

U.S. CONSUMER PRODUCT SAFETY COMMISSION

2010 PERFORMANCE AND ACCOUNTABILITY REPORT

November 2010



PROTECTING THE PUBLIC against unreasonable risks of injury from consumer products through education, safety standards activities, regulation, and enforcement.

MESSAGE FROM THE CHAIRMAN

Fiscal year 2010 was a good year for both the U.S. Consumer Product Safety Commission (CPSC) and for consumers. More than 500 dedicated CPSC employees worked on behalf of families all across the country, and the results of their efforts are documented in this report. From the development of proposed new crib safety rules, to the creation of a new publicly available database of incident reports, to the recall of millions of dangerous products, the CPSC put the interests of consumers first. Throughout the year, we were driven by our mission and worked tirelessly to keep you safe by enhancing the safety of the products you use and making vital safety information more accessible to you. I am very optimistic about the future now that we have developed a new, five-year strategic plan that envisions the CPSC as the global leader in consumer product safety and provides a roadmap for the CPSC to become a more proactive agency in reducing consumer product hazards. Since enactment of the Consumer Product Safety Improvement Act (CPSIA) in 2008, the Commission has escalated its public awareness efforts and is reinvigorated as a force for improving consumer product safety. As Chairman of the CPSC, I will continue to focus on strengthening our connection with consumers and targeting product safety earlier in the global supply chain.



2010 PERFORMANCE HIGHLIGHTS

The CPSC's major accomplishments over the past year include new rulemaking, heightened compliance enforcement and port surveillance, creating a more transparent agency, and enhancing its education and outreach efforts. The Commission also concentrated on developing and strengthening strategic partnerships to increase the safety of consumer products, prevent injuries, and build trust and credibility with consumers and the regulated community. In addition to developing our new strategic plan, we expanded our international programs and established a new Office of Education, Global Outreach, and Small Business Ombudsman to assist industry and small businesses with understanding and complying with CPSIA mandates and other regulatory requirements. We have continued to implement the CPSIA to better protect America's children and families and proposed rules for crib safety and children's sleep environments, among many others. To accomplish our goals, the CPSC has:

Adopted a new strategic plan that aims to increase the Commission's role as the global leader in product safety. In 2010, the Commission launched a comprehensive strategic planning initiative to update its existing strategic plan and help align agency priorities to meet the challenges we face in the twenty-first century. For example, globalization and technological advances have increased the range of products on the market as well as the challenges involved in overseeing and regulating thousands of product types that can be assembled across multiple countries. The resulting 2011-2016 Strategic Plan was developed through a consultative process involving input from consumer groups, industry stakeholders, and agency staff. It lays out an approach to achieve the CPSC's broad mission of protecting the public against unreasonable risks of injury from consumer products through education, safety standards activities, regulation, and enforcement. Five strategic goals are identified, as well as programmatic objectives that will contribute to achieving the goals and guide the activities and outcomes the CPSC delivers to the American public. The overarching vision for the strategy is that the CPSC play a global leadership role in improving consumer product safety.

Created the Office of Education, Global Outreach, and Small Business Ombudsman to provide education and outreach activities to industry, small businesses, and foreign governments. On September 22, 2010, the Commission voted to create a new office to coordinate and provide education and outreach activities to various domestic and international stakeholders, including manufacturers, retailers, resellers, small businesses, and foreign governments. The office is dedicated to addressing questions and concerns of the regulated community. The CPSC can improve manufacturers' access to the information they need to fully address safety in the manufacturing process and facilitate transfer of knowledge across industries to ultimately help create safer products through better educated manufacturers. The full-time Small Business Ombudsman position is dedicated to serving the nation's many small businesses in the area of consumer product safety and helping them comply with the CPSIA and other regulatory requirements. Special attention will be given to developing information tailored to small businesses and small batch manufacturers to help them understand and comply with applicable safety standards. Additional responsibilities of the office will include our existing international programs and interagency cooperation. The CPSC established its first overseas office, located at the U.S. Embassy in Beijing, China, in 2009. In 2010, the CPSC coordinated with the U.S. State Department to lay the groundwork for a new Regional Product Safety Officer position to be located in the Beijing office. This employee is expected to coordinate activities between the CPSC and its East Asia government partners and to disseminate information on U.S. requirements to industry in the region. In 2010, the CPSC and its Chinese government counterpart, the General Administration for Quality Supervision and Inspection (AQSIQ), consulted on hazard and enforcement issues and conducted training based on work plans for six priority areas: toys, all-terrain vehicles (ATVs), lead in children's products, electrical products, lighters, and fireworks. The CPSC also conducted numerous training sessions for Chinese government officials and Chinese industry representatives.

Implemented the CPSIA. In 2010, the Commission engaged in robust rulemaking activities to implement the CPSIA requirements. For example, to ensure the safety of infant and children's products, the Commission issued final rules governing infant bath seats and baby walkers. In addition, the Commission issued requirements for laboratory accreditation for a series of different children's products, including vinyl plastic film, carpets and rugs, youth mattresses, clothing textiles, and youth all terrain vehicles. The Commission also approved a final rule that issued guidelines and requirements for information that must be included in mandatory recall notices. This information will help consumers identify the product, understand the product hazard, and understand any remedy provided by the manufacturer. The Commission also issued a final rule providing its interpretation of the statutory factors it will consider in determining appropriate civil penalties for violations of the statutes it administers.

Implemented a "safe sleep" campaign and improved crib safety. In 2010, we gave high priority to a "safe sleep" outreach and education effort aimed at warning new parents and child care providers about the dangers of placing babies to sleep in recalled, defective, or outdated cribs and keeping soft bedding out of cribs, bassinets and play yards. Through a targeted information campaign, the CPSC publicized recalls involving millions of defective cribs, developed new safety videos and online materials, and disseminated new educational materials to underserved families. In 2010, a briefing package with draft proposed rules for full-size and nonfull-size cribs was prepared and the Commission published a Notice of Proposed Rulemaking in the *Federal Register* in July 2010. CPSC staff expects to send a briefing package with the draft final rule to the Commission before the end of calendar year 2010.

Emphasized outreach to minority groups. A priority this year was to intensify our efforts to reach more minority and underserved consumers in targeted markets. We have also undertaken efforts to enhance data collection to better understand the relative risk of product-related injuries among minority groups. We partnered with the media and grassroots organizations to increase awareness of four critical safety issues that affect minority consumers in the home: safe sleep environment, TV and furniture tip-over prevention, and poison and drowning prevention. CPSC staff participated in community events and met directly with groups that target minority audiences in seven major U.S. cities to conduct demonstrations,

distribute safety materials, and meet with local officials and community groups. We also expanded the Neighborhood Safety Network (NSN) program and targeted materials to specific hard-to-reach populations. The goal of the NSN program is to deliver product safety information at the grassroots level to targeted consumers who may not always have access to our safety messages, such as the elderly, low-income families, and some minority groups.

Developed the new public database on the safety of consumer products. We also continued development of the publicly available database mandated by the CPSIA, which is targeted for public release in March 2011. The Web-based database will reengineer how we interact with the public, industry, and other government agencies by allowing safety information to flow both ways more effectively and efficiently. The public database will provide a powerful source of information for consumers, allowing them to quickly determine whether products they already own, or are considering buying, are associated with safety hazards or recalls and will allow consumers to play a crucial role in safety by reporting potential product hazards. The database will allow the CPSC to detect patterns and trends from the reports received, transmit to manufacturers timely reports of harm involving their products, and increase the transparency of the CPSC's data and efforts to detect hazardous products. In 2010, staff continued developing the system, addressed rulemaking issues, and held workshops to solicit public opinion on topics related to the public database.

Strengthened social media platforms. The CPSC continued the social media campaign launched in September 2009, called CPSC 2.0, which is modeled after the White House's use of social media. The campaign includes the OnSafety blog, a YouTube channel, photos on Flickr, streaming recall news on the CPSC's widget, and an @OnSafety Twitter account. These platforms are providing high rewards at a low cost, as we are reaching millions of families, many of whom were previously unaware of the CPSC.

Signed an agreement with the U.S. Customs and Border Protection to protect against unsafe imported products. The CPSC and the U.S. Customs and Border Protection (CBP) signed a memorandum of understanding (MOU) in April 2010 giving the CPSC full access to the CBP's Import Safety Commercial Targeting and Analysis Center (CTAC). The MOU gives CPSC inspectors the capability to conduct import safety risk assessments and perform targeting work using the CBP's Automated Commercial System. The CPSC placed two staff at the CBP's CTAC, and gained access to a database that will allow our staff to view pre-arrival cargo information instead of waiting until shipments reach our ports, allowing us to more effectively target, identify, stop, sample, and detect violative products in suspect shipments. In 2010, the CPSC's Import Surveillance Division increased staffing to 17 full time equivalents (FTEs), collocated with CBP staff at some of the largest U.S. ports of entry. Working side by side at the ports with CBP leads to more effective import enforcement by facilitating faster sharing of samples, decreased exam times, and increased interagency communication. During 2010, staff collected and screened more than 7,000 imported products for further CPSC evaluation. By identifying and checking consumer products at U.S. ports of entry, dangerous products can be stopped at the ports before they enter the marketplace.

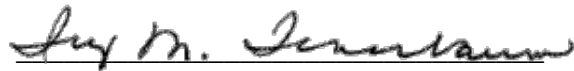
Launched a first of its kind *Pool Safely* national campaign to change the way people think and act about pool and spa safety. The *Pool Safely* campaign is a key part of the CPSC's efforts to carry out the requirements of the Virginia Graeme Baker Pool and Spa Safety Act (VGB). The campaign is a national public education effort to reduce child drownings, nonfatal submersions, and entrapments in swimming pools and spas. It is designed to raise public awareness, support industry compliance, and improve safety at pools and spas. In partnership with families who lost their children and with members of Congress who supported this vital law, we participated in events in Florida, Texas, Minneapolis, and Washington, D.C., and conducted interviews all around the country to help spread the word that "simple steps save lives" in and around the water. The newly updated website, PoolSafely.gov is a state of the art, interactive web resource that offers parents and families, state and local officials, pool operators, industry groups, and the media a wealth of information about the VGB and the *Pool Safely* education campaign. During 2010, staff

continued to enforce the Virginia Graeme Baker Pool and Spa Safety Act by working with state and local authorities to inspect more than 2,200 pools for compliance with anti-entrapment drain cover requirements.

Continued to address imported drywall safety concerns. The CPSC has led the coordination of an Interagency Drywall Task Force to investigate possible health and corrosion risks from Chinese drywall with support from the U.S. Environmental Protection Agency, the Centers for Disease Control and Prevention/Agency for Toxic Substances and Disease Registry, the U.S. Department of Housing and Urban Development, and the U.S. Department of Homeland Security. The drywall investigation has become the largest compliance investigation in the CPSC's history. In 2010, the CPSC continued to investigate health and safety issues, develop identification and remediation protocols, and report on technical studies relating to drywall. We are assisting the U.S. Army in investigating the deaths of infants reported by families at Fort Bragg, North Carolina by conducting an independent, comprehensive investigation into environmental factors in certain homes.

CONCLUSION

We have made great strides toward building a revitalized CPSC prepared to take on emerging challenges and evolving priorities designed to protect American families from hazardous products in an increasingly globalized marketplace. As we look to the future, all of us at the CPSC remain fully committed to working in an open, transparent, and collaborative manner to build a safer marketplace and create safer communities.



Inez M. Tenenbaum
Chairman

November 15, 2010

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INSIDE THE U.S. CONSUMER PRODUCT SAFETY COMMISSION

The U.S. Consumer Product Safety Commission (CPSC) is an independent federal regulatory agency that was created in 1972 by the Consumer Product Safety Act. In addition to the Consumer Product Safety Act and the more recent Consumer Product Safety Improvement Act of 2008 (CPSIA), the CPSC also administers six other laws: the Federal Hazardous Substances Act, the Flammable Fabrics Act, the Poison Prevention Packaging Act, the Refrigerator Safety Act, the Virginia Graeme Baker Pool and Spa Safety Act, and the Children's Gasoline Burn Prevention Act.

OUR MISSION

The CPSC is responsible for protecting the public against unreasonable risks of injury from consumer products through education, safety standards activities, regulation, and enforcement.

Did You Know?

There are thousands of types of consumer products under the CPSC's jurisdiction. We rely on sound science and comprehensive data collection to alert us to product hazards. We collect death, injury, and incident information from many sources, including the nation's hospital emergency rooms and from death certificates provided by all 50 states. We assess risk and help protect consumers by concentrating on effectively increasing the safety of consumer products.



HOW WE DO IT

The CPSC uses the following strategies:

- ★ Develops or revises mandatory safety standards, seeking input from all interested parties. In 2010, we worked on rules related to the CPSIA for products such as children's toys (lead content), cribs, infant bath seats, and infant walkers.
- ★ Participates in the development and revision of voluntary safety standards by working cooperatively with stakeholders. In 2010, we worked on voluntary standards for products such as window blind cords and Roman shades (strangulation hazards), free standing ranges and kitchen stoves (stability hazards), and shopping carts (fall hazards).
- ★ Facilitates the recall of products that violate mandatory safety standards or are defective. In 2010, we obtained the recall of products such as cribs, strollers, infant slings, extension cord power strips, and storage trunks.
- ★ Protects consumers from unsafe imported products by port surveillance and by working with the governments of exporting countries to educate them on U.S. safety standards.
- ★ Provides the public with easy access to information about product hazards with our social media site, *On Safety*, featuring YouTube videos, Twitter updates, and photos on Flickr.

APPROACHES TO PRODUCT SAFETY

How CPSC Reduces Hazards

The CPSC uses a number of strategies to reduce the risks associated with hazardous consumer products. These strategies include: (1) completing new rules to implement the CPSIA; (2) conducting enforcement activities to ensure compliance with the new requirements resulting from the CPSIA; (3) conducting activities to ensure the safety of imported products; (4) participating in the voluntary standards process or developing mandatory safety standards; (5) conducting compliance activities, such as recalls, corrective actions, and enforcement of existing regulations; and (6) alerting the public to safety hazards and informing them about safe practices. The Commission bases its actions to reduce the risks from hazardous consumer products on information developed from its extensive data collection systems, which can be used to assess the causes and scope of product-related injuries.

Consumer Product Safety Improvement Act

The CPSC has worked diligently on implementing the CPSIA. Implementation of the CPSIA, along with two other recently enacted product safety laws—the Virginia Graeme Baker Pool and Spa Safety Act and the Children's Gasoline Burn Prevention Act—has increased significantly the workload of the Commission. The CPSC has been issuing rules at an unprecedented pace.

The CPSC has completed numerous rules and related rulemaking activities or official Commission actions, such as limiting lead in children's products, requiring warning labeling for toy and game advertisements, developing laboratory accreditation and third party testing requirements, and issuing guidance documents for lead-containing paint and certain childcare and children's products containing phthalates. The Commission staff is actively engaged in many other CPSIA-related activities for Commission consideration.

Import Safety

The United States imports many consumer products, especially toys and other children's items. About 43 percent of all imported consumer products come from China. Most of the CPSC's recent product recalls have been imported products. The CPSC is addressing the potential risk associated with imported products through an Import Safety Initiative based on three key principles: (1) assuring that product safety is built into the manufacturing and distribution processes from the start; (2) increasing enforcement at the border to stop unsafe goods from entering the country; and (3) enhancing surveillance of the marketplace to remove unsafe products from store shelves.

The Import Surveillance Division manages enforcement activities at the ports. High volume locations are staffed with port investigators dedicated wholly to import compliance. The port investigators also work closely with other field investigators located at nearby ports of entry where permanent CPSC import

staff is not assigned. These investigators call on the talents of compliance officers, attorneys, and support staff to assist in border enforcement. More sampling, detention, and interdiction of unsafe products will result from this increased enforcement presence.

Safety Standards

The CPSC's statutory authority requires it to rely on voluntary standards to build safety into consumer products if the Commission determines that compliance with a voluntary standard is likely to result in the elimination or adequate reduction of the risk of injury identified and that there will be substantial compliance with the voluntary standard. Voluntary standards for consumer products are developed based on consensus within voluntary Standards Development Organizations (SDOs) that are composed of industry, agency, and consumer representatives. While the CPSC has no direct regulatory authority to enforce adherence to these standards, many industry partners make efforts to comply with the standards because they represent an agreement among industry and other SDO members. When the CPSC staff members identify the need for a voluntary standard, they submit a recommendation to an SDO based on consumer product incident data and analysis of that data. Typically, an SDO will organize a group, which then performs a technical assessment and prepares a draft standard for public comment. During this comment period, the CPSC staff provides expert advice, technical assistance, and clarifying analyses. After evaluating and incorporating public comment received on the proposal, the group developing the standard's provisions votes on the final voluntary standard (the CPSC does not vote on the standard). Once the voluntary standard is approved, it usually becomes the recognized norm for that industry group and product type.

Mandatory standards are federal rules, set by statute or regulation, that define the required standards consumer products must meet. Mandatory standards may take the form of performance standards that consumer products must meet or warnings they must display to be imported, distributed, or sold in the United States. The CPSC may set a mandatory standard when it determines that compliance with a voluntary standard would not eliminate or adequately reduce a risk of injury, or it is unlikely that there will be substantial compliance with a voluntary standard. The Commission may also promulgate a mandatory ban of hazardous products when it determines that no feasible voluntary or mandatory standard would adequately protect the public from an unreasonable risk of injury. If the CPSC determines that a mandatory standard or ban is necessary, the Commission uses a highly participatory process to create the standard or ban by soliciting comments from consumers, industry groups, government partners, and any other interested stakeholders. When a mandatory standard is promulgated by the CPSC, it applies across the entire chain of distribution, including manufacturers, distributors, and retailers. Mandatory standards are enforceable by the CPSC, allowing the agency to stop at the ports products that do not meet

federal requirements and to seek civil or criminal penalties for violation of the mandatory standard.

