the progression of the language chosen to provide relief for European and U.S. small batch producers on the legislative side. The working bill preceding H.R.2715 was H.R.1939, also known as ECADA. That bill included no language referencing international toy standards. Full markup of that bill was cancelled the morning of June 2<sup>nd</sup>, 2011, but Congressman Pitts was prepared, with bipartisan support, to offer an amendment to H.R.1939 that allowed for the use of an international toy safety standard for compliance. It included language that read "substantially equivalent or more stringent."<sup>3</sup> This amendment never had opportunity to be offered.

Then on August 1<sup>st</sup>, 2011, the confluence of three forces caused movement of a different CPSIA fix – H.R.2715.

1. The retroactive 100 ppm lead limit approved by the CPSC two weeks earlier,
2. The need to increase the U.S. debt ceiling to avoid a default a day later,
3. and Congress' desire to start August recess.

H.R.2715 was created, passed through the House under suspension of rules and then through the Senate by unanimous consent because the collision of these circumstances created a necessity to move quickly without the usual due process. So it is even remarkable that the Pitts amendment, which was never offered, was split into two and included in H.R.2715 as detailed above. This indicates the importance of providing relief for this branch of the specialty children's product supply chain and removing the trade barrier.

Unfortunately, the degree of equivalency for toy safety standards was tightened to be "same" rather than "substantially equivalent." This language is now so tightly focused that it provides relief for no one.

### **Routes for Relief**

We are left to sort out the details and what possibilities are available for relief from this predicament. This boils down to the following possibilities:

1. Have the CPSC recognize European Union toy safety standards as an adequate alternate test for certification of product – as a "reasonable method" for a small batch manufacturer – and increase the financial cap for definition of a small batch manufacturer to a level that allows actual second tier small batch product to navigate the trade barrier.

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<sup>3</sup> See text in Appendix



This requires legislative action to change the revenue cap for the definition of a small batch manufacturer to include 2<sup>nd</sup> tier manufacturers in Europe. Alternatively, a method for allowing a U.S. based importer to be subject to the revenue cap once for each foreign company it imports provides a starting point towards a permanent solution.

2. Provide relief through CPSA section 14(d)(3)(A)(v) under REDUCING THIRD PARTY TESTING BURDENS. This is outside the small batch provisions of H.R.2715 and provides a route for relief in a broader context. This includes actively working to harmonize European and US toy safety standards and seeking mutual recognition of toy safety standards.

The CPSC must be pressured to act on this issue to provide tangible results rather than issuing hollow edicts that go nowhere. The legislation allows for this to occur, but there is presently no willingness within the leadership of the Commission to make the commitment to actually reduce the regulatory burden in this way.

### Conclusion

Independently owned specialty toy stores help to ensure diversity and enhance consumer choice in the children's product marketplace, both in the U.S and the EU. Toys sold by these retailers encourage and stimulate a child's imagination and provide alternatives to mass produced toys that simply entertain. Since August of 2008 when the CPSIA was signed into law, the number of specialty toy stores in America has been decreasing, and safe small batch products from the EU have gradually left the U.S. market.

Requiring these second tier manufacturers who already comply and test to rigorous standards, to do it all over again, and absorb the costs, just to enter our market is a functional trade barrier and causes economic hardship for retailers, importers, and second tier manufacturers and does little to improve safety. The end result is: fewer specialty toy shops, less jobs, limited choice for consumers in the U.S., and a shrinking market for small batch producers in the EU. In effect, the CPSIA compels U.S. consumers to choose mass produced products.

To this point, efforts by the U.S. Congress and the CPSC to solve this problem and remove the trade barrier have been ineffective and half-hearted.

We urge the OMB's Office of Information and Regulatory Affairs to work actively for both harmonization of U.S. and EU toy safety standards and to seek mutual recognition for the most comprehensive toy safety standards in the world.

Respectfully,

Randall Hertzler,

Vice President of Handmade Toy Alliance Board of Directors – [www.handmadetoyalliance.org](http://www.handmadetoyalliance.org)  
President euroSource LLC – [www.eurosource.com](http://www.eurosource.com)

