

March 17, 2014

Sent Via Courier

The Honorable Robert Adler
Acting Chairman
U.S. Consumer Product Safety Commission
4330 East West Highway
Bethesda, MD 20814

Re: Proposed Amendments to Part 1110 (Docket Number CPSC-2013-0017)

Dear Acting Chairman Adler:

The undersigned associations represent some of the largest U.S. business sectors, including major retailers, product manufacturers, service suppliers, importers and import logistics service providers. Together these companies provide millions of American jobs and create billions of dollars of economic activity each year.

A company's international supply chain and operations are extremely complex. In today's highly competitive global marketplace, a seamless global supply chain is essential to a company's success. Any change, even minor, in the efficiency of the supply chain and the flow of goods can be extremely disruptive and result in significant costs to the individual firms and the national economy. The U.S. Consumer Product Safety Commission's (CPSC's) proposal for "at entry" filing of product compliance certificates in the Proposed Amendments to 16 CFR Part 1110 (the 1110 Rule), 78 Fed. Reg. 28080 (May 13, 2013) is a significant change to current supply chain operations and will have a major adverse impact on businesses' operations as noted in the numerous public submissions on the proposed rule.

We continue to support the current "on demand" system by which the CPSC requests product safety conformity certificates from importers at entry or after importation of the product. However, we recognize the CPSC's desire to obtain usable data to effectively conduct risk assessment and targeting in order to identify potential noncompliant imported products for review. It is important for the CPSC to fully understand how the current entry process works and how this change would not only impact the industry, but Customs and Border Protection (CBP) and the CPSC as well. Substantial information technology investment will be necessary from all parties in order to implement "at entry" filing. Because of these significant impacts, we believe that before the agency moves forward with its proposal for "at entry" filing of compliance certificates, it is critical to engage with CBP, stakeholders and technical experts on several important implementation issues. We urge the CPSC to establish a stakeholder forum (or Industry Workshop) to discuss the following:

- Current importing procedures across multiple industries;
- Current certification of conformity procedures and data processing;

- Current and future development of CBP's Automated Commercial Environment (ACE) System, how to incorporate conformity certificate data into the system, and the timetable for effective implementation; our goal should be a fully automated electronic process with no paper certificates consistent with the requirements of Executive Order 13659; "Streamlining the Export/Import Process for America's Businesses" issued by the President on February 19, 2014;
- Development of a clear list of what commodities require a conformance certificate, which currently does not exist – CPSC and relevant stakeholders should develop this list jointly;
- Current Risk Assessment Methodology (RAM) and efforts to improve targeting;
- The impact of proposed 1110 Rule changes on companies, including critical business confidentiality considerations; and
- The role of third-party logistics providers including customs brokers, freight forwarders and transportation providers.

We are of course open to additional topics. We believe that the more inclusive and comprehensive the workshop is, the more effective the resulting regulation will be. Therefore, we propose that the workshop should include representatives from CBP (including the ACE and Commercial Targeting and Analysis Center offices), industry (including retailers, importers, domestic manufacturers, brands, and small and medium enterprises), and third-party logistics providers (postal carriers, transportation providers, third party testing facilities and customs brokers).

Again, we encourage the CPSC to set up a public forum as soon as possible to engage and get input from CBP and stakeholders as you review the comments filed early last year and draft the final 1110 Rule. Longer term, we also suggest that the CPSC move toward the establishment of a permanent stakeholder advisory group, as CBP and other federal agencies have, in order to regularize needed input into product safety issues of mutual importance. We look forward to working with the CPSC and other interested parties on this issue.

Please feel free to contact Kathleen McGuigan, RILA SVP Legal and Regulatory Affairs, at 703 600-2068 or kathleen.mcguigan@rila.org if you have any questions or if you would like to discuss the workshop further.

Sincerely,

American Apparel & Footwear Association

American Association of Exporters and Importers

American Home Furnishings Alliance

Baby Carrier Industry Alliance

Consumer Specialty Products Association

Craft and Hobby Association

Express Association of America	Fashion Accessories Shippers Association
Fashion Jewelry and Accessories Trade Association	Footwear Distributors & Retailers of America
Halloween Industry Association	INDA, Association of the Nonwoven Fabrics Industry
Juvenile Products Manufacturers Association	National Association of Foreign-Trade Zones
National Association of Manufacturers	National Customs Brokers and Forwarders Association of America
National Retail Federation	Motorcycle Industry Council
Outdoor Industry Association	Outdoor Power Equipment Institute
Power Tool Institute	Recreational Off-Highway Vehicle Association
Retail Industry Leaders Association	Specialty Graphic Imaging Association
Specialty Vehicle Institute of America	Synthetic Turf Council
Toy Industry Association	Travel Goods Association
U.S. Chamber of Commerce	U.S. Council for International Business
United States Fashion Industry Association	Window Covering Manufacturers Association

cc: CPSC Commissioner Marietta Robinson
 CPSC Commissioner Ann Marie Buerkle
 CBP Commissioner R. Gil Kerlikowske
 Senator Jay Rockefeller, Chairman, Senate Commerce, Science and Transportation Committee
 Senator John Thune, Ranking Member, Senate Commerce, Science and Transportation Committee
 Representative Fred Upton, Chairman, House Energy and Commerce Committee
 Representative Henry Waxman, Ranking Member, House Energy and Commerce Committee