Compliance

The CPSC also reduces hazards through compliance activities. Compliance staff identifies defective products through its own investigations. Staff learns about potential product defects from many sources, including consumer reports to the Hotline and website. In addition, firms are required legally to report potential product hazards or violations of standards to the Commission. In 2005, staff developed a *Retailer Reporting Model* that enables companies to report potential hazards or violations more efficiently. Seven companies, including several of the nation's largest retailers, now follow the model.

When a recall is necessary, compliance staff undertakes negotiations with the responsible firm to seek a voluntary recall when possible. In 2010, CPSC staff completed 427 cooperative recalls (100 percent voluntary) involving millions of consumer product units that either violated mandatory standards or were defective and presented a substantial risk of injury to the public.

When companies knowingly fail to report as required, the CPSC can seek civil penalties. In 2010, the CPSC negotiated out-of-court settlements in which five companies voluntarily agreed to pay \$1.85 million in civil penalties to the U.S. Treasury. In addition, one federal court settlement resulted in a civil penalty of \$2.05 million to the U.S. Treasury. This total is expected to increase in the future because the CPSIA amended the CPSA to increase the amount of civil penalties the CPSC may impose.

Fast-Track is a program that helps companies report and correct a problem quickly to remove unsafe products from the marketplace within 20 business days. The program streamlines the process of recalls by eliminating many procedural steps of the process. Because defective products present a risk of injury or death, removing hazardous products from the marketplace faster can prevent injuries and save lives. Recalls conducted under the Fast-Track program do not require lengthy hazard analyses, and the recall process begins within 20 days of a firm's report to the CPSC more than 95 percent of the time.

The CPSC has approved the establishment of a full-time Small Business Ombudsman position within the Commission's new Office of Education, Global Outreach, and Small Business Ombudsman. The Small Business Ombudsman is dedicated to serving the nation's many small businesses in the area of consumer product safety and helping them comply with the CPSIA requirements. Additionally, the Small Business Ombudsman will be charged with developing and providing information specifically tailored to small batch manufacturers to help them understand and comply with applicable safety standards.

Consumer Information

The CPSC alerts the public through a variety of methods, including: recall alerts; print and video news releases; public service announcements; publications; national and local television appearances; the CPSC Hotline; and listservs. The CPSC alerts the public through various electronic venues, such as:

- the CPSC's websites (www.CPSC.gov, www.Recalls.gov, www.ATVSafety.gov, www.PoolSafely.gov);
- CPSC information centers ([resale/thrift stores](#), [drywall](#), [cribs](#), [generators](#));
- the CPSIA Web page www.CPSC.gov/about/CPSIA/CPSIA.html);
- the OnSafety blog (www.CPSC.gov/OnSafety);
- recall widget (www.CPSC.gov/cgi-bin/javascrpts/widgetrss.html);
- social media sites ([YouTube](#), [Twitter](#), [Flickr](#)); and
- other outreach activities, such as the Neighborhood Safety Network (NSN).

The Neighborhood Safety Network (NSN) is a grassroots outreach program that provides timely lifesaving information to more than 4,000 organizations and individuals who, in turn, share CPSC safety posters and news alerts with underserved consumers who might otherwise be unlikely to hear or receive information from the CPSC. To make the NSN program even more effective and useful for grassroots safety organizations, the CPSC developed an online toolkit, which allows communities to promote safety by downloading a variety of free publications, posters, checklists, and tools to create their own program on fire safety, drowning prevention, all-terrain vehicle (ATV) safety, and other consumer safety issues. The toolkit also has a "Design a Safety Program" link to assist officials in disseminating this lifesaving information in their communities. The CPSC will continue to update this site with new programs and will continue to promote the initiative among the members of the NSN.

The Commission continually strives to improve the CPSC's website, consumer Hotline, National Injury Information Clearinghouse, and publications distribution capability to better serve the public. The CPSC's website has grown rapidly from about 20 million visits in 2006, to more than 53.6 million visits in 2010. In 2010, the CPSC made available for the first time a widget, a Web-based tool that third parties can feature on their Web pages that displays brief summaries of the latest CPSC safety information. The presence of the CPSC widget on other organizations' Web pages accounted for an additional 42.8 million views of CPSC safety information. The CPSC posts recalls and press releases in a format that allows blogs, TV stations, and other media to obtain information from the CPSC's website and, in seconds, have the information posted on their website. A strong web presence is a key component of successfully achieving the CPSC's safety mission. While the CPSC's website, www.CPSC.gov, was recently enhanced to widen and speed

public access to important safety information, it is in need of a “facelift,” which is long overdue and coincides with the full implementation of the Consumer Product Safety Improvement Act. The redesign, developed in 2010, and to be launched in late 2011, will enhance the user experience, improve the search functionality, and streamline the content management and posting process. CPSC.gov will complement and coordinate with the separately maintained public database portal (www.SaferProducts.gov), which is under development.

The Hotline receives consumer complaints and provides information on product hazards and recalls to the public. The Clearinghouse provides injury data to staff and the public and provides manufacturers with consumer complaints, reported incidents, and investigations involving their products.

In December 2008, the Virginia Graeme Baker Pool and Spa Safety Act (VGB) became effective. In 2010:

- Just before the Memorial Day weekend, the Chairman launched the *Pool Safely* campaign in Ft. Lauderdale, FL, with Nancy Baker, Rep. Debbie Wasserman Schultz, and two Olympic swimmers.
- In observation of CPSC's national *Pool Safely* Day, Commissioner Anne Northup participated in a community event at the Deanwood Community Center in Washington, D.C., along with the DC Department of Parks and Recreation (DPR), the American Red Cross National Capital Region and Kenilworth Elementary School to bring the Pool Safely: Simple Steps Save Lives message to families.
- The Chairman participated in a *Pool Safely* event in July in Houston with Safe Kids USA and the National Drowning Prevention Alliance.
- The Chairman conducted a nationwide radio tour with the YMCAs of the USA and the American Red Cross to promote a new public service announcement on simple steps that can save lives in and around pools that first aired on Today.
- A new site called www.PoolSafely.gov was launched.
- Advertising of the *Pool Safely* campaign was placed on popular websites, on mass transit systems, on billboards, and in industry publications.
- A new Twitter account was created to promote the campaign and disseminate timely and lifesaving messages to tens of thousands of consumers online.
- A rapid response team was established to address the hundreds of drownings and near drownings that occur during the summers through direct communications with media in the locality where the incidents occurred.

How CPSC Identifies Hazards

The CPSC collects data on consumer product-related injuries and deaths, as well as economic and hazard exposure information for products under the CPSC's jurisdiction. Staff investigates specific injury cases to gain additional knowledge about injuries or hazards and how the reported product was involved. Staff systematically analyzes this information to determine where hazards exist and how to address them. These activities reflect the Commission's commitment to making decisions based on appropriate data analyses. This work provides underlying support for all of the CPSC's safety activities.

Product-Related Injuries

Each year, staff collects information about product-related injuries treated in hospital emergency rooms through the National Electronic Injury Surveillance System (NEISS). This unique system provides statistically valid national estimates of product-related injuries from a probability sample of hospital emergency rooms and is the foundation for many CPSC activities. Several foreign governments have modeled their national injury data collection systems after the CPSC's system. Annually, NEISS supplies more than 370,000 product-related cases from a sample of about 100 hospitals. The hospitals transmit incident information electronically and, in some cases, the data are available within 24 hours after an incident.

NEISS data include all trauma-related injuries. The data provide other federal agencies, researchers, and the public with comprehensive information on injuries from all sources, not just consumer products. Reimbursable funds of approximately \$2 million from the Centers for Disease Control and Prevention support this effort. The reimbursable funds allow the collection of nonconsumer product injury data, while continuing to collect product injury data with CPSC funds.

Product-Related Deaths

The CPSC also collects mortality data. CPSC staff purchases, reviews, and processes about 8,000 death certificates each year covering unintentional product-related deaths from all 50 states, and the District of Columbia. The Medical Examiners and Coroners Alert Project (MECAP) collects and reviews approximately 5,500 additional reports from participating medical examiners and coroners throughout the country. Staff also collects and reviews about 6,600 news clips and 24,000 other reports of product-related injuries and deaths from consumers, lawyers, physicians, fire departments, and others.

Risk Management System/ Public Database/ Early Warning System

The Consumer Product Safety Risk Management System (CPSRMS) is changing the way the CPSC approaches early warning detection by creating a single data source and resolving issues of siloed systems with disparate data. The CPSIA directed the Commission to modernize its IT systems and develop a searchable database using certain criteria for public reporting. In response to that mandate, the Commission is developing a single, integrated Web-based environment—the CPSRMS—that will

allow public access to consumer product safety information and enhance the CPSC's capability to monitor the safety of products.

The Commission plans to release the first version of the public database by March 11, 2011. The new database will dramatically change the way the CPSC interacts with the public, industry, and other government agencies. It will allow a greater exchange of information by all parties and provide benefits to the CPSC as well as to CPSC constituents. The database will also increase the transparency of CPSC data and efforts to detect hazardous products.

In 2008, staff developed and implemented processes and procedures for a pilot Early Warning System (EWS) that focuses on products found in the sleeping environments of children: cribs, bassinets, and play yards (playpens). A multidisciplinary team of subject matter experts (SMEs) meets weekly to evaluate and characterize the hazard scenarios and failure modes of product-associated incidents received during the previous week. An electronic database captures the hazard scenarios, failure modes, and investigative status.

In 2009, a prototype system was developed and deployed to replace the existing electronic database. The prototype automates data extraction processes and provides enhanced electronic collaboration for the EWS team.

In 2010, staff continued to apply the EWS processes and procedures for products found in the sleeping environment of children. Staff used the information in the EWS pilot to characterize hazard scenarios and severity in support of the development of crib and bassinet regulations. Staff also collaborated with IT contractors to define use cases and evaluate the proposed design of the Phase 1 modules of the CPSRMS.

Emerging Hazards

Every week, the CPSC receives thousands of consumer product incident reports from the Hotline, the Internet reporting system, news clips, and NEISS. Staff constantly reviews and analyzes this large volume of data to identify patterns and trends indicating a potential emerging hazard.

Emerging hazards work involves professionals from across the CPSC and has three objectives:

- identify patterns and trends indicating an emerging consumer product hazard;
- investigate incident reports to accurately characterize hazards; and
- mitigate identified hazards by alerting consumers to the potential risks and removing hazardous products from the marketplace.

As the CPSC receives reports of consumer product-related incidents, CPSC analysts identify the product involved and determine if an injury or fatality has occurred related to the use of the product. Analysts conduct data searches to determine the number and type of similar reports previously received by the CPSC. The analysts characterize the frequency of reports received by product type and track the number of reports received on any specific product over multiple years. Staff classifies the incident reports by severity (no injury, injury, or death) and evaluates hazard patterns for indications of emerging trends.

If the analysts detect an increased frequency of reports for a given product or manufacturer, field investigators may conduct an in-depth investigation to better understand how the injury occurred, the consumer product involved, and other information relevant to the investigation.

Through these and other actions, CPSC staff identifies and addresses consumer product hazards in a timely manner.

Laboratory Modernization

The General Services Administration (GSA) and the CPSC have acquired and are in the process of outfitting a new, modern, and efficient laboratory site, located at 5 Research Place in Rockville, Maryland. The GSA has completed working with the CPSC and the building owner on the detailed design for the building to accommodate new requirements. Construction has begun, and the projected occupancy date is spring 2011.

The new space will provide a state-of-the-art laboratory, as well as office and additional sample storage space. The new space will: (1) enhance fire testing spaces with modern safety and environmental features and provisions for more accurate observation of fire development in products; and (2) provide for dedicated testing areas for children's, electrical, combustion, and sports and recreation products, which will enhance testing efficiency.

APPROACHES TO PRODUCT SAFETY SUMMARY

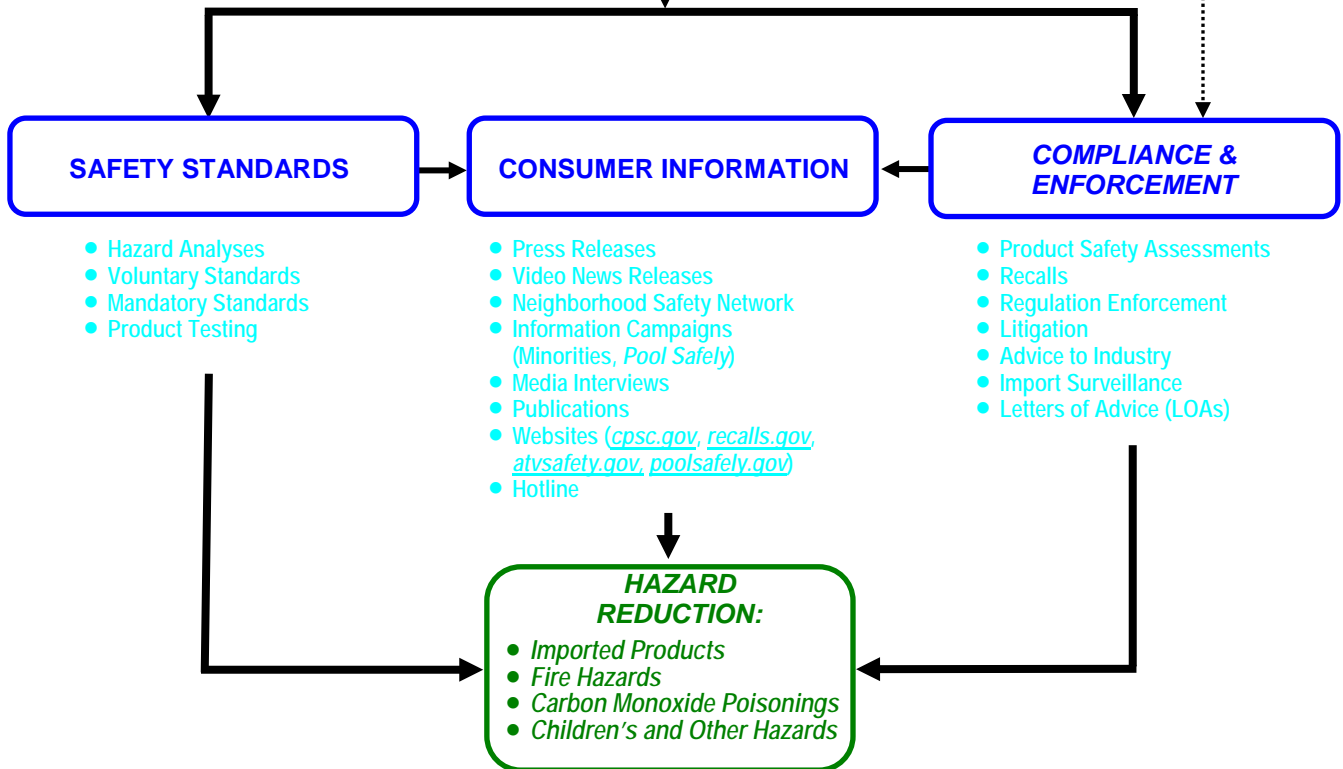
IDENTIFYING HAZARDS:

INJURIES, DEATHS, & INCIDENTS

- Consumer Product Safety Risk Management System
- NEISS Hospitals
- Death Certificates
- Medical Examiners
- Hotline/Website Consumer Complaints
- News clips
- Investigations
- Industry Reports

- National Estimates
- Emerging Hazards
- Economic Analysis
- Petition Responses

REDUCING HAZARDS:



CPSC'S STRATEGIC PLAN AT A GLANCE

STRATEGIC GOALS

The CPSC's Strategic Plan adopted in September 2003, guided the development of the CPSC's 2010 performance budget requests. The 2003 Strategic Plan focused on two results-oriented hazard reduction strategic goals:

- reduce the death rate from fires by 20 percent (see page 57), and
- reduce the death rate from consumer product-related carbon monoxide poisonings by 20 percent (see page 69).

The Strategic Plan also contained performance goals in other areas such as service quality and customer satisfaction strategic goals for services provided.

These 2003 strategic goals will continue in the new strategic plan (1) under a specific objective; (2) as annual goals that make progress toward meeting a strategic goal objective; or (3) as project activities.

2011–2016 STRATEGIC PLAN

In 2010, the Commission launched a comprehensive strategic planning initiative to revise and update its existing Strategic Plan. The 2011–2016 Strategic Plan will take effect in 2011, and will shape future performance reports over the next five years. Highlights of the plan include:

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

Vision The CPSC is the recognized global leader in consumer product safety.

Goals **Goal 1: Leadership in Safety**
Take a leadership role in identifying and addressing the most pressing consumer product safety priorities and mobilizing action by our partners.

Goal 2: Commitment to Prevention
Engage public and private sector stakeholders to build safety into consumer products.

Goal 3: Rigorous Hazard Identification
Ensure timely and accurate detection of consumer product safety risks to inform agency priorities.

Goal 4: Decisive Response
Use the CPSC's full range of authorities to quickly remove hazards from the marketplace.