Dan Marshall – President, Board of Directors

Jolie Fay – Secretary, Board of Directors

Mary Newell – Treasurer, Board of Directors

Lynn Persson – Board of Directors

Erika Hickey – Board of Directors

Adam Frost – Board of Directors

Stephanie Stewart – Board of Directors

Tony Fuentes – Board of Directors



## Appendix

### Partial List of Retail Businesses Altered or Closed Due to CPSIA (Compiled 2009 – 2011)

A Cooler Planet – Chicago, IL	Mahar Dry Goods – Santa Monica, CA
A Kid’s Dream – Conway, AK	Moon Fly Kids – Las Vegas, NV
Attic Toys – Naples, FL	Nova Naturals – Williston, VT
Baby and Beyond – Albany, CA	Obabybaby – Berkley, CA
Baby and Kids Company – Danville, CA	OOP! – Providence, RI
Baby Sprout Naturals – Fair Oaks, CA	Oopsie Dazie – South Jordan, UT
Bellies N Babies – Oakland, CA	Phebe Phillips, Inc. – Dallas, TX
Black Bear Boutique – Portland, OR	Red Rock Toys – Sedona, AZ
Creative Hands – Eugene, OR	Storyblox – New Vienna, OH
Curly Q Cuties – Texas	Sullivan Toy Co. – Jenks, OK
Due Maternity – San Francisco, CA	The Green Goober – Mineapolis, MN
Eleven 11 Kids – Santa Rosa, CA	The Kids Closet - Rochester, IL
Essence of Nonsense – St. Paul, MN	The Learning Tree – Chicago, IL
euroSource LLC – Lancaster, PA	The Lucky Pebble – Kailua, HI
Fish River Crafts – Fort Kent, ME	The Perfect Circle – Bremerton, WA
Gem Valley Toys – Jenks, OK	The Wiggle Room – Slidel, LA
Hailina’s Closet – Ellensburg, WA	Toy Magic – Bethlehem, PA
Honeysuckle Dreams – Rockville, MD	Toys From The Heart – Royersford, PA
Kidbean – Asheville, NC	Urban Kids Play – Seattle, WA
Kungfubambini.com – Portland, OR	Waddle and Swaddle – Berkley, CA
LaLaNaturals.com – Bellingham, WA	Whimsical Walney, Inc. – Santa Clara, CA
Lora’s Closet – Berkley, CA	Wonderment – Minneapolis, MN
Magical Moon Toys – Logan, UT	Wooden You Know – Maplewood, NJ

### Partial List of Businesses within EU Limiting or Ceasing Export to the USA due to the CPSIA (Compiled 2009 – 2011)

Bartl GmbH dba Wooden Ideas – German	Joal – Spain
Brio – Sweden	Kathe Kruse – Germany
Castorland – Poland	Kinderkram – Germany
Detoe – Czech Republic	Margarete Ostheimer – Germany
Eichorn – Germany	Saling – Germany
Finkbeiner – Germany	Selecta Spielzeug – Germany
Gollnest & Kiesel KG (GOKI) – Germany	Siku – Germany
HABA – Germany	Simba – Germany
Helga Kreft – Germany	Woodland Magic Imports – France
Hess – Germany	





Amendment to be Offered to H.R.1939

**AMENDMENT TO THE AMENDMENT IN THE  
NATURE OF A SUBSTITUTE TO H.R. 1939  
OFFERED BY MR. PITTS**

Page 15, line 2, strike “testing” and insert “bases or”.

Page 16, after line 4, insert the following:

1                   “(C) ALTERNATIVE BASES.—The alter-  
2                   native bases or procedures for certification for  
3                   any product described in subparagraph (A)(iii)  
4                   may include evidence that the product conforms  
5                   with a standard or safety requirement, includ-  
6                   ing an international standard or requirement,  
7                   that the Commission determines is substantially  
8                   equivalent or more stringent than the applicable  
9                   consumer product safety rule.”.







## **Supplemental Materials**

### **European Manufacturer Letters**

**Andrea-Kathrin Christenson**, Managing Director, **KK Produktions - und Vertriebs GmbH** (Käthe Kruse), Donauwörth, Germany

**Matthias Menzel**, Managing Director, **Selecta Spielzeug AG**, Edling, Germany

**Manfred Käfer**, Managing Director, **Käfer & Partner GmbH - Glückskäfer Kinderwelt**, Reutlingen, Germany

**Detlef Schülingskamp**, Sales Manager, **Büngern-Technik - fagus Holzspielwaren**, Borken, Germany

**Sven Grimm**, Managing Owner, **Grimm's GmbH**, Hochdorf, Germany



## *Käthe Kruse*

KK Produktions - und Vertriebs GmbH  
Alte Augsburgstr. 9  
86609 Donauwörth  
Deutschland

May 24<sup>th</sup>, 2011

Käthe Kruse - a company founded 100 years ago has been known for making handmade dolls and baby toys around the world. Our Vision is to offer handmade toys to babies and children that are made with the love and care to detail as every mother would love to make them. Tradition in the making means for us to carry safety, trust, lifestyle and values into the future.