Goal 5: Raising Awareness
Promote a public understanding of product risks and CPSC capabilities.



2010 PERFORMANCE SUMMARY

We met or exceeded most of our 2010 Performance Plan goals. In successful pursuit of the 2010 plan, we made these safety advances:

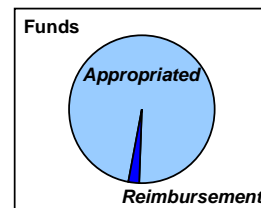
- ❖ Implemented significant portions of the Consumer Product Safety Improvement Act of 2008, including developing an interpretative rule on the definition of a children's product; final rules for infant bath seats, infant walkers, and third-party testing requirements for those products; and proposed rules for full-size and non-full-size cribs, toddler beds, and bassinets/cradles. Additionally, proposed rules were developed according to section 15(j) of the CPSA for drawstrings and hair dryers. Additional testing and technical review activities took place on products such as ATVs, lead in paint, and phthalates.
- ❖ Enforced new rules that were passed in prior fiscal years. By cooperating with state partners, the CPSC was able to enforce the requirements of the Virginia Graeme Baker Pool and Spa Safety Act (VGB) by inspecting pools and spas for compliant anti-entrapment drain covers and, in certain instances, additional anti-entrapment devices/systems. Staff also developed and/or implemented new programs for enforcing multiple recent requirements resulting from the Children's Gasoline Burn Prevention Act and CPSIA, such as lead in paint certification, tracking labels, toy standards (ASTM F963), phthalate bans, and mandatory ATV requirements.
- ❖ Obtained 427 voluntary recalls involving about 124 million product units. In addition, we obtained \$3.9 million in civil penalties for failure to report possible product hazards in a timely manner.
- ❖ Expanded import surveillance efforts by increasing the number of staff stationed full-time at ports around the United States. The Import Surveillance Division screened more than 7,000 products at the ports and stopped defective products from entering the country. Staff updated the China Program Plan, which documents the CPSC's various China-related activities and is the basis for an overall strategy to promote the safety and compliance of Chinese consumer products exported to the United States.
- ❖ Launched the *Pool Safely* campaign (www.PoolSafely.gov), a first-of-its-kind national public education effort to reduce child drowning, and nonfatal submersions and entrapments in swimming pools and spas. The *Pool Safely* campaign is a key part of the CPSC's efforts to carry out the requirements of Section 1407 of the VGB, which calls for a national public education campaign designed to raise public awareness, support industry compliance, and improve safety of pools and spas. Since Memorial Day weekend, the *Pool Safely* campaign has delivered an important and simple message: just adding an extra safety step in and around the water can make all the difference.
- ❖ Launched a targeted *Safe Sleep* outreach and education effort focusing on educating new and expectant parents and caregivers explaining how to use nursery products safely, specifically cribs, play yards, and bassinets. The CPSC worked in cooperation with safety advocacy groups at the grassroots level, including Safe Kids USA, Keeping Babies Safe, the American Academy of Pediatrics, the National Urban League, and various community groups and state and local government agencies to help disseminate the crib safety and safe sleep messages.
- ❖ Alerted the public to hazardous products through 362 press releases and recall alerts, more than six million electronically distributed publications, and through the CPSC's website, consumer hotline, and National Injury Information Clearinghouse. We had about 53.6 million website visits.

In 2010, the CPSC made available for the first time a widget, a Web-based tool that third parties can feature on their Web pages that displays brief summaries of the latest CPSC safety information. The presence of the CPSC's widget on other organizations' Web pages accounted for an additional 42.8 million views of CPSC safety information.

- ❖ Completed the first phase of the public database development, with 90 percent of the database complete and a planned launch date for the public portal of March 2011. The Commission held public workshops on January 11 and 12, 2010, to solicit public opinions from trade associations, industry representatives, consumer groups, government agencies, and other interested parties on topics related to the public database. Staff completed and the Commission voted on a Notice of Proposed Rulemaking, published in the Federal Register on May 24, 2010, for the database. Staff submitted a final rule briefing package to the Commission on October 13, 2010.

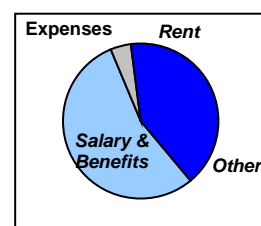
2010 RESOURCES

In 2010, the CPSC's total available resources of \$128,953,072 included \$126,200,000 (97.9 percent) appropriated by Congress and \$2,753,072 (2.1 percent) in reimbursements from others. The majority of these reimbursement funds were from other federal agencies for the collection of injury data for incidents using our unique data collection systems.



Of the \$126,200,000 2010 appropriated funds, \$116,200,000 are classified as one-year funds and \$10,000,000 are classified as multiyear funds. The \$10 million includes \$6 million for our laboratory modernization project (available through fiscal year 2011) and \$4 million for the Virginia Graeme Baker Pool and Spa Safety Act grants (\$2 million available through fiscal year 2010 and \$2 million available through 2011).

The CPSC obligated \$115,884,497 (99.7 percent) of its one-year appropriated funds. Staff salary and benefits made up most of these obligations. In 2010, the Commission funded an average of 488 FTEs using \$63,462,400 (54.8 percent) of appropriated funding. We obligated \$5,166,700 (4.5 percent) on space rent to house our staff and product testing facility. The CPSC obligated the balance, \$47,255,397 (40.8 percent), for various support costs, such as laboratory testing, information technology and other contractual support services, staff travel, information technology equipment, and supplies.



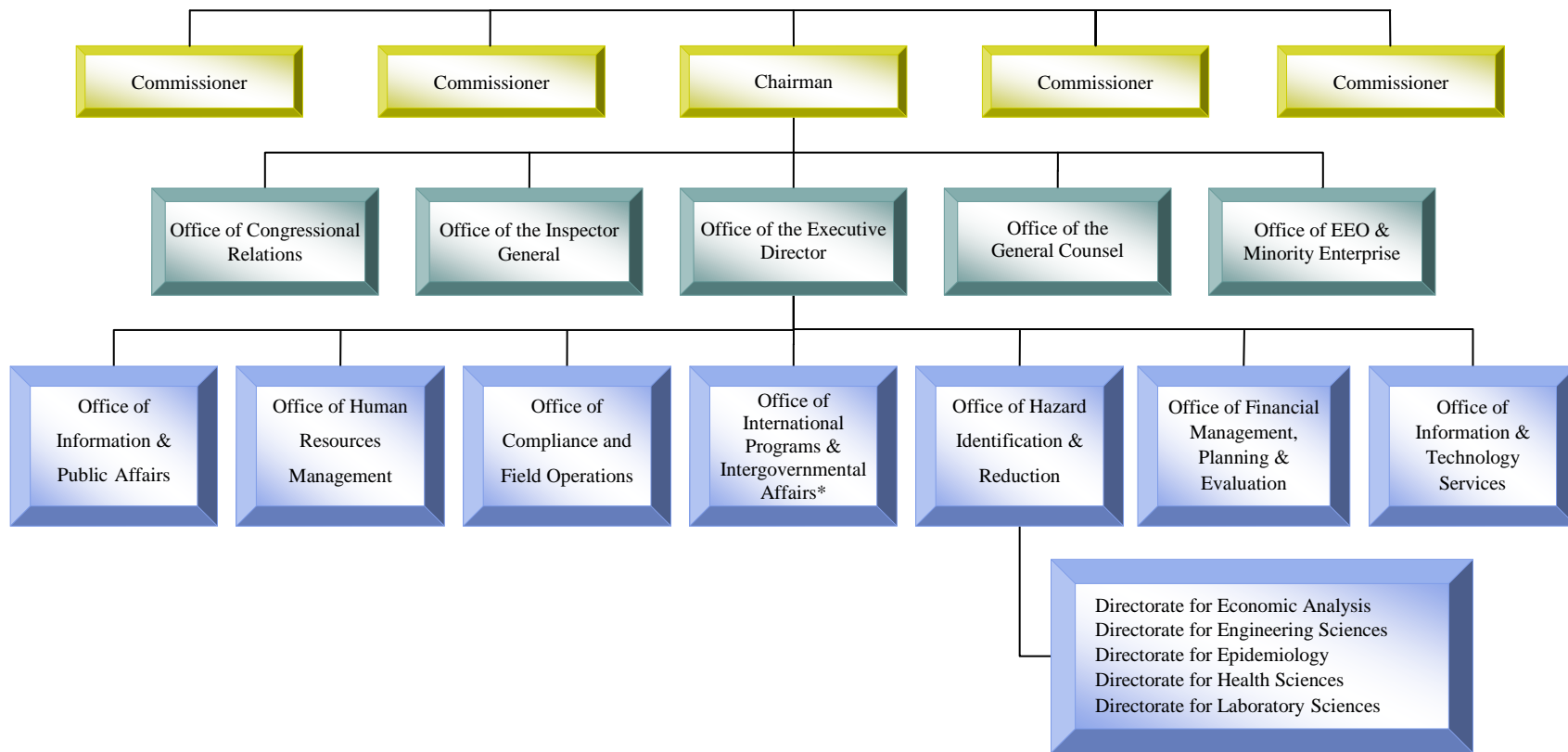
Total resources for the CPSC increased from 2009 to 2010. The financial statements do not reflect any significant differences between fiscal years not accounted for by the increase in total resources.

Appropriated Expenditures

	<u>FTEs</u>	<u>2009</u>	<u>\$000</u>	<u>FTEs</u>	<u>2010</u>	<u>\$000</u>
One-year Funds:						
Reducing Product Hazards						
Fire Deaths	104		\$20,137	99		\$21,389
Carbon Monoxide Poisoning	10		2,292	11		2,365
Children's and Other Hazards	<u>235</u>		<u>49,251</u>	<u>290</u>		<u>64,700</u>
Subtotal	349		\$71,680	400		\$88,454
Identifying Product Hazards	<u>86</u>		<u>\$25,668</u>	<u>88</u>		<u>\$27,430</u>
Total One-year Funds	435		\$97,348	488		\$115,884
Multiyear Funds:						
Lab Modernization	--		--	--		\$3,877
Pool and Spa Safety Act Grant Program	--		--	--		--
Total Multiyear Funds	--		--	--		\$3,877
TOTAL COMMISSION	<u>435</u>		<u>\$97,348</u>	<u>488</u>		<u>\$119,761</u>

ORGANIZATIONAL STRUCTURE

The Commission is composed of five members appointed by the President with the advice and consent of the Senate. The Chairman is the principal executive officer of the Commission. The following depicts the organizational structure of the CPSC.



* The Commission approved the creation of an Office of Education, Global Outreach, and Small Business Ombudsman on September 22, 2010. This office will be organized into four divisions and/or functions: (1) International Programs; (2) Small Business Ombudsman; (3) Public/Private Partnerships; and (4) Intergovernmental Affairs.

OTHER CONSIDERATIONS

ANALYSIS OF FINANCIAL STATEMENTS

The CPSC has not identified any substantial financial management issues facing the Commission. There were no major changes in the Commission's assets, liabilities, costs, revenues, obligations, and outlays that were unrelated to changes in appropriated funding.

ANALYSIS OF SYSTEMS, CONTROLS AND LEGAL COMPLIANCE

The CPSC's system of internal control provides reasonable assurance that: obligations and costs comply with applicable law; safeguards are in place to protect funds, property, and other assets from waste, loss, unauthorized use, or misappropriation; and proper recording and accounting procedures exist for expenditures applicable to agency operations. The Agency completed its 2010 review of the adequacy of management controls required under the Federal Managers' Financial Integrity Act. Managers assured the adequacy of management controls and conformance of financial systems with government-wide standards. The review identified no material weaknesses.

The CPSC's accounting system conforms to the principles, standards, and requirements of the Federal Managers' Financial Integrity Act and its related legislation. The CPSC uses the computer-based Delphi as the CPSC's Financial Management System. Delphi is the core financial system featuring general ledger control over Agency resources, obligations, and spending. It provides for the single entry of data and reconciliation to ensure the accuracy and completeness of transactions. The Department of Transportation Enterprise Service Center maintains the Delphi application through a cross-servicing agreement. No material problems or weaknesses were disclosed. An independent auditor has issued a 2010 opinion on the Delphi application, which found full compliance with all regulations and that Delphi had no material weaknesses.

LIMITATIONS OF THE FINANCIAL STATEMENTS

The principal financial statements have been prepared to report the financial position and results of operations of the CPSC, pursuant to the requirements of 31 U.S.C. 3515(b). While the statements have been prepared from the books and records of the CPSC in accordance with generally accepted accounting principles (GAAP) for federal entities and the formats prescribed by the Office of Management and Budget (OMB), the statements are in addition to the financial reports used to monitor and control budgetary resources, which are prepared from the same books and records.

The statements should be read with the realization that they are for a component of the U.S. Government, a sovereign entity. The statements for fiscal year 2010, however, remain unaudited. Due to implementation of a new financial system, the Inspector General was not able to give an opinion on the fiscal year 2010 financial statements and effectiveness of internal control, or test compliance with laws and regulations.

PAYMENTS MANAGEMENT

The CPSC has reviewed its programs and activities and determined that none is susceptible to significant erroneous payments. Significant erroneous payments are those defined as annual erroneous payments in the program exceeding both 2.5 percent of program payments and \$10 million. The CPSC has no annual erroneous payments that meet these criteria. Staff reviewed all payments to determine if any were erroneous as defined in "The Improper Payments Information Act of 2002" (Public Law 107-300). The CPSC's current procedures are adequate to prevent significant erroneous payments.

FINANCIAL MANAGEMENT SYSTEM PLAN

Our goal at the CPSC is provide agency managers and staff accurate and timely financial data in the least burdensome way. During 2010, we implemented a new modern financial management system, Delphi Oracle, operated by the Department of Transportation's Enterprise Service Center (ESC) on a shared-service contract basis. We will continue working with ESC to further develop our reports and queries to provide our managers and staff easy to navigate reports and queries. Long-term plans call for integrating procurement with the financial system. Currently, our payroll, travel management and cost accounting systems are integrated with the Delphi system.

INTRODUCTION

Performance Report Organization

This Performance Report gives a comparison of the 2010 actual performance with the annual goals and targets set forth in the 2010 Performance Budget (January 2010). The goals are *in italics* to distinguish them from the accomplishments. The CPSC's 2010 performance is characterized as follows:

- Exceeded—work was accomplished beyond the target.
- Met—performance goal was met.
- Not Met—performance goal was not met; for goals that are estimates and based on historical trends, the target for the following year will be revised.

The Performance Report contains the death and injury data that were included in the Performance Budget. We may have more recently available data, but for this report, we retained what was in the Performance Budget because it was the basis for development of the performance goals.

Relationship of Strategic and Annual Performance Goals

This Performance and Accountability Report was developed under the strategic plan adopted in September 2003. The CPSC approved a new strategic plan in October 2010, which will guide our work going forward. The strategic plan sets the direction of the Commission and the allocation of resources. Each year, we link annual performance goals to the strategic goals through projects and activities. The CPSC has also set annual performance goals in other areas that are not in the strategic plan, such as reducing electrocution hazards and drowning hazards, and increasing data collection. We also set annual performance goals to support services and management goals. This Performance Report includes accomplishments in both strategic and nonstrategic goal areas from the 2003 Strategic Plan.

Estimated Versus Targeted Annual Goals

The Commission engages in different types of activities that require different types of annual goals. Activities can be categorized as those that *react* to critical safety problems in the marketplace, such as consumer outreach to warn about emerging safety hazards, and those that are *planned* activities, such as developing safety standards.

For activities that react to critical safety problems, annual goals are characterized more appropriately as estimates. Numerical goals for these types of activities are set based on a review of past years' data. However, the actual number of consumers reached may vary, depending on the safety-related circumstances arising during the year.

For planned activities, an annual goal is a target for completing a certain number of activities, such as preparing recommendations to develop or strengthen fire-related safety standards.

CONSUMER PRODUCT SAFETY IMPROVEMENT ACT¹



The Consumer Product Safety Improvement Act of 2008 (CPSIA), signed into law on August 14, 2008, represents the most significant change in the Consumer Product Safety Commission's (CPSC's) governing statutes since the enactment of the original Consumer Product Safety Act in 1972. The CPSIA directs the Commission to adopt and enforce many new requirements intended to enhance the safety of consumer products, especially those intended for children.

Implementation of the CPSIA has been the CPSC's highest priority. The Commission has:

- completed numerous rules and related rulemaking activities or official actions;
- published enforcement guidance and policies to enhance compliance with the new law;
- conducted numerous meetings with stakeholders;
- developed a special website dedicated to the CPSIA;
- responded to questions from the public numbering in the thousands; and
- focused much of its limited scientific, legal, technical, educational, training, and administrative resources on CPSIA implementation.

The Commission staff is engaged actively in many other CPSIA-related activities, given the significant changes it makes to the Commission's legal authorities.

In 2010, along with continuing to promulgate more than 30 new rules and notices under the CPSIA, the Commission resumed its active role in the voluntary standards process, started a number of new rulemaking activities, increased its data analysis and technical review activities, and instituted initiatives to better serve minority communities. The Commission also addressed a growing compliance and enforcement workload, as well as worked on development of the public database and modernization of the CPSC's information technology to support the CPSC's product safety work.

¹ Resources for this effort are included in the major program, *Reducing Product Hazards to Children and Families*, except for the Consumer Product Safety Risk Management System, which is included under *Identifying Product Hazards*.

Improving Product Safety: Title I—Children’s Product Safety Annual Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Safety Standards: Prepare Candidates for Rulemaking						
1. Lead content determinations and exclusions (sec. 101)	Goal	**	**	**	5	1
	Actual				5	1
2. Children’s product (sec. 101)	Goal	**	**	**	**	1
	Actual					1
3. Third-party testing and accreditation requirements (sec. 102)	Goal	**	**	**	6	4
	Actual				6	4
4. Labeling of consumer products as complying with certification requirements (sec. 102)	Goal	**	**	**	1	1
	Actual				0	1
5. Safety standards for durable infant or toddler products and accreditation requirements (sec. 104)	Goal	**	**	**	3	8
	Actual				3	8
6. Consumer registration forms for durable infant/toddler products (sec. 104)	Goal	**	**	**	1	1
	Actual				1	1
7. Phthalates (sec. 108)	Goal	**	**	**	**	2
	Actual					2
8. Substantial Product Hazard - 15j (sec. 223)	Goal	**	**	**	**	2
	Actual					2
9. All-terrain vehicles (sec. 232)	Goal	**	**	**	1	1
	Actual				1	1
Complete Data Analysis and Technical Review Activities						
10. Study the measurement of lead in paint through x-ray fluorescence and alternative technologies (sec. 101)	Goal	**	**	**	1	1
	Actual				1	1
11. Juvenile Products Standards Comparison (sec. 104)	Goal	**	**	**	**	1
	Actual					0
12. Durable Nursery Products Exposure Survey (sec. 104)	Goal	**	**	**	**	1
	Actual					0
13. Evaluate and make recommendations to improve sections of ASTM toy standard (sec. 106)	Goal	**	**	**	6	2
	Actual				6	2
14. Provide technical support to Chronic Hazard Advisory Panel (sec. 108)	Goal	**	**	**	2	2
	Actual				1	2
Compliance						
15. Enforce lead paint ban and lead content limit in children’s products (number of models) (sec. 101)	Goal	**	**	**	500	1,000
	Actual				715	5,321
16. Enforce certification requirements (sec. 102)	Goal	**	**	**	**	1
	Actual					1
17. Enforce tracking label requirements (sec. 103)	Goal	**	**	**	**	1
	Actual					1
18. Enforce ASTM toy standard (sec. 106)	Goal	**	**	**	**	1
	Actual					1
19. Enforce ban on products containing prohibited phthalates (sec. 108)	Goal	**	**	**	**	1
	Actual					1
20. Review ATV action plans within 60 days (sec. 232)	Goal	**	**	**	100%	100%
	Actual				100%	100%
21. Enforce mandatory ATV requirements (sec. 232)	Goal	**	**	**	**	1
	Actual					1

** No goal established. Legislation not yet in place: while no goals were established because of the passage date, work on CPSIA activities began in late FY 2008.

Annual Goals Summary		2006	2007	2008	2009	2010
Communication/Consumer Information						
22. Keep public updated on CPSIA activities	Goal	**	**	**	**	1
	Actual					1
23. Participate in public or webcast meetings for stakeholders to learn about CPSIA	Goal	**	**	**	9	6
	Actual				12	13
24. Create response publications for small businesses seeking Ombudsman office counsel	Goal	**	**	**	3	1
	Actual				3	1

** No goal established. Legislation not yet in place: while no goals were established because of the passage date, work on CPSIA activities began in late FY 2008.

Safety Standards: Prepare Candidates for Rulemaking

Prepare for Commission consideration of these candidates for rulemaking or other alternatives.

1. Lead Content Determinations and Exclusions

The CPSIA sets limits for lead content of children’s products of 600 parts per million (ppm) by February 2009, 300 ppm by August 2009, and, if technologically feasible, 100 ppm by August 2011.

Goal: In 2010, as directed by the Commission, staff will prepare for Commission consideration a rule providing for the determination that the lead content of certain specified products or materials are known not to exceed the 100 ppm limit.

Met: In 2010, staff received a request from the Polyurethane Foam Association for a Commission determination on whether polyurethane foam products contain lead in concentrations that exceed the 100 ppm lead content limit. Staff drafted a memorandum with recommendations to the Commission.

2. Interpretative Rule for Children’s Product



Numerous requirements of the CPSIA apply to children’s products. As defined in the CPSA, a children’s product is “a consumer product designed or intended primarily for children 12 years of age or younger.”

The CPSA also states that when determining whether a consumer product is primarily intended for a child 12 years of age or younger, the following factors shall be considered:

- a statement by a manufacturer about the intended use of such product, including a label on such product if such statement is reasonable;
- whether the product is represented in its packaging, display, promotion, or advertising as appropriate for use by children 12 years of age or younger;
- whether the product is commonly recognized by consumers as being intended for use by a child 12 years of age or younger; and
- the age determination guidelines issued by the Commission staff in September 2002, and any successor to such guidelines.

Since the definition of a *children's product* could encompass many consumer products, the Commission faces the challenge of interpreting this definition in a manner that allows industry to clearly identify the products covered by the Act. This project explains various concepts relevant to the interpretation of the scope of products addressed by the term *children's product* that the Commission may use to issue an interpretative rule in 2010.

Goal: *In 2010, staff will prepare for commission consideration a briefing package on an interpretative rule regarding the term children's product.*

Exceeded: On March 17, 2010, staff sent a briefing package to the Commission with staff's draft proposed interpretation of the definition of children's product. The briefing package can be found at

www.cpsc.gov/library/foia/foia10/brief/childproducts.pdf.

Public responses to the proposed rule were considered and the Commission was briefed on September 1, 2010. The draft proposed interpretative rule (Docket CPSC-2010-0029) was published on April 20, 2010. The final proposed interpretative rule was presented to the Commission on August 25, 2010, and is available at

www.cpsc.gov/library/foia/foia10/brief/interpretive.pdf.

The Commission voted to approve a revised final interpretative rule (16 CFR part 1200) on October 6, 2010, which is available at www.cpsc.gov/about/cpsia/frchildprod.pdf.

3. *Third-Party Testing and Accreditation Requirements*

The CPSIA mandates third-party testing for certain children's products. The Act sets a schedule for the Commission to publish notice of requirements for accreditation of third-party testing laboratories. In 2009, staff created and managed a process for the submission, collection, and processing of all application materials for the CPSC's accreditation of these laboratories.

Goal: *In 2010, staff will develop, for Commission consideration, protocols and standards for: (1) periodic testing; (2) testing of random samples; (3) verification that children's products tested by a conformity assessment body comply with applicable children's product safety rules; and (4) safeguarding against the exercise of undue influence on a third-party conformity assessment body by a manufacturer or private labeler.*

Met: On April 15, 2010, CPSC staff sent two briefing packages to the Commission for consideration. The staff's draft proposed rules for *Testing and Labeling Pertaining to Product Certification* and for *Conditions and Requirements for Testing Component Parts of Consumer Products* contained protocols and standards for periodic testing, testing of random samples, verification that children's products tested by a conformity assessment body comply with applicable children's product safety rules, and safeguarding against the exercise of undue

influence on a third-party conformity assessment body by a manufacturer or private labeler. On May 5, 2010, the Commission voted to issue Notices of Proposed Rulemaking (NPRs). The proposed rule for *Testing and Labeling Pertaining to Product Certification* (Docket CPSC-2010-0038, 75 FR 28336 (May 20, 2010)) can be found at www.cpsc.gov/businfo/frnotices/fr10/testing.pdf.

The proposed rule for *Conditions and Requirements for Testing Component Parts of Consumer Products* (Docket CPSC-2010-0037, 75 FR 28208 (May 20, 2010)) can be found at www.cpsc.gov/businfo/frnotices/fr10/compparts.pdf.

4. *Labeling of Consumer Products as Complying with Certification Requirements*

The CPSIA requires that the CPSC initiate a process by which a manufacturer or private labeler may label a consumer product as complying with the CPSIA certification requirements.

Goal: *In 2010, staff will prepare for Commission consideration a briefing package for an NPR for labeling of consumer products. The NPR will include requirements for a program by which manufacturers and private labelers may label consumer products as complying with the certification requirements of CPSIA section 102(a).*

Met: On April 15, 2010, a briefing package with the staff's draft proposed rule for *Testing and Labeling Pertaining to Product Certification* was sent to the Commission. On May 5, 2010, the Commission voted to issue an NPR. The proposed rule (Docket CPSC-2010-0038, 75 FR 28336 (May 20, 2010)) is at www.cpsc.gov/businfo/frnotices/fr10/testing.pdf.

5. *Durable Infant or Toddler Products*

Safety Standards for Cribs



The CPSIA requires the CPSC to study and develop safety standards for two durable infant or toddler products every six months, to begin no later than August 14, 2009.

Cribs are one of the only places where parents leave babies unattended for long periods of time, and they remain a priority for the Commission.

In November 2008, the Commission issued an Advance Notice of Proposed Rulemaking (ANPR) on cribs to address hardware failures. Staff also began testing and analysis of cribs to evaluate the adequacy of the voluntary standard in addressing hazard scenarios. In 2010, the CPSC will accelerate rulemaking activities related to cribs.

Goal: *In 2010, staff will prepare for Commission consideration a briefing package for draft NPRs for full-size and non-full-size cribs.*

Met: On June 30, 2010, a briefing package with staff's draft proposed rules for full-size cribs and non-full-size cribs was sent to the Commission for consideration. The briefing

package is available at www.cpsc.gov/library/foia/foia10/brief/104cribs.pdf.

The Commission published an NPR in the *Federal Register* on July 23, 2010 (Docket CPSC 2010-0075), which is available at www.cpsc.gov/businfo/frnotices/fr10/cribstd.pdf.

The proposed rule for full-size cribs would make mandatory the ASTM (ASTM International, formerly American Society for Testing and Materials) voluntary standard with one change in the test procedure (i.e., to eliminate a requirement to retighten fasteners between tests) to more accurately reflect consumer use. The proposed rule for non-full-size cribs would make mandatory the ASTM voluntary standard but with changes to certain test procedures (e.g., the vertical impact test, the crib side tests, and the movable side latch tests) to reduce hardware and structural integrity failures that present potential hazards to infants. A briefing package with the staff's draft final rule is expected to be sent to the Commission before the end of calendar year 2010.

Safety Standards for Durable Infant or Toddler Products

In September 2009, the Commission issued NPRs for baby bath seats and infant walkers.

Goal: *In 2010, staff will prepare briefing packages with draft final rules for baby bath seats and infant walkers for Commission consideration. In addition, staff will prepare briefing packages with draft NPRs for toddler beds and bassinets for Commission consideration.*

Met: On April 28, 2010, a briefing package with staff's draft final rule for bath seats was sent to the Commission for consideration. The Commission published the final rule, which will become effective on December 6, 2010. The final rule, which is available at www.cpsc.gov/businfo/frnotices/fr10/bathseatscorr.pdf, makes mandatory the ASTM voluntary standard but with several changes, including a more stringent leg opening requirement to address torso entrapment incidents, as well as a change in the stability requirements.

On May 12, 2010, a briefing package with staff's draft final rule for infant walkers was sent to the Commission. The Commission published the final rule for infant walkers, which will become effective on December 21, 2010. The final rule, which can be found at www.cpsc.gov/businfo/frnotices/fr10/walkerscorr.pdf, makes mandatory the ASTM voluntary standard but with some changes, including changes to the current performance requirements for parking brakes (for walkers so equipped) and to the requirements for stair fall tests.

For clarity, on May 12, 2010, CPSC staff also sent a briefing package to the Commission with a draft final rule for the revocation of the existing regulations pertaining to baby walkers in 16 CFR sections 1500.18(a)(6) and 1500.86(a)(4) but recommended that the regulations continue to apply to baby

bouncers, walker jumpers, and any other similar articles. The Commission published the final rule in the *Federal Register* (75 FR 35279) on June 21, 2010, and it will become effective on December 21, 2010. The final rule can be found at www.cpsc.gov/businfo/frnotices/fr10/walkersrevoke.pdf.

In March 2010, CPSC staff sent draft proposed rules for toddler beds and bassinets/cradles to the Commission for consideration. The Commission published a Notice of Proposed Rulemaking (NPR) for toddler beds in the *Federal Register* on April 28, 2010. The proposed rule, which is available at www.cpsc.gov/businfo/frnotices/fr10/toddler.pdf would make mandatory the ASTM voluntary standard but with some modifications. The modifications include a height requirement for guardrails, new performance requirements for slat/spindle strength, and new separate warning labels to address entrapment and strangulation hazards.

The Commission also published an NPR for bassinets/cradles in the *Federal Register* on April 28, 2010. The proposed rule, which is available at www.cpsc.gov/businfo/frnotices/fr10/bassinets.pdf, would make mandatory the ASTM voluntary standard but includes updated warnings and performance requirements to reduce suffocation and entrapment incidents.

The staff plans to send briefing packages with staff's draft final rules to the Commission in 2011.

Accreditation Requirements

Goal: *In 2010, staff will prepare for Commission consideration draft final rules for lab accreditation for testing children's products for compliance with the durable infant or toddler products standards for baby bath seats and infant walkers.*

Met: In 2010, staff prepared for Commission consideration draft final rules for lab accreditation for testing children's products for compliance with the durable infant or toddler products standards for baby bath seats and infant walkers.

Third Party Testing for Certain Children's Products; Infant Bath Seats: Requirements for Accreditation of Third Party Conformity Assessment Bodies was published in the *Federal Register* (75 FR 31688) on June 4, 2010, and is available on the CPSC website at www.cpsc.gov/businfo/frnotices/fr10/tpbath.pdf.

A correction to the final rule was published in the *Federal Register* on June 15, 2010 (75 FR 33683); the notice provided corrected dates for when the regulation would become effective and when products would be required to be tested by a third-party testing laboratory.

Third Party Testing for Certain Children's Products; Infant Walkers: Requirements for Accreditation of Third Party Conformity Assessment Bodies was published in the FR (75 FR

35282) on June 21, 2010, and is available on the CPSC website at www.cpsc.gov/businfo/frnotices/fr10/tpwalker.pdf.

6. ***Consumer Registration Forms for Durable Infant/Toddler Products***

The CPSIA requires the CPSC to issue a rule requiring manufacturers of durable infant and toddler products to issue postage prepaid registration forms that will enable the manufacturer or retailer of the product to contact consumers with recall or other safety information. In June 2009, staff prepared a draft NPR titled, “Requirements for Consumer Registration of Durable Infant or Toddler Products.” The proposed rule would require each manufacturer of a durable infant or toddler product to: provide a postage-paid consumer registration form with each product; keep records of consumers who register such products with the manufacturer; and permanently place the manufacturer’s name and contact information, model name and number, and date of manufacture on each such product.

Goal: *In 2010, staff will prepare for Commission consideration a briefing package for a final rule on product registration forms for durable infant or toddler products.*

Met: Staff prepared a briefing package, and the Commission voted unanimously on December 16, 2009, to approve a final rule requiring manufacturers of certain products for infants and toddlers to set up registration card programs to facilitate recalls. The CPSC’s announcement is available at www.cpsc.gov/cpsc/pub/prerel/prhtml10/10093.html.

7. ***Phthalates***

Interpretative Rule for Children’s Toy

The CPSIA prohibits any children’s toy or child care article from containing specified levels of certain phthalates.

The Act defines a *children’s toy* as “a consumer product designed or intended by the manufacturer for a child 12 years of age or younger for use by the child when the child plays.” Each element of the statutory definition must be met in order for an article to be a *children’s toy*.

Since the given definition could encompass many consumer products, the Commission faces the challenge of interpreting this definition in a manner that allows industry to clearly identify the products covered by the Act. This project explains various concepts relevant to the interpretation of the scope of products addressed by this legislation.

Goal: *In 2010, staff will prepare for commission consideration a briefing package on an interpretative rule regarding the term children’s toy.*

Met: In 2010, CPSC staff completed a briefing package with staff’s draft proposed interpretative rule for *children’s toy* for Commission consideration. It has not yet been placed on the Commission agenda for vote.

Interpretative Rule for Child Care Article

The Act defines a *child care article* as “a consumer product designed or intended by the manufacturer to facilitate sleep or the feeding of children age 3 and younger, or to help such children with sucking or teething.”

Since this definition could encompass many consumer products, the Commission faces the challenge of interpreting this definition in a manner that allows industry to clearly identify the products covered by the Act. This project explains various concepts relevant to the interpretation of the scope of products addressed by the term *child care article*.

Goal: *In 2010, staff will prepare for commission consideration a briefing package on an interpretative rule regarding the term child care article.*

Met: On September 29, 2010, CPSC staff completed a briefing package with staff’s draft proposed interpretative rule for *child care article* for Commission consideration. It has not yet been placed on the Commission agenda for vote.

8. *Substantial Product Hazard - 15(j)*

The CPSIA added a new provision to section 15 of the CPSA that allows the Commission to adopt rules defining either the presence or absence of certain types of product characteristics as a defect that constitutes a “substantial product hazard” for an entire class of products. Such rules must be based on a “readily observable” characteristic that has been addressed already by voluntary standards, and there must be substantial compliance with those standards. The importance of such “generic defect” rules for import safety is that they streamline the CPSC’s ability to deal with products that are not subject to a mandatory standard. Candidates for consideration include hair dryers and drawstrings.