Our toys are tested according to the current regulations from the EU – EN 71 respectively. The EU has stringent toy regulations in place and thus already means a significant economic burden for a small company. The additional testing required by the regulations in the USA makes it extremely difficult to economically bring these products produced in small quantities to the market in the USA. This has already resulted in limiting the export of toys to the USA even though the products are safe.

Käthe Kruse toys encourage children's imagination, fantasy and creativity. We put all our love and experience into the elaborate making of our dolls and toys. Käthe Kruse offers over 1000 SKUs, of which many are only produced in small batches as low as 200 pieces.

Käthe Kruse toys is one of the manufacturers providing these kind of toys necessary to the independent specialty retailer. Ever since August 2008 we have seen this group of retailers struggle to find the appropriate toys, as many of the foreign toy makers have been forced to cease exports due to the mentioned reasons.

We therefore suggest accepting the current regulations from the EU, and thus allow companies that make handmade toys in small quantities to export to the USA. It will result in diversity for both consumers and retailers.

In case of any further questions we are happy to support more details.

Sincerely yours,  
Andrea Christenson  
Owner and Managing Director



Selecta Spielzeug AG  
Römerstraße 1  
83533 Edling

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Telefax (0 80 71) 10 06-40

MenzelM@selecta.ag  
<http://www.selecta-spielzeug.de>

Handmade Toy Alliance

Ihre Zeichen/Ihre Nachricht vom	Unsere Zeichen/Unsere Nachricht vom	Durchwahl	Datum
	Vorstand Matthias Menzel	+ 49 (0) 80 71-10 06-79	25.05.2011

### CPSCIA and possible changes

Dear Members of the Handmade Toy Alliance,

We really appreciate your efforts to give us as a small manufacturer from Europe a voice in the discussion around CPSCIA.

We were selling our toys, around 200 different items for babies and children between 0 and 5 year for more than 10 years into the US. Each individual item was sold with a total year quantity of around maximum 2.000 units per item (a lot of items with less than 500 units per year) in the US. Our total export volume with specialty toy stores was around 250.000 \$ - since the CPSCIA we stopped our export to the US market.

We are very sorry with the retail stores, who are losing that business, especially because there is no obvious safety issue with our decision involved.

Our toys fulfill the European safety standards, which are sufficient enough to ensure child's safety but they are different in several testing methods and therefore using different maximum allowed levels for example for lead.

As our toys are voluntarily tested from an European accredited laboratory in Germany (there is no law in Europe which forces third party testing) according to the European safety standards, we cannot also effort to spend testing cost for another third party, which is allowed to do CPSCIA.

Also due to our small batch production, which is done in our own plant here in Germany, we cannot track the production date for each single component produced to be used in our toys. So the necessary marking of products with the production date is impossible. We are not a mass market producer, who produces and exports within one container thousands of toys of one production batch.

The cost for testing for us is now around 50.000 Euro for testing according to the EN 71, and we would have to spend another 30.000 Euro for the US-regulation testing – and we cannot afford that.

So any change, which allows us to export our products with third party testing according to the European EN71, done by a test lab who is accredited within Europe, and we would be back on your market.

We wish you all the best and success for your way,

Best regards

Selecta Spielzeug AG

Matthias Menzel  
Vorstand  
Managing Director

Vorstand: Matthias Menzel, Aufsichtsrat: Prof. Dr. Wolfgang Buchholz (Vorsitzender)  
Registergericht: Traunstein HRB 13063



Babytragen  
SPIELEN  
LERNEN  
Handarbeiten



Glückskäfer

25 May 2011

To whom it may concern

The heirloom quality toys from Glueckskaefer have been carefully designed and manufactured for use by children for generations since its founding over 60 years ago. The toys purchased from Glueckskaefer will support a child as it grows through the developmental stages. They are found in classrooms and playrooms throughout the world, many have been awarded the coveted German "Spiel Gut" (Good Toy) award.

Our dedication to the highest quality goes beyond design and manufacturing to safety and the use of the finest materials sourced in Europe and other reliable sources. Our materials and production procedures meet or exceed the European safety and quality standard for baby and child products. All items are XRF tested and certified.

Because of the special high range character of our toys we produce SKU's in batches of 50 to 1,000 pieces. Such conditions of manufacturing will make any type of third party testing prohibitive and impossible.

Over the past years the demand in the US market for our products has greatly increased. There is a new understanding from the consumers that there are alternatives to mass produced disposable toys just designed to make extended and fast financial profits instead of focusing on giving children maximum value for their healthy holistic development.