Goal: *In 2010, staff will prepare two briefing packages with proposed recommendations for products to be considered for rulemaking under section 15(j) by the Commission.*

Met: CPSC staff sent briefing packages to the Commission for consideration with draft proposed rules under section 15(j) for children’s upper outerwear with drawstrings and hairdryers. They are available on the CPSC website at www.cpsc.gov/library/foia/foia10/brief/drawstrings.pdf and www.cpsc.gov/library/foia/foia10/brief/hairdryers.pdf.

The Commission issued an NPR for a proposed rule on children’s outerwear with drawstrings, which was published in the *Federal Register* on May 17, 2010 (75 FR 27497), and can be found on the CPSC website at

www.cpsc.gov/businfo/frnotices/fr10/drawstringcomm.pdf.

An NPR for hairdryers was also published in the *Federal Register* on May 17, 2010 (75 FR 27504), and can be found on

the CPSC website at

www.cpsc.gov/businfo/frnotices/fr10/hairedrycomm.pdf.

Staff anticipates that briefing packages with draft final rules for these products will be prepared in 2011 for Commission consideration.

9. All-Terrain Vehicles



In 2006, the Commission issued an NPR that would ban three-wheeled all-terrain vehicles (ATVs) and mandate performance, informational, and offer-of-training requirements for youth and adult ATVs. The NPR included Commission instructions to CPSC staff to take several specific actions regarding ATVs.

In 2007 and 2008, in response to Commission instruction in the NPR, CPSC staff contracted with the U.S. Army Aberdeen Test Center (ATC) to test and evaluate nine youth model ATVs against each other and against the performance requirements of the American National Standards Institute/Specialty Vehicle Institute of America standard for four-wheeled ATVs. At that time, the standard was voluntary. The CPSC, in response to direction of the CPSIA, has since made it a mandatory consumer product safety standard, effective April 13, 2009.

In 2009, CPSC staff modified its agreement with the ATC to conduct similar tests on several adult and transitional size ATVs. This testing began in 2009, and is expected to conclude in 2010. Testing of these ATVs will enable staff to examine the effects of rider interaction on ATVs and to examine the latest technology, such as power steering and independent rear suspension.

***Goal:** In 2010, staff will monitor its agreement with the ATC and participate in testing, as necessary, to evaluate several adult and transitional size ATVs. The contractor will complete a report on the results of this testing.*

Met: CPSC staff monitored the work in the agreement with the ATC to test and evaluate nine adult- and transitional-size ATVs. The agreement between the CPSC and the ATC is available at www.cpsc.gov/library/foia/foia10/contracts/cpsc-i-07-0003-mod8.pdf. CPSC staff provided the ATVs used in the testing and ATC staff provided the test environment, as well as all instrumentation and methodology needed for data collection, data processing, and data reduction. CPSC staff regularly visited the ATC to observe the testing. The evaluation and tests included the following: obtaining and recording the individual ATV's physical, lateral stability, and steering characteristics; determining the ATV's center of gravity and moment of inertia; and conducting, according to the mandatory standard, maximum speed testing, maximum effort brake testing, and maximum speed brake testing. The ATC also conducted static rollover threshold testing and off-road testing to simulate a range of environments typically encountered during ATV use. The ATC was also asked to determine if there are characteristics of certain

models which make them more stable and/or less incident prone than other models. CPSC staff will evaluate the test results as a part of its work on completing the rulemaking that was initiated with an ANPR in 2005, and an NPR in 2006; the staff will include its evaluation in a briefing package that is scheduled to be submitted to the Commission in 2011.

Complete Data Analysis and Technical Review Activities

10. *Measurement of Lead in Paint*



The CPSIA required the CPSC to conduct a study, by August 2009, on x-ray fluorescence (XRF) technology or other alternative methods for measuring lead in paint to evaluate the effectiveness, precision, and reliability of such measurement technologies. In August 2009, staff completed and posted online a report that concluded that the ability of XRF to measure lead content accurately in painted films on children's products at the limits required under the CPSIA is currently limited due to the unavailability of standard testing materials. The report also stated that CPSC staff would continue to study the feasibility of using XRF technology for analyzing painted films on children's products as standard testing materials and standard analytical methods become available. The CPSIA requires periodic review and specifically, an ongoing effort to study and encourage further development of alternative methods for measuring lead in paint and other surface coatings that can effectively, precisely, and reliably detect lead levels at or below the level specified in the legislation, or any lower level established by regulation.

Goal: *In 2010, staff will complete a draft status report on the development of a standard reference material and the effectiveness of XRF and other alternative technologies for the measurement of lead.*

Met: In 2010, staff prepared a draft status report on the development of a standard reference material and the effectiveness of XRF and other alternative technologies for the measurement of lead. The draft memorandum addresses the effectiveness of a new method, energy dispersive XRF using multiple monochromatic excitation beams, which can be used for determining the amount of lead in paint and similar coatings according to ASTM F2853-10, if appropriate reference materials are used for calibration and verification. These reports are undergoing clearance.

11. *Juvenile Products Standards Comparison*

The CPSIA requires the Commission to study and develop safety standards for infant or toddler products. To support this activity, CPSC staff plans to award a contract to compare the specific requirements in each standard and rank the common requirements from least to most stringent.

Goal: *In 2010, CPSC staff will develop a statement of work and award a contract for the review of all U.S. and foreign voluntary*

and mandatory standards for those durable infant or toddler products considered by CPSC staff for potential rulemaking activities under section 104 of the CPSIA. The contractor will prepare a report of its review.

Not Met: The CPSC staff developed a statement of work for the review of voluntary and mandatory standards for durable infant and toddler products. A contract to conduct this review was awarded in May 2010. Since the period of performance for this contract is one year, the contract effort, including the report, has a projected completion date of May 2011.

12. *Durable Nursery Products Exposure Survey*

The CPSIA requires that the CPSC evaluate the existing voluntary standards for durable infant or toddler products and promulgate mandatory standards substantially the same as, or more stringent than, the applicable voluntary standard. To evaluate the current voluntary standards effectively, CPSC staff requires baseline data to measure the potential future impacts of the CPSIA mandatory efforts on children's products. An exposure survey will be conducted to gather this baseline data. In 2009, staff began work on questionnaire development and awarded a contract to conduct the first phase of the survey.

Goal: *In 2010, staff will work with the contractor to develop a final exposure survey questionnaire, develop the survey's sample (statistical) design, and submit a supporting statement for the survey to the Office of Management and Budget (OMB) for approval.*

Not Met: During 2010, CPSC staff, working with the contractor, developed a final exposure survey questionnaire, developed the survey's sample (statistical) design, and completed the supporting statement for the OMB. However, the supporting statement cannot be submitted to the OMB until public comments have been received and evaluated. The *Federal Register* notice for the proposed survey was published on August 19, 2010. The public comment period ended on October 19, 2010, and staff expects to make the submission to OMB in early 2011.

13. *Toy Standard Evaluations*

Specific Toys, Components, and Risks Evaluation



As mandated by the CPSIA, the voluntary standard ASTM F963, Standard Consumer Safety Specification for Toy Safety, became mandatory in February 2009.

In 2009, staff, in consultation with stakeholders, began work to evaluate and make recommendations to the Commission to improve requirements of the Standard in the following six areas: (1) hazards caused by the ingestion or inhalation of magnets in children's products; (2) toxic substances; (3) toys with spherical ends; (4) hemispheric-shaped objects; (5) cords, straps, and elastics; and (6) battery-operated toys.

Goal: In 2010, CPSC staff will complete a technical report of its review of ASTM F963 in the six hazard areas.

Met: CPSC staff reviewed ASTM F963 and completed a report addressing the six hazard areas on May 10, 2010. The report is available at www.cpsc.gov/volstd/toys/f963_05102010.pdf. Staff shared a copy of this report with ASTM F963 subcommittee members. The ASTM subcommittee is scheduled to discuss the report and select priorities for future revisions at a November 2010 subcommittee meeting.

Toxicological Review

In 2009, CPSC staff awarded a contract to obtain updated toxicity and dose-response information on the seven metals identified in ASTM F963: antimony, arsenic, barium, cadmium, chromium, mercury, and selenium. F963 specifies requirements for solubility of certain metals and metalloids from surface coatings of toys. In 2010, staff will begin to evaluate the information, along with information and data obtained from other sources, to assess the effectiveness of the standard and evaluate the potential health risks of these substances when used in products other than toys, such as children's jewelry. In 2011, staff will develop recommendations for rulemaking, if appropriate.

Goal: In 2010, the contractor will provide a report and staff will write a draft status report of the review of the toxicological data for the seven metals.

Exceeded: Staff received a report from the contractor on July 16, 2010. The report reviewed toxicity peer-reviewed literature published since 1999 for all seven metals, and completed toxicity assessments for four metals including: arsenic, chromium, mercury, and selenium. CPSC staff completed toxicity reviews for the remaining three metals: antimony, barium, and cadmium. The assessments included preliminary limits for intake into the body. They also included a direct comparison of the preliminary intake levels and the current levels used in the ASTM F963 standard. Staff has completed a draft status report that provides an introduction and background for the contractor report and the toxicity assessments done by the staff.

14. Phthalates and Phthalate Alternatives



In 2009, the CPSC began the process of appointing a Chronic Hazard Advisory Panel (CHAP) to review the potential effects on children's health of all phthalates and phthalate alternatives in children's toys and child care articles. The CHAP will consider the cumulative effects of exposure to multiple phthalates from all sources, including personal care products, and make recommendations to the Commission. Within 18 months of its appointment, the CHAP shall complete an examination of the full range of phthalates used in children's products. Within 180 days of completing its examination, the CHAP shall report to the Commission the results of the examination and make

recommendations regarding any phthalates or phthalate alternatives that the panel determines should be declared banned hazardous substances.

In 2009, in preparation for the CHAP, CPSC staff completed five of six toxicity reviews of the banned and “interim-banned” phthalates, which were peer-reviewed by outside experts. Additionally, staff completed reviewing a contractor report on selected potential phthalate substitutes; issued guidance on which children’s products are subject to section 108 of the CPSIA; prepared a briefing package for a Commission decision on the CHAP members; and began a review of phthalate exposure studies. In 2010, the CHAP will be convened.

Goal: *In 2010, staff will provide scientific and technical support to the CHAP by completing a draft report of pertinent exposure studies. Staff also will complete one toxicity review initiated in 2009.*

Met: The CPSC announced December 23, 2009, that it appointed seven scientists to a Chronic Hazard Advisory Panel (CHAP) on phthalates. The first meeting of the CHAP was April 14–15, 2010, followed by a second meeting July 26–28, 2010. The CHAP heard testimony from the public on July 26, 2010. In support of the CHAP, staff prepared eight reports on the health effects and exposures to phthalates and phthalate substitutes, and one additional report is in clearance. A contractor completed two reports, one on phthalate substitutes and another on phthalate exposure. A third contractor report is in progress. The staff and contract reports are available at www.cpsc.gov/about/cpsia/chap0410.html. The CHAP members will hold a conference call on November 15, 2010. The next CHAP meeting will be held December 2–3, 2010. Also, staff completed the one toxicity review initiated in 2009.

Compliance

15. *Bans on Lead in Paint and Lead Content Limits for Children’s Products*



Beginning on August 14, 2009, children’s products with a lead content of more than 300 ppm or with a surface coating containing more than 90 ppm of lead are banned. The CPSIA limited the amount of lead in children’s products (lead content) and lowered the lead limit in paint under the CPSA’s regulations.

Goal: *In 2010, staff will screen 1,000 models of children’s products for compliance with these lead limits.*

Exceeded: During 2010, staff screened more than 5,300 models of children’s products for lead paint and lead content in an effort to enforce the ban on lead in children’s products, and they took action on more than 1,300 violative items. The increase in the number of screenings is a result of increased staffing at the ports, enhanced surveillance to assure compliance with the new lead

requirements, and also increased surveillance in an effort to review products for other chemicals that could be contained in children's products.

16. *Certification Enforcement*

The CPSIA requires that every manufacturer (including an importer) of a product subject to a consumer product safety rule under the CPSA or similar rule, ban, standard, or regulation under any other Act enforced by the Commission and which is imported for consumption or warehousing or distributed in commerce, certify that such product complies with all applicable requirements. For children's products, manufacturers must certify compliance of the product based on testing by a CPSC-recognized third-party conformity assessment body.

Goal: *In 2010, staff will enforce certification requirements for each product that is sampled for evaluation of compliance under any 2010 program. Staff will also prepare a retailer policy statement for consideration by the Commission.*

Met: In 2010, staff reviewed certifications at import and during inspections comparing certification test results to the CPSC lab results. Many of the certification requirements had been stayed, and so enforcement has been delayed. The requirement for lead in paint certification has been enforced. Staff prepared a retailer policy statement that was included in the preamble to the Compliance Testing and Certification Rule.

17. *Tracking Label Enforcement*

The CPSIA requires all children's products to have a permanent, distinguishing mark on the product and its packaging, to the extent practicable, that will enable—

- the manufacturer to ascertain the location and date of production of the product, cohort information, and any other information determined by the manufacturer to facilitate ascertaining the specific source of the product by reference to those marks; and
- the ultimate purchaser to ascertain the manufacturer or private labeler, location and date of production of the product, and cohort information.

Goal: *In 2010, staff will enforce tracking label requirements for each children's product that is sampled for evaluation of compliance under any 2010 program.*

Met: During 2010, staff completed undercover surveillance work to enforce tracking label provisions. Staff also drafted a program for enforcing provisions of the applicable version of the Standard to be implemented in 2011.

18. *Toy Standard Enforcement*

The CPSIA promulgates ASTM F963 as a consumer product safety standard and permits revisions of the Standard to become effective subject to review by the Commission.

Goal: *In 2010, staff will implement a program for enforcing provisions of the applicable version of the Standard.*

Met: In 2010, staff completed undercover surveillance work to enforce ASTM F963 provisions. Staff also drafted a program for enforcing provisions of the applicable version of the Standard to be implemented in 2011.

19. *Phthalate Ban Enforcement*

The CPSIA prohibits the manufacture/importation, distribution, and sale of certain children's products containing specific phthalates in concentrations greater than 0.1 percent.

Goal: *In 2010, staff will implement a program for enforcing the phthalate limits applicable to certain children's toys or child care articles.*

Met: During 2010, staff developed and implemented a program for enforcing the phthalate limits applicable to certain children's toys or child care articles. The program will be enhanced and deployed in 2011.

20. *ATV Action Plans*



The CPSIA requires CPSC staff to review and approve all-terrain vehicle (ATV) action plans, which are written plans that describe the actions a manufacturer or distributor agrees to undertake to promote ATV safety.

Goal: *In 2010, staff will review (analyze for acceptability) 100 percent of ATV action plans from manufacturers or distributors within 60 days of receipt.*

Met: In 2010, staff reviewed 100 percent of ATV action plans within 60 days of receipt. All ATV action plan submissions were distributed to appropriate staff for evaluation and review. Staff analyzed ATV action plans to determine completeness, acceptability, and compliance with statutory requirements.

21. *ATV Enforcement*

The CPSIA made mandatory the ANSI/SVIA-1-2007 Standard for 4-wheel all-terrain vehicles equipment configuration and performance requirements. The rule prohibits the manufacturer or distributor from importing into, or distributing in commerce, any new assembled or unassembled ATV, unless the ATV complies with each applicable provision of the Standard, and the ATV is subject to a Commission-approved action plan.

Goal: *In 2010, staff will implement a program for enforcing mandatory ATV requirements, including compliance with approved ATV action plans.*

Met: In 2010, staff developed and implemented a program for enforcing mandatory ATV requirements, including compliance with approved ATV action plans and import surveillance.

Communication/Consumer Information

22. CPSIA Website Update



Goal: In 2010, staff will update the website to reflect rulemaking activity of the Commission and other similar activities related to the CPSIA.

Met: In 2010, staff regularly updated the CPSIA website to reflect rulemaking activity of the Commission and other similar activities related to the CPSIA, including posting *Federal Register* notices, briefing packages, ballot vote summaries, and webcasts of public meetings.

23. Public or Webcast Meetings

Goal: In 2010, staff will participate in six meetings (public or via webcast) to address the many questions the CPSC receives about the CPSIA and allow for an open dialogue with stakeholders. In these meetings, staff will explain sections of the CPSIA of most interest to stakeholders and encourage discussion through question and answer sessions.

Exceeded: In 2010, staff spoke during 13 public or webcast meetings to address the many questions the CPSC receives about the CPSIA and allowed an open dialogue with stakeholders locally and across the world.

24. Ombudsman - Small Business

The CPSIA defined the content level of lead and phthalates allowed in children's products. Businesses (both small and large) are required to comply with the new requirements of the CPSIA. The Small Business Ombudsman is the CPSC's contact point for small businesses.

Goal: In 2010, the Ombudsman will update the Web page to aid small businesses in complying with the new legislation and the CPSC's enforcement policies, as needed.

Met: In 2010, webinars were posted on the CPSC's website to aid small businesses in complying with the new legislations and the CPSC's enforcement policies. Working in conjunction with the Handmade Toy Alliance, CPSC staff conducted a webinar for small businesses manufacturing toys and children's products. The webinar was held to walk small business representatives through the Compliance Guide on the CPSIA and to field questions.

Improving Product Safety: Implementing Title II—Consumer Product Safety Annual Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Prepare Candidates for Rulemaking						
1. Prepare guidelines on content requirements in recall notices (sec. 214)	Goal	**	**	**	1	1
	Actual				1	1
Review and Oversight						
2. Make determination of foreign government agencies' eligibility to receive information (sec. 207)	Goal	**	**	**	1	1
	Actual				0	0
3. Provide notification to states within one business day (sec. 207)	Goal	**	**	**	95%	95%
	Actual				100%	99%
4. Coordinate with state attorneys general on litigation (sec. 218)	Goal	**	**	**	1	1
	Actual				1	1
Risk Management System and Information Technology Modernization						
5. Consumer Product Safety Risk Management System (milestones) (sec. 212)	Goal	**	**	**	3	6
	Actual				3	6
6. Use Web-based applications to improve communication with businesses	Goal	1	1	0	1	1
	Actual	0	0	0	0	1
7. Improve access and transfer of information with other government organizations	Goal	1	1	1	1	1
	Actual	1	1	1	0	0
8. Improve internal efficiency and effectiveness	Goal	1	1	1	1	2
	Actual	6	0	1	1	0

** No goal established. Legislation not yet in place: while no goals were established because of the passage date, work on CPSIA activities began in late FY 2008.

Prepare Candidates for Rulemaking

1. *Guidelines on Content Requirements in Recall Notices*

The CPSIA requires the CPSC to issue guidelines concerning the specific content of information listed in a mandatory recall notice, unless the Commission determines certain items are unnecessary or inappropriate. In March 2009, the Commission issued an NPR titled, "Guidelines and Requirements for Mandatory Recall Notices," that would establish guidelines and requirements for recall notices ordered by the Commission or by a U.S. district court under the Consumer Product Safety Act.

Goal: *In 2010, staff will prepare for Commission consideration, a briefing package for a final rule on guidelines and requirements for mandatory recall notices.*

Met: In 2010, staff prepared a briefing package and related materials for Commission consideration of a final rule pertaining to guidelines and requirements for mandatory recall notices. In January 2010, the Commission approved the final rule, which set forth a uniform class of information to be included in any notice announcing an involuntary recall. That information is intended to help consumers identify the product, understand the product hazard, and understand any remedy associated with the recall. The final rule was published in the *Federal Register* on January 21, 2010, 75 FR 3355.

Review and Oversight

2. *Foreign Government Agencies' Eligibility to Receive Information*

The Commission has the authority under the CPSIA to make certain confidential information obtained by the CPSC available to a foreign government agency, provided there is an agreement that such material be maintained in confidence and used only for official law enforcement or consumer protection purposes.

Goal: *In 2010, staff will develop for Commission consideration, a draft internal policy on sharing information with foreign governments.*

Not Met: In 2010, work on policy development redirected to develop a draft instrument for sharing information. That project is nearly finished (expected November 2010), and then work will resume on the policy on sharing information. Goal completion is expected by January 2011.

3. *Notification to States*

The CPSC is required to notify each state health department or designated agency whenever it is advised of a voluntary corrective action taken by a manufacturer or the Commission issues a mandatory order under section 15(c) or (d) with respect to any product.

Goal: *In 2010, staff will notify state health departments or designated agencies of such actions within 1 business day 95 percent of the time.*

Met: In 2010, the CPSC delivered recall information to state Department of Health representatives within one business day 99 percent of the time via email.

4. *Coordination with State Attorneys General on Litigation*

The CPSIA allows state attorneys general to bring injunction actions alleging a violation of specific acts prohibited by the Consumer Product Safety Act as amended by the CPSIA and its safety rules on behalf of the residents of their states.

Goal: *In 2010, staff will monitor cases filed by state attorneys general, if any, and make recommendations to the Commission on whether to intervene.*

Met: In 2010, staff collaborated with representatives from approximately 40 state attorneys general offices, participating in monthly conference calls to discuss issues of mutual concern and to share information pursuant to section 29(f) of the CPSA. Staff monitored activity of state attorneys general, including one case recently filed in California, but declined to recommend intervention at this time.

Risk Management System and Information Technology Modernization

5. Risk Management System



Under the CPSIA, Congress mandates that the CPSC establish and maintain a publicly available database on the safety of consumer products. The CPSIA mandates that the database be searchable and accessible through the website of the Commission. The CPSIA also directs the Commission to expedite efforts to upgrade and improve the information technology systems currently in use. Based on research and analysis of various alternatives, staff has proposed a Consumer Product Safety Risk Management System (CPSRMS) to provide a single integrated Web-based environment to accommodate a searchable database for consumers, enhance the efficiency and effectiveness of CPSC staff's consumer product safety work, and enable a more rapid dissemination of information. In 2009, staff submitted a formal implementation plan to Congress, established a Project Management Office, and completed a detailed spending plan that identifies specific deliverables and resource requirements (both funding and FTE) for the deliverables for the entire project's lifecycle.

Goal: In 2010, staff will (1) complete the first phase of the CPSRMS, completing at least 80 percent of development iterations scheduled with a planned launch date for the public portal of March 2011; (2) design the new system by completing use cases, taxonomy, data dictionary, and logical data modeling; (3) prepare for Commission consideration a briefing package for rulemaking related to the public database; (4) hold workshops to solicit public opinion on topics related to the public database; (5) develop a new design for www.cpsc.gov; and (6) develop a business case for IT infrastructure.

Exceeded: In 2010, staff exceeded one goal (see item 1) and met five goals: (1) The CPSRMS first phase was accomplished, with 90 percent of the public database complete and a planned launch date for the public portal of March 2011. One hundred percent of the requirements have been identified for the first phase, with only a few missing functionalities and bugs. (2) The CPSRMS system is built based on completed use cases, a taxonomy, a data dictionary, and data models. These work products will be further refined throughout the subsequent releases. (3) Staff completed and the Commission voted on the NPR for the CPSC's publicly searchable information database. The NPR was published in the *Federal Register* on May 24, 2010, with a 60-day public comment period. Staff sent the final rule briefing package for submission to the Commission on October 13, 2010. (4) The Commission held public workshops on January 11 and 12, 2010, to solicit public opinion on topics related to the public database. Participants included trade associations, industry representatives, consumer groups, government agencies, and other interested parties. (5) Staff launched the website redesign project in 2010, including selecting a contractor, completing a project

management plan, conducting requirements analysis, identifying potential content management systems, and initiating a content inventory review. The project will deliver a home page refresh and a complete new design in 2011. (6) Staff submitted an Exhibit 300 business case summary for IT infrastructure.

6. *Communication with Businesses*

The CPSC has initiatives to reduce the burden on businesses by adopting processes that dramatically reduce redundant data collection, provide one-stop streamlined support for businesses, and enable digital communications with businesses.

Goal: *In 2010, staff will develop, as a component of the Risk Management System, an automated system that will provide a more efficient and secure way for industry to respond to consumer product-related incidents and find publicly available information about consumer product-related incidents.*

Met: In 2010, staff developed an industry portal as part of the Risk Management System. Through this portal, companies will be notified of safety-related incidents concerning their products and be able to provide their responses to these reports to the CPSC. The portal is on schedule to be launched in March 2011.

7. *Communication with Government*

In 2004, the Homeland Security Presidential Directive 12 (HSPD-12) mandated the implementation of a common identification standard for federal employees and contractors. Its purpose is to enhance security, increase government efficiency, reduce identity fraud, and protect personal privacy by establishing a mandatory, government-wide standard for secure and reliable forms of identification issued by the federal government to its employees and contractors. The CPSC is using the General Services Administration's shared services provider contract to meet the HSPD-12 deadlines.

Goal: *In 2010, staff will complete implementation of HSPD-12.*

Not Met: In 2010, staff implemented a common identification standard for 96.3 percent of the employees. Staff expects to complete implementation by the end of first quarter 2011.

8. *Internal Efficiency and Effectiveness (IEE)*

This initiative brings commercial best practices to key government operations, particularly information security, supply chain management, human capital management, financial management, and document workflow. In 2009, the CPSC implemented an IT project management office (PMO) to provide oversight and management of the CPSC's current and future IT projects. The PMO examines the quality, cost, and organizational value of the CPSC's IT projects to determine the best use of resources and which applications and projects should be built, eliminated, maintained, or enhanced, and in what sequence. Additionally, the PMO will ensure compliance with the Capital Planning and Investment Control (CPIC) (an integrated

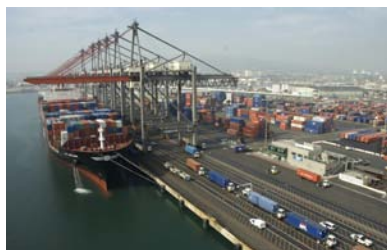
management process for selection, control, and evaluation of IT investments over their life cycle) requirements, including the development and submission of the Office of Management and Budget (OMB) Exhibit 300 to justify IT investments and OMB Exhibit 53 to provide budget estimates.

Goal: *In 2010, the PMO will establish and enforce standard processes and documentation requirements for major IT projects. In addition, staff will (1) complete an operational analysis of the IT infrastructure with supporting business case and OMB Exhibit 300 and (2) complete an operational analysis of the suite of legacy applications with supporting business case and OMB Exhibit 300. These will be significantly smaller business cases in terms of dollars and business case complexity and will likely not include developing an alternative analysis.*

Not Met: In 2010, the PMO established standard processes and required supporting documents for all major investments, established regular reporting reflected through weekly PMO status reports, and summarized these reports for the Investment Review Board (IRB)² and management in the IT Portfolio Executive Dashboard. Staff submitted Exhibit 300 for IT infrastructure and the Commission's legacy systems to OMB for the first time this year. The CPIC processes have been implemented. Due to higher priorities relating to the public database, the following two operational analyses were delayed by one quarter: the operational analysis of the IT infrastructure and the operational analysis of the suite of legacy applications.

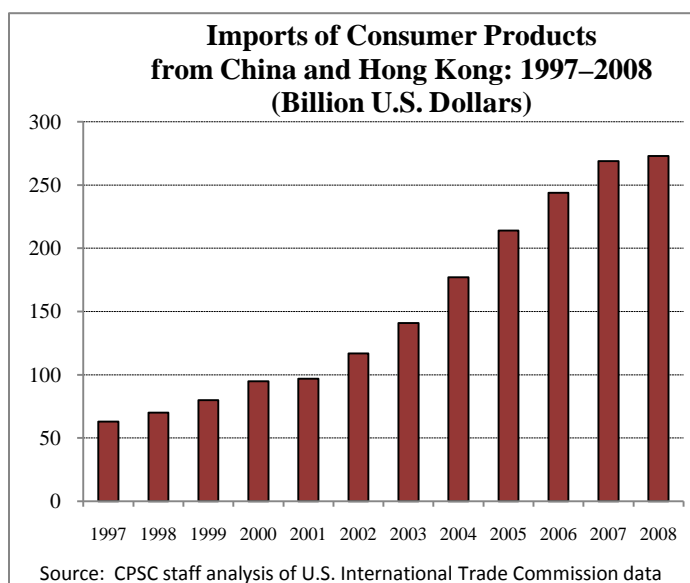
² The IRB serves as the Commission's primary IT governance body and is responsible for reviewing and making recommendations to the agency head to improve the IT investment portfolio as a whole.

IMPORT SAFETY INITIATIVE³



In 2007, product recalls were at their highest level in 10 years. Of the 473 recalls, 82 percent involved imported products, mostly from China. In 2008, the CPSC recalled an even higher number of hazardous imported products from China, including toys and children's jewelry. These products may not have been tested to voluntary or mandatory safety and performance standards. Therefore, it is important for product safety that there is a strong federal presence in the import arena.

Currently, approximately 85 percent of U.S. product recalls are of imported products with the majority manufactured in China. The value of U.S. imports from all countries of consumer products under the CPSC's jurisdiction was \$639 billion in 2008, with imports from China and Hong Kong valued at \$273 billion, comprising about 43 percent (dollar value) of all consumer products imported into the United States. From 1997 through 2008, the value of all U.S. imports of consumer products from China and Hong Kong more than quadrupled.



The 2008 CPSC appropriation funded the Import Safety Initiative, including the establishment of a new Import Surveillance Division. This allowed the first permanent, full-time presence of CPSC investigators at key ports of entry throughout the United States. These port investigators work with compliance officers, research analysts, attorneys, and support staff to stop violative or defective products from entering the United States. To date, the CPSC has expanded the import surveillance division by increasing staffing at U.S. ports to 17 FTEs.

The CPSC's Office of International Programs and Intergovernmental Affairs continues to provide a comprehensive and coordinated effort with other countries in consumer product safety standards development and implementation. The Office conducts activities and creates strategies aimed at ensuring greater compliance with U.S. product safety requirements. A major emphasis of this program is encouraging foreign manufacturers to establish product safety systems as an integral part of the manufacturing process. The Office has been responsible for coordinating the biennial U.S.-China Consumer Product Safety Summit. In October 2009, the CPSC participated in the third biennial summit held in Beijing, China. The 2009 appropriation allowed the CPSC to have an international presence for the first time, with a staff person (assisted by a foreign national hire) located in China, to facilitate safety efforts with one of the largest exporters of consumer products to the United States. The foreign national staff person began working for the CPSC in December 2009.

³ Resources for this effort are included in the major program, *Reducing Product Hazards to Children and Families*, which this activity supports.

Annual Import Safety (Imports from China) Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Dialogue and Initiatives with the Chinese Government						
1. Participate in biennial U.S.-China Consumer Product Safety Summit	Goal	**	**	NA	1	NA
	Actual	NA	1	NA	1	NA
2. Develop or continue implementation of cooperative work plans in product areas, as appropriate	Goal	2	4	4	6	6
	Actual	2	4	4	6	6
3. Review and update China program plan	Goal	1	1	1	1	1
	Actual	1	1	1	1	1
4. Conduct periodic review with Chinese regulatory officials to exchange information about significant recalls and/or other product safety issues	Goal	**	**	12	12	12
	Actual			12	12	12
5. Establish a regional Product Safety Office in Beijing, China	Goal	**	**	**	1	1
	Actual				1	0
Working with the Private Sector						
6. Conduct outreach/training events for U.S. importers of Chinese products	Goal	**	**	2	3	3
	Actual			3	10	8

** No goal established. NA: Not applicable—no summit planned.

Dialogue and Initiatives with the Chinese Government

1. Participate in biennial U.S.-China Consumer Product Safety Summit.

Biennial U.S.-China Consumer Product Safety Summit



The first Consumer Product Safety Summit took place in Beijing, China in 2005, between the CPSC and the General Administration for Quality Supervision, Inspection, and Quarantine (AQSIQ), the CPSC's Chinese counterpart agency. At that time, the CPSC and the AQSIQ signed an Action Plan on Consumer Product Safety and agreed to hold a Safety Summit every two years. In accordance with the Action Plan, the AQSIQ and the CPSC established four working groups: fireworks, toys, lighters, and electrical products. The work plans for these groups were presented at the second biennial Consumer Product Safety Summit, held in Washington, D.C., on September 11, 2007. At that event, the CPSC and AQSIQ explained their expectations for retailers, importers, exporters, and manufacturers dealing in consumer products. A third summit, in October 2009, built on these events with the goal of institutionalizing a culture of product safety among Chinese consumer product exporters. In 2011, the CPSC will participate in the fourth biennial U.S.-China Consumer Product Safety Summit.

Goal: There is no summit planned for 2010.

2. Develop or continue implementation of cooperative work plans.

Implementation of Cooperative Work Plans

The 2005 Action Plan on Consumer Product Safety with AQSIQ outlines specific cooperative actions (training, technical assistance, consultation, and the creation of Working Groups) to be taken by the CPSC and the AQSIQ to improve the safety of consumer products. Utilizing this plan, in 2007 and 2008, staff communicated to the CPSC's Chinese counterpart specific problems with respect to each of the Working Group product



areas and negotiated and reached agreements on work plans to address these problems. In 2009, the CPSC and the AQSIQ added two new priority areas: all-terrain vehicles (ATVs) and lead in children's products, to respond to the CPSIA requirements.

Goal: In 2010, CPSC staff will work with its Chinese counterpart to implement work plans for the six priority areas: toys, ATVs, lead in children's products, electrical products, lighters, and fireworks.

Met: In 2010, CPSC and AQSIQ staff consulted on hazard and enforcement issues and conducted training based on the work plans for the priority areas. Fireworks training, conducted in China during August 2010, in partnership with the U.S. Department of Transportation, deserves special note as the first CPSC training conducted overseas with another U.S. federal agency.

3. Review and update China program plan.

China Program Plan

The China program plan was originally developed in 2005, as a way of managing the CPSC's various China-related activities and as the basis for an overall strategy to promote the safety and compliance of Chinese consumer products exported to the United States. The plan is reviewed and updated annually to ensure that it takes into account changing conditions and new opportunities for progress.

Goal: In 2010, staff will review and update the China program plan.

Met: In 2010, the China program plan was updated thoroughly. The plan includes a new emphasis on the use of best practices by Chinese manufacturers.

4. Conduct periodic review with Chinese regulatory officials to exchange information about significant recalls and/or other product safety issues.

Recall Information Exchange

A key element in product safety cooperation with another country is the exchange of pertinent information about noncompliant or hazardous products. This supports bilateral compliance efforts and allows staff to emphasize areas needing particular attention.

Goal: In 2010, staff will conduct 12 periodic reviews with Chinese regulatory officials to exchange information about significant recalls and/or other product safety issues.

Met: In 2010, staff held monthly meetings, either electronically or in person, with AQSIQ to discuss current product safety issues.