If the CPSIA continues unamended the consequences for children will be that these specialized toys with high playing value will disappear from the US market, with all consequences for the individual growth and impacts on the further development of our civilization.

The European Union has also recently tightened their regulations in terms of banned toxins and production line oversight, traceability that easily meets or exceeds the CPSIA standards.

If you have any further questions we would be happy to answer them.

Sincerely yours

KÄFER & PARTNER GMBH

Manfred Käfer

Käfer & Partner GmbH  
Glückskäfer Kinderwelt  
Germanenstraße 9  
D-72768 Reutlingen

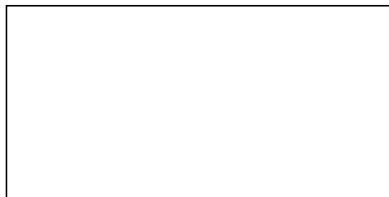
Telefon: (071 21) 560-0  
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E-Mail: [info@glueckskaefer.de](mailto:info@glueckskaefer.de)  
Internet: [www.glueckskaefer.de](http://www.glueckskaefer.de)

Geschäftsführer: Manfred Käfer  
Handelsregister B 353093 Stuttgart  
USt.-Id-Nr. DE 145349775

„Die Entfaltung der Kinder  
liegt uns am Herzen“



Anerkannte Werkstatt für Menschen  
mit Behinderungen gemäß § 142 SGB IX



25.05.2011



fagus has produced the highest quality of wooden trucks and cars by hand for 30 years. The company is founded on basis that only the highest quality of materials, workmanship and quality control are to be used in making children's toys: we believe passionately that children should play with the best!

Our wood is certified German forested wood, all of our parts are independently certified and all vehicles for the past 20 years have been tested to EU EN71 by the independent Testing Company TÜV Nord. Since this is not a certified CPSC testing facility (of which they are only very few in Germany) we would have to undertake a retesting to CPSIA standards which would be completely impossibly financially for us and would make it impossible to serve the US Market. We produce 57 SKU's in batches of less than 1000 per piece

We have over the past years found a demand in the US market for our toys, as parents turn from mass produced to handmade and high quality. They have confidence in the high standards demanded by law in Europe and the natural materials used to build our trucks and cars.

We urge you to consider the EN71 as an alternate and complementary standard. This will ensure that consumers continue to have access to a wide variety of special toys and not just those of the mass produced variety.

Warmest regards

**Büngern Technik**

Mr. Detlef Schülingkamp  
Sales manager



Träger: Caritasverband für das Dekanat Bocholt e.V.  
Nordwall 44-46 · 46399 Bocholt · Tel.: 02871/25130  
Fax: 02871/251323 · info@caritas-bocholt.de · www.caritas-bocholt.de  
Vereinsregister VR 2276 · Amtsgericht Coesfeld



To whom it may concern

2<sup>nd</sup> of May, 2011

**CPSIA requirement for small batch manufacturer**

Dear Sirs,

Grimm's is a small wooden toy manufacturer based in Germany. All our products are manufactured in Germany in small batches. We have 500 different SKUs and each one of them does not exceed 5.000 pieces manufactured and sold per annum.

All products are tested to EN 71 and our quality is constantly controlled throughout production to make sure, we do fulfil those requirements not only during certification, but throughout whole product life cycle.

It takes an enormous amount of time and money to comply with the European EN 71 regulation.

The CPSIA standards are a lot like the EN 71 requirements, which we already do fulfil. All the components we use are tested and certified to EN 71 and CPSIA standards.

But even though they, we are asked to test all our products again to CPSIA standards.

For a small wooden toy manufacturer like us, it is very hard to spend time and money for this double effort.

I am afraid, that if the CPSIA requirements stay as they are right now and if there will be no relief or simplification for small batch manufacturers like us, we need to consider whether we can still afford to sell our products in the US.

This really would be a shame and I am convinced that hundred and thousand US fans of our products would be totally disappointed and they would loose a source for good, creative toys made from sustainable resources.

Actually the CPSIA requirements, as they are today, do exactly the opposite of what the original intend was. They drive the small businesses, which always were able to control quality, because everything was local, out of business. Where on the other hand, bigger companies, who started those quality issues by importing from poor quality manufacturers in Asia, they can afford to have all this expensive testing done and they stay in business.

**I ask everyone involved in this, for the future of good and valuable toys for American children, to reconsider and change the CPSIA requirements for smaller businesses.**

Sincerely,

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