5. Establish regional Product Safety Office in Beijing, China.

Beijing Product Safety Office

In 2009, the CPSC established its first overseas office, located at the U.S. Embassy in Beijing and hired a Product Safety Specialist to work in China. This enables the CPSC to promote compliance with U.S. product safety requirements among Asian (especially Chinese) exporters and to coordinate with product safety regulators in the region. U.S. imports of consumer products from China comprise a large portion of all U.S. imports of consumer products, with other Asian countries accounting for a growing share.

Goal: *In 2010, the CPSC will coordinate with the U.S. State Department and the People's Republic of China's Foreign Ministry to gain approval for a new diplomatic position, a Regional Product Safety Officer, at the U.S. Embassy in Beijing, China.*

Not Met: In 2010, the CPSC coordinated with the State Department and the Chinese Foreign Ministry but did not gain approval from the Foreign Ministry for a new diplomatic position. In response, we continued to work with the U.S. Embassy to lay the groundwork for the Regional Product Safety Officer (RSPO) position, which will be listed within the Embassy's Economic Section, and determined that we would seek official recognition for the position later. The CPSC advertised the position, reviewed applications, and selected a qualified candidate.

Working with the Private Sector

6. Conduct outreach/training events for U.S. Importers

Outreach/Training Events for U.S. Importers

In order to maximize U.S. importers' cooperation with U.S. product compliance efforts, it is essential to convey sufficient understanding of the U.S. regulatory environment as it applies to imports. Outreach/training events that explain U.S. statutory and regulatory requirements and present useful techniques, regulatory best practices, and relevant experience increase the chances of effective cooperation and the level of compliance.

Goal: *In 2010, staff will conduct three outreach/training events for U.S. importers.*

Exceeded: In 2010, staff conducted eight outreach/training events for U.S. importers and brokers. These events focused on a number of issues, including changes to the CPSC's regulations as a result of the Consumer Product Safety Improvement Act; the detention and conditional release of shipments under the CPSC's authority; common errors found at import and how to avoid those mistakes; and regulatory best practices.

Annual Import Safety (Imports from All Countries) Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Surveillance and Enforcement Activities						
1. Expand Import Surveillance Division and conduct following import safety improvement activities:	Goal	**	**	1	1	1
	Actual			1	1	1
a) Screen products at ports (number of models)	Goal	**	**	**	**	2,000
	Actual					7,088
b) Update Commission's import enforcement policy and procedure guide	Goal	**	**	**	**	1
	Actual					1
c) Cross-train other federal agencies' staff to identify hazardous imported products	Goal	**	**	4	6	6
	Actual			6	6	9
2. Work with GSA to improve facilities for test/evaluation of import samples	Goal	**	**	1	1	1
	Actual			1	1	1
3. Develop measures of import safety success (Risk Assessment Methodology)	Goal	**	**	1	1	1
	Actual			1	0	0
Dialogue and Initiatives with Foreign Entities						
4. Conduct outreach/training events for foreign [†] government officials	Goal	**	**	3	3	3
	Actual		2	3	3	3
5. Conduct outreach/training events for foreign [†] manufacturers	Goal	**	**	2	3	3
	Actual			3	3	3
6. Improve product safety coordination with Canada and Mexico	Goal	**	**	**	**	1
	Actual					1
7. Coordinate with other countries on toy safety regulations and standards	Goal	**	**	**	**	1
	Actual					1
Communication/Consumer Information						
8. Consumer outreach for imports (million)	Goal	**	**	450	200	350 [#]
	Actual	125	966	185	530	1,828 [#]
9. Conduct public information efforts/partnerships	Goal	**	**	2	2	2
	Actual			2	2	2

** No goal established.

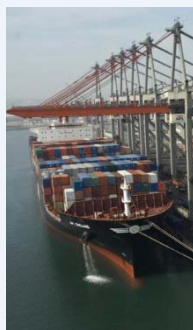
[†] Before 2009, these goals were for Chinese officials or manufacturers.

[#] Beginning in 2010, the data include social media and online news media, so they are not directly comparable to the data for prior years.

Surveillance and Enforcement Activities

1. Expand Import Surveillance Division and conduct import safety improvement activities.

Import Surveillance Division and Import Safety Improvement Activities



The marketplace for consumer products has changed dramatically in recent years. A far greater percentage of consumer products is now imported. In 2008, the CPSC created an Import Surveillance Division with specialists specifically trained in import surveillance procedures and rapid identification of defective and noncomplying consumer products to conduct import safety improvement activities. This marks the first permanent, full-time presence of CPSC investigators at key ports of entry throughout the United States.

Goal: *In 2010, the CPSC will expand the Import Surveillance Division by increasing the number of staff working at U.S. ports of entry.*

Met: In 2010, the Import Surveillance Division increased staffing at U.S. ports to 17, an increase from 14 in 2009. Staff is

collocated with U.S. Customs and Border Protection at some of the largest ports where CPSC-regulated commodities enter into commerce.

a) **Increase number of samples of imported products for screening.**

Screening of Imported Consumer Products

Members of the Import Surveillance Division are the CPSC's front line in identifying imported products that violate the CPSC-enforced regulatory requirements or that contain defects that present a significant risk of injury. These investigators screen products and ship samples to other CPSC locations for final determinations.

Goal: *In 2010, staff will screen 2,000 models of imported consumer products at the ports.*

Exceeded: During 2010, staff screened more than 7,000 models of imported products. The increase in the number of screenings is a result of increased staffing at the ports and referrals from state attorneys general, media, and advocacy groups about imported products not meeting regulatory requirements or containing product defects.

b) **Update import enforcement policy and procedure guide.**

Import Enforcement Policy and Procedure Guide

To ensure consistency in the handling of import surveillance throughout the Commission, it is important to have clear and up-to-date guidance for staff to follow.

Goal: *In 2010, staff will revise and update the CPSC Guide 2.19, Compliance Procedures–Import Surveillance Procedures and the forms attached to the Guide.*

Met: In 2010, staff developed/revised new and current import safety guidance documents for enforcement at the ports of entry.

c) **Cross-train other federal agencies' staff to identify hazardous imported products.**

Working with Other Federal Agencies

CPSC staff works with other federal agencies on inspection of shipments of imported consumer goods.

Goal: *In 2010, CPSC staff will cross-train other federal agencies' staff working at six ports to identify hazardous imported products.*

Exceeded: In 2010, the Import Surveillance Division conducted nine training events to inform import specialists, account managers, and regulatory audit staff of the U.S. Customs and Border Protection (CBP) about the new provisions of the CPSIA and how to identify hazardous imported products.

2. Work with GSA to improve facilities for the testing/evaluation of imported samples.

Laboratory Modernization Plan



The CPSC Laboratory plays a vital role in the testing and evaluation of consumer products. The laboratory also contributes to the development of test methods for consumer product safety standards. In May 2009, the General Services Administration (GSA) awarded a lease for the new CPSC Laboratory. Facility design efforts have been progressing.

Goal: *In 2010, CPSC staff will work with GSA to review and approve construction drawings.*

Met: The final set of construction drawings for the new CPSC Laboratory in Rockville, Maryland, was approved in August 2010. The GSA issued a Notice-to-Proceed on September 1, 2010 to the building owner to complete construction. The CPSC anticipates that the move to the Rockville campus will occur in spring 2011.

3. Develop measures of import safety success.

Risk Assessment Methodology

As required by the CPSIA, staff will work with U.S. Customs and Border Protection (CBP) to develop a risk assessment methodology for the identification of shipments of consumer products that are: (1) intended for import into the United States, and (2) likely to include consumer products in violation of section 17(a) of the Consumer Product Safety Act or other import provisions enforced by the Commission.

Goal: *In 2010, CPSC staff will work at the new CBP Commercial Targeting and Analysis Center to learn about the capabilities of CBP systems, and based on knowledge gained, staff will prepare a draft plan describing a prototype risk assessment methodology.*

Not Met: During 2010, CPSC joined the Import Safety Commercial Targeting and Analysis Center (CTAC) located within the CPB. Currently, the CPSC has two staff located in this facility who are supporting the Import Surveillance members working on the Risk Assessment Methodology. We have defined our desired outcomes for these efforts and inventoried our current capabilities in support of the project. CPSC staff, along with the contractor, has defined the requirements for the limited proof of concept. Many projects, including data security updates, defining our desired outcomes for the methodology, and conducting an inventory of our current capabilities were necessary for completion of the plan. A draft plan describing a prototype risk assessment methodology will be developed for a report to Congress in February 2011, as required by section 222 of the CPSIA.

Dialogue and Initiatives with Foreign Entities

4. Conduct outreach/training events for foreign government officials.

Outreach/Training Events for Government Officials

To maximize foreign government cooperation with U.S. product compliance efforts, it is essential to convey sufficient understanding of U.S. regulatory requirements. Outreach/training events that present regulatory best practices and relevant experience increase the chances of effective bilateral cooperation.

Goal: *In 2010, staff will conduct three outreach/training events for foreign government officials.*

Met: During 2010, staff conducted the following three training events for foreign government officials:

- Trained foreign government officials on U.S. product safety market surveillance and enforcement practices in Madrid and Barcelona, Spain in March 2010;
- Trained government officials in China on CPSC requirements for fireworks in August 2010; and
- Trained foreign regulators from 14 countries in Latin America and the Caribbean on the U.S. product safety market surveillance system at the Organization of American States “International Seminar on Standards and Practices of Market Surveillance and Safe Consumption” August 2010, in Lima, Peru.

5. Conduct outreach/training events for foreign manufacturers.

Outreach/Training Events for Foreign Manufacturers

To maximize foreign manufacturers’ cooperation with U.S. product compliance efforts, it is essential to convey sufficient understanding of the U.S. regulatory environment. Staff will conduct outreach or training events that explain U.S. statutory and regulatory requirements and present regulatory best practices and relevant experience to encourage effective cooperation and compliance with federal regulations.

Goal: *In 2010, staff will conduct three outreach/training events for foreign manufacturers.*

Met: During 2010, staff conducted the following three training events for foreign manufacturers:

- Conducted training in China on CPSC requirements for Chinese ATV manufacturers in October 2009;
- Conducted a webinar training seminar for shoe manufacturers in Mexico focusing on CPSIA lead requirements in December 2009; and
- Trained toy manufacturers in Hong Kong on CPSIA requirements in January 2010.

6. Improve coordination with Canada and Mexico.

Product Safety Coordination with Canada and Mexico

As the CPSC deploys resources to prevent hazardous and noncompliant consumer products from entering the United States through its seaports, it also will step up efforts to prevent the importation of such products over the land borders with Canada and Mexico. Staff will coordinate a CPSC effort to improve cooperation with Canadian and Mexican product safety authorities, as well as with Canadian and Mexican consumer product industries supplying the U.S. market. Through increased cooperation, the CPSC and its North American partners can reduce consumers' exposure to unsafe products, whether or not those products originate in North America.

Goal: *In 2010, staff will prepare a program plan for North American cooperation on consumer product safety.*

Met: Staff prepared and began implementation of a North American program plan during 2010, which involved accomplishing the following key activities. CPSC staff has been working with the U.S. Customs and Border Protection (CBP) to identify information-sharing opportunities with Mexico and Canada to enhance targeting capabilities and prevent unsafe products from entering North American seaports and land borders. Regarding Canada, we have begun a regulatory cooperation program, which has included exchanging technical information on window coverings, cadmium, and crib standards, and we are exploring opportunities to harmonize requirements. For Mexico and other Latin American countries, we have conducted training programs for manufacturers and regulatory authorities and begun targeted notifications to manufacturers and product safety regulators on new rulemakings and other activities.

7. Increase and promote international coordination on toy safety regulations and standards.

International Coordination on Toy Safety Regulations and Standards



CPSC staff will work on a plan for increasing international coordination on toy safety regulations and promoting coordination on toy safety standards.

Goal: *In 2010, staff will prepare a draft plan for Commission consideration. The plan will address coordination on present and future toy safety regulatory and standards work; the CPSC's role in efforts to better align existing toy safety requirements in various international jurisdictions; how elements of the plan may be applied to international coordination on product safety policy for other products; and estimates of resource requirements for 2011 and 2012.*

Met: Staff completed a draft plan for international coordination of toy safety requirements. The draft covers existing and future standards and regulations, outlining appropriate roles for CPSC

and other stakeholders working toward alignment. The plan has not been submitted to the Commission yet.

Communication/Consumer Information

8. Consumer outreach for imports.

Consumer Outreach

In 2009, there were 530 million views of CPSC safety messages through TV appearances and video news releases related to import safety campaigns and recalls for products such as toys, window blinds, and cribs. In 2007 and 2009, there were a number of recalls of very popular toys and nursery products that drew exceptional media coverage and accounted for the higher number of consumers reached.

Goal: *In 2010, 350 million views of CPSC safety messages will be received by consumers through newspaper stories, social media outreach, TV appearances, and video broadcasts related to the third U.S.-China Consumer Product Safety Summit, import safety campaigns, and recalls, as well as from downloading e-publications.*

Exceeded: In 2010, the CPSC secured an estimated 1.8 billion views with safety messages related to imports through recall news releases, press conferences, a town hall meeting, and from the U.S.-China Consumer Product Safety Summit. This goal was exceeded due to the CPSC's reach via Twitter, YouTube, the OnSafety blog, and online news media, which were not measured in prior years. It also was exceeded due to extensive media coverage and video news releases related to Chinese drywall and crib, stroller, infant sling, and toy recalls.

9. Conduct two public information efforts/partnerships concerning import safety.

Imported Products

Goal: *In 2010, staff will inform consumers about a particular imported consumer product posing a hazard to the public or presenting a potential safety risk by activities such as conducting local and/or national interviews, issuing press releases, using social media, and/or using partnerships.*

Met: In 2010, the CPSC conducted numerous interviews, issued press releases, posted dozens of tweets, and conducted a news conference to make the public aware of hazardous products made overseas or to warn the public of potential dangers from imports. From Chinese-made fireworks and drywall to recalled electronics and children's jewelry, the CPSC communicated with consumers on nearly a weekly basis about the proactive steps being taken to stop dangerous imports from entering the marketplace, as well as the swift action being taken to pull defective products from store shelves.

Port Safety



Goal: *In 2010, staff will inform consumers about an enforcement or intervention action at a U.S. or international port by conducting an activity, such as issuing a news release, participating in a network news story, using social media, and/or using federal and/or private partnerships.*

Met: In April 2010, Chairman Inez Tenenbaum appeared with U.S. Customs and Border Protection (CBP) Commissioner Alan Bersin to conduct a signing ceremony and press event regarding a new memorandum of understanding (MOU) giving the CPSC full access to the Import Safety Commercial Targeting and Analysis Center (CTAC). The MOU gives the CPSC the capability to conduct import safety risk assessments and perform targeting work using the CBP's Automated Commercial System. As Chairman Tenenbaum stated, "This cooperation between federal partners is making U.S. consumers safer. By identifying and checking consumer products at our ports, we can reduce the flow of dangerous products into our homes." The signing ceremony was covered by the Chicago Tribune, ABC Radio, and the trade press.

REDUCING PRODUCT HAZARDS: FIRE HAZARDS



STRATEGIC GOAL: Reduce the rate of death from fire-related causes by 20 percent from 1998 to 2013.

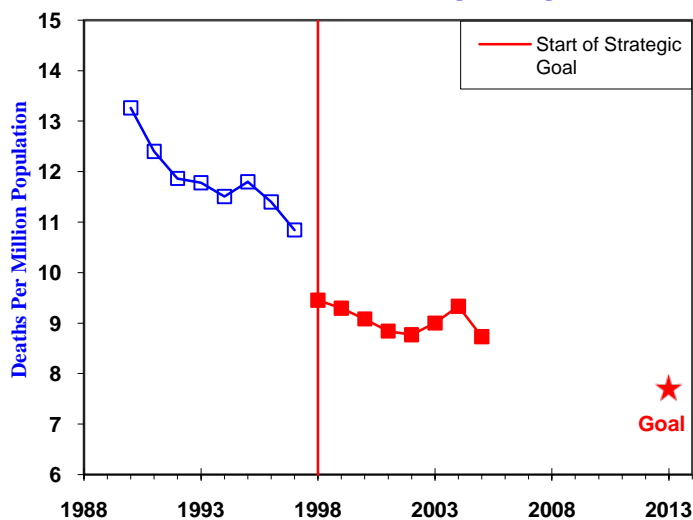
Total resources for this goal (dollars in thousands)					
Fiscal year	2006	2007	2008	2009	2010
FTEs	142	126	120	104	99
Amount	\$21,440	\$20,294	\$20,811	\$20,137	\$21,389

The Hazard

This nation’s fire death rate remains high. From 2004 to 2006,⁴ an average of 2,590 people died annually, and 12,740 people were injured because of fires in residences. These fires also resulted in property losses averaging \$5.9 billion each year. The total cost to the nation from residential fires was \$19.8 billion. Children and seniors are particularly vulnerable. In 2006, more than 350 children under the age of 15 died of fire-related causes, and an estimated 200 of these deaths were to children under the age of 5 years. Older adults also have significantly higher fire death rates in comparison to the rest of the population. In 2006, residential fires resulted in more than 740 deaths to adults 65 years and older.

Products most often ignited in fatal fires are upholstered furniture, mattresses, and bedding. In recent years, these product categories were associated with about one-third of fire deaths. Cooking equipment is often involved as a source of ignition in fire deaths, accounting for about eight percent of fire deaths in recent years.

Fire-Related Death Rate Associated with Consumer Products by Year (Based on 3-Year Moving Averages)



The CPSC’s Progress

Under the 1997 and 2000 Strategic Plans, the CPSC set a target to reduce the rate of fire deaths due to consumer products by 10 percent from 1995 to 2005.⁵ To further reduce the death rate, the Commission retained this as a strategic goal in the 2003 Strategic Plan, but with a new target of a 20 percent reduction from 1998 to 2013. During 2004–2006, the estimated average annual rate of 8.8 consumer product-related fire deaths per 1 million individuals is 9 percent lower than the estimated average annual rate of 9.7 in 1998. While the targeted reduction in

⁴ The latest year for which complete data are available is 2006; these estimates are based on fires in residential structures that were attended by the fire service.

⁵ The estimates since 1998 are not strictly comparable to those for previous years because of changes in the system for coding fire data.

the fire death rate by 2013 is an ambitious one, CPSC activities on mattresses, lighters, and arc-fault circuit interrupters likely will prevent many fire-related deaths. In July 2007, the CPSC's new Flammability Standard for mattresses became effective. Staff estimates that, in 2013, this Standard will prevent as many as 148 deaths. Once fully effective, staff estimates that this Standard will prevent as many as 270 deaths every year. Child resistant features on cigarette and multipurpose lighters have been effective in reducing the number of fires started by children under the age of 5 years. As the number of homes with arc-fault circuit interrupters increases, the CPSC also expects that this technology will have an increasing impact on the number of fires and fire-related deaths associated with home wiring systems.

Annual Fire-Related Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Safety Standards						
1. Prepare candidates for rulemaking	Goal	5	8	9	4	2
	Actual	4	5	7	3	2
2. Present recommendations to voluntary standards or code organizations	Goal	1	2	2	1	0
	Actual	0	0	3	1	0
3. Complete data analysis and technical review activities	Goal	12	11	8	2	7
	Actual	9	8	5	1	5
4. Support voluntary standards and code revisions	Goal	11	11	13	3	9
	Actual	11	12	13	3	9
Compliance						
5. Preliminary determination within 85 business days (unregulated products)	Goal	**	66%	70%	70%	70%
	Actual	54%	82%	79%	62%	86%
6. Corrective action within 60 business days of preliminary determination (unregulated products)	Goal	**	80%	82%	80%	80%
	Actual	84%	86%	85%	94%	93%
7. Corrective action within 35 business days of notice of violation (regulated products)	Goal	**	80%	82%	80%	80%
	Actual	89%	76%	96%	89%	90%
Consumer Information						
8. Consumer outreach* (in millions)	Goal	**	125	200	150	150 [#]
	Actual	185	295	103	117	447 [#]
9. Conduct public information efforts/partnerships	Goal	7	7	6	5	5
	Actual	5	8	6	5	5

** No goal established.

* The baseline data for this goal are not strictly comparable to the 2007 or later data due to an improved data capturing capability implemented in 2007.

Beginning in 2010, the data include social media and online news media, so they are not directly comparable to the data for prior years.

Safety Standards

1. Prepare for Commission consideration two candidates for rulemaking or other alternatives.

Upholstered Furniture



Ignitions of upholstered furniture are a leading cause of residential fire deaths among the consumer products under the CPSC's jurisdiction. Staff is developing possibly a rule to address the risk of fire associated with ignitions of upholstered furniture. In 2004, the Commission published an Advance Notice of Proposed Rulemaking (ANPR) expanding the Commission's rulemaking authority to cover the risk of fire from both cigarette-ignited and small, open-flame-ignited fires. The Commission published a Notice of Proposed Rulemaking (NPR) in 2008. In 2009, staff conducted large-scale testing of furniture with and without complying fire barriers, initiated work to develop standard cigarette and flexible foam test materials specified in the

NPR, and performed other technical work to address issues raised in public comments on the NPR. In 2010, staff will continue this research in support of a possible final rule and alternatives.

Goal: *In 2010, CPSC staff will: (1) complete development of a standard reference material (SRM) cigarette ignition source, and complete Phase 1 development of a standard foam substrate for use in the proposed rule, under existing interagency agreements with the National Institute of Standards and Technology (NIST); and (2) conduct large-scale smolder testing of complying and noncomplying chairs, and conduct small-scale mockup testing to confirm the validity of the proposed tests. Staff will prepare reports associated with these efforts and will provide the Commission updates and recommendations for further action.*

Met: The NIST provided CPSC staff with SRM cigarettes and completed the initial phase to establish SRM foam feasibility. In addition, staff completed the planned small-and large-scale smolder testing. Staff prepared a report of its activities, which was presented to the Commission. Staff's status update included its recommendations for additional tests in support of possible revisions to the proposed rule.

Ignition Source Update for 16 CFR Part 1632 and 16 CFR Part 1209



The CPSC entered into an agreement with NIST to characterize several vintages of unfiltered cigarettes. From those data, NIST is developing a standard reference material (SRM) cigarette that is consistent with the requirements of 16 CFR part 1632, Standard for the Flammability of Mattresses and Mattress Pads and 16 CFR part 1209, Interim Safety Standard for Cellulose Insulation. The updated ignition source may also be used in the smoldering performance test of proposed 16 CFR part 1634, Standard for the Flammability of Upholstered Furniture. By specifying the SRM cigarette in the regulations, CPSC staff believes that there will be greater consistency in testing for compliance with the regulations. NIST will be responsible for obtaining, certifying, maintaining, and distributing the SRM cigarette. The SRM cigarette will be available for purchase.

Goal: *In 2010, staff will prepare a draft NPR (technical amendment) for Commission consideration.*

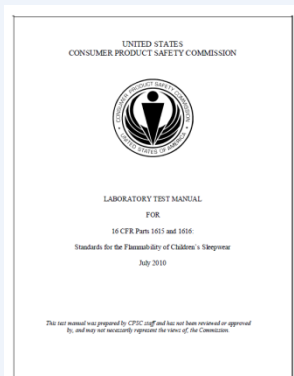
Met: In 2010, the NIST completed development of the SRM cigarette. CPSC staff prepared a draft NPR briefing package for a technical amendment to 16 CFR Part 1632, *Standard for the Flammability of Mattresses and Mattress Pads* for Commission consideration.

2. Prepare and present recommendations to voluntary standards or code organizations to strengthen or develop voluntary standards or codes, as appropriate.

No fire hazards voluntary standards recommendations were planned for 2010.

3. Complete seven data analysis, collection, or technical review activities.

Children's Sleepwear Test Manual



The federal standards for the flammability of children's sleepwear, 16 CFR parts 1615 and 1616, were enacted in the 1970s (and amended in 1996), to reduce the unreasonable risk of burn injuries and deaths when children's sleepwear is the first item ignited. With the implementation of third-party certification for children's products required by the CPSIA, publication of a user-friendly laboratory test manual for 16 CFR parts 1615 and 1616 will help manufacturers comply with the regulations. In 2009, staff completed a draft children's sleepwear laboratory test manual.

Goal: *In 2010, staff will finalize the laboratory test manual for the children's sleepwear flammability standards.*

Met: In July 2010, staff finalized the laboratory test manual for the *Standards of Flammability for Children's Sleepwear* and announced availability of the manual to industry stakeholders. The manual is available on the CPSC website at www.cpsc.gov/businfo/sleepwearlab.pdf.

Cigarette Ignition Risk



All states have passed legislation requiring "fire safe" or reduced ignition propensity (RIP) cigarettes to address potential fires caused by unattended or dropped cigarettes. Currently, the federal standard for mattresses (16 CFR 1632) includes a cigarette ignition test; and a proposed standard for the flammability of upholstered furniture uses a cigarette as the source of ignition. The standard cigarette used by the CPSC as the ignition source in these regulations is an unfiltered non-RIP cigarette.

In 2007, the CPSC awarded a contract to test conventional and "fire safe" cigarettes according to requirements in a voluntary standard. Staff also developed a test plan to compare the ignition propensity of some consumer products commonly involved in smoldering ignition fires, such as furniture and mattresses when exposed to "fire safe" and conventional cigarettes. In 2008, staff monitored a contract to evaluate the relative ignition propensity of 13 brands of cigarettes and documented the methods and analytical results.

Goal: *In 2010, staff will complete a draft status report on the evaluation of the RIP cigarette as compared to the conventional cigarette.*

Met: CPSC staff completed a draft status report on its evaluation comparing the burning characteristics of RIP cigarettes to those of conventional cigarettes.

Clothes Dryer Indicators

The U.S. Fire Administration (USFA) reports that lack of maintenance, followed by mechanical or electrical failures, are

the top two factors contributing to ignition in residential building clothes dryer fires. The machines may run without any indication of difficulty until an incident occurs. An investigation of the utility and applicability of using indicators (visual or audible) on electric clothes dryers to inform users of abnormal operation and possibly desired maintenance activities may help prevent some fire incidents.

Goal: *In 2010, staff will complete a draft report of its review and evaluation on the utility and applicability of using indicators (visual or audible) on electric clothes dryers to inform users of abnormal operation and possibly desired maintenance activities. Staff's review will include a literature search on the use and effectiveness of warning indicators, examination of technologies that could be used to monitor clothes dryer operation, classification of conditions for which an indicator may be desirable, and pending the availability of a candidate design, examinations of the costs and benefits of incorporating a warning indicator into clothes dryer designs.*

Met: In 2010, the CPSC staff completed a draft report of its assessment on the possible use of indicators to inform consumers of clothes dryer operational status. The staff reviewed literature on various indicators (audible and visual) and how they might be applied to inform users of the need for action, such as periodic maintenance (including cleaning lint from inside the dryer compartment or dryer ducting) or servicing by authorized repair personnel to replace failed components that could cause overheating conditions.

Cooktops



The CPSC staff will continue its previous work to develop requirements for ranges to reduce cooktop fires. In past years, staff has conducted research into technologies to reduce the risk of food ignition through implementation of a closed-loop heating element control system that monitors pan bottom temperatures and reduces the heating element's output. Staff has demonstrated successfully the temperature control system's ability to prevent cooking fires in the various heating element designs for various cooktop types (i.e., gas, electric coil-type element, and electric smoothtop ranges).

Goal: *In 2010, staff will award a contract to design and fabricate experimental control systems to detect and prevent cooktop fires and to test such systems to the Technical Feasibility and Performance Goals developed by the Underwriters Laboratories Inc. Standards Technical Panel for Household Electric Ranges. This work will continue into 2011.*

Met: In 2010, the contract to design and fabricate experimental cooktop fire control systems was awarded. A kickoff meeting with the contractor was held in September 2010.

Enhanced Smoke Alarms

Currently, most residential smoke alarms operate on photoelectric, ionization, or a combination of these sensors to detect fire conditions. Recent research has demonstrated the need for the development of an improved smoke alarm, which is less prone to false alarms, as compared to current detectors, and which will provide faster response times to a wide variety of fire scenarios. This phase of the project is to identify the most efficient means of alerting occupants (e.g., frequency, temporal, pattern, and tone) and to identify the appropriate technology to accomplish the alerting function. The primary focus of the research is directed at awakening sleeping individuals in the high-risk category. For example, young children; the elderly; adults who are sleep deprived; those under the influence of alcohol, drugs, or sleep-inducing medication; and the visually and hearing impaired who may not be awakened easily from sleep.

In 2009, the CPSC entered into an interagency agreement (IAG) with the U.S. Fire Administration (USFA). USFA, with technical input from the CPSC, awarded a contract to identify appropriate sensors for application in improved smoke alarms.

Goal: *In 2010, CPSC staff will modify the IAG with USFA regarding the research and development of a third generation smoke alarm. The contractor will construct the prototype smoke alarms. USFA/CPSC and the contractor will design fire test plans to evaluate prototype performance.*

Not Met: In 2010, the IAG with USFA was modified to provide funding for the development of advanced prototype smoke alarms. The contractor identified a suite of target sensors and appropriate technology for improved fire detection and reduced false alarm susceptibility. The construction of prototype smoke alarms and the design of fire test plans did not take place in 2010, and is planned to be completed in 2011.

Smoke Alarms (Nuisance Alarms)



Nuisance alarms are the leading cause of household occupants disabling their smoke alarms. External nuisance sources can be from cooking, steam, dust, insects, tobacco products, heating equipment, and candles. Factors that determine the rate of nuisance alarms associated with cooking are the type of cooking (e.g., frying), distance to the nuisance source, use of a cooking exhaust fan, air flow direction and rate in the occupancy, and type of smoke alarm. Both types of smoke alarm detection technologies—ionization and photoelectric—are vulnerable to external nuisance sources. A greater understanding of frequency of nuisance alarms is needed to determine the best approach to improve smoke alarm installation for both types of detection technologies.

Goal: *In 2010, staff will conduct a literature review of nuisance alarms associated with cooking and conduct testing to evaluate*

the frequency of nuisance alarms based on technology type and distance from the main cooking appliance in a kitchen. A draft report of this work will be completed.

Exceeded: In 2010, staff completed its draft report on in-home testing of smoke alarms to evaluate nuisance alarms associated with cooking. The staff's evaluation considered, among other things, smoke alarm technology type, mode of cooking activity (e.g., frying), the effects of using an exhaust fan during cooking, and the distance of the smoke alarm from the main cooking appliance in a kitchen. The report includes a literature review of the most common types of nuisance alarms associated with cooking, types of sensors used in smoke alarms, nuisance alarms from noncooking sources, cooking patterns in the United States, and the requirements for smoke alarm installations in residential homes. The draft report was posted on the CPSC website for public comment for 45 days. The final report, *Smoke Alarms—Pilot Study of Nuisance Alarms Associated with Cooking* (March 2010), is available on the CPSC website at www.cpsc.gov/library/foia/foia10/os/smokealarmnuisance.pdf.

CPSC staff presented a paper reporting the results of this study at the Suppression, Detection and Signaling Research and Applications Technical Working Conference, SUPDET 2010. The paper is available on the CPSC website at www.cpsc.gov/library/foia/foia10/os/smokealarm.pdf.

The data from the staff's report was used to support changes to the National Fire Protection Association's *National Fire Alarm and Signaling Code* (NFPA 72, 2010 Edition) to improve guidance on smoke alarm installations near cooking appliances. In addition, the data and test results were used as a basis for the development of a testing program to investigate nuisance alarms associated with cooking fumes to be conducted by the National Institute of Standards and Technology.

Surrogate Smoldering Ignition Source

Federal regulations for smoldering ignition of mattresses and mattress pads (16 CFR part 1632) and cellulosic insulation (16 CFR part 1209) and an NPR for upholstered furniture specify a standard cigarette ignition source: a conventional, unfiltered cigarette with specific physical characteristics (length, density, and weight). This type of cigarette is no longer produced, and a standard reference material was developed as a replacement. Past work by CPSC staff indicated that there are possible alternatives to using a cigarette as a suitable standard ignition source.

Goal: *In 2010, CPSC staff will prepare a draft status report on its review of literature on past work, including a preliminary test plan to identify and evaluate candidate smoldering ignition sources for potential use in existing and proposed regulations. Staff also may conduct some limited testing of potential surrogate materials during FY10 to build on the 2003 test program data*

and to further assess the new standard cigarette being developed by NIST under another CPSC effort.

Not Met: This work could not be completed in-house by staff due to higher priority work associated with the new CPSC Flammability Laboratory. Therefore, in 2010, staff established an Interagency Agreement (IAG) with the National Institute for Standards and Technology (NIST) to conduct research for the development of a surrogate smoldering ignition source for potential incorporation into CPSC regulations and regulatory development efforts. This work will be conducted in 2011.

4. Support voluntary standards and codes.

Voluntary Standards

Staff participates in the voluntary standards process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries, and/or incidents occurred.

Goal: *In 2010, staff will support the revision of the voluntary standards and/or model codes with respect to fire hazards for the following nine products or codes: batteries, cabinet heaters/cylinders, candles, cigarette lighters, heaters, mattresses, National Electrical Code, smoke alarms, and sprinklers.*

Met: In 2010, staff monitored or participated in the development or modification of voluntary standards for the following nine products:

- batteries
- cabinet heaters/cylinders
- candles
- cigarette lighters
- heaters
- mattresses
- National Electrical Code
- smoke alarms
- sprinklers

Compliance

5. Preliminary determination within 85 business days on unregulated products.

Preliminary Determination Efficiency

Compliance officers open fire-related investigations based on reports of a possible defect from a manufacturer, importer, or retailer or on their own initiative after following up consumer complaints, newspaper accounts, or information from the CPSC surveillance activity. Each investigation involves a thorough review of information from the company and other sources, and analysis by the CPSC's technical experts. The investigation culminates in a staff preliminary determination that there is or is not a product defect.

Goal: *In 2010, staff will make 70 percent of fire-related staff "preliminary determinations" within 85 business days from the case opening date.*

Exceeded: In 2010, staff made “preliminary determinations” within 85 business days from the case opening date on 86 percent of fire-related cases.

6. Corrective action within 60 business days of preliminary determination on unregulated products.

Corrective Action Timeliness (Unregulated Products)

Each investigation involving a fire-related hazard will culminate in a preliminary determination that a product is or is not defective. If the product is determined to be defective, the compliance officer begins negotiating with the responsible company to obtain a voluntary corrective action. For defects that pose a risk of serious injury, the compliance officer seeks a consumer-level recall, which usually involves a free repair, or replacement of the product, or a refund of the purchase price. For less serious hazards, the corrective action may involve stopping sale of the product and correction of future production.

Goal: *In 2010, staff will negotiate and commence 80 percent of fire-related corrective actions within 60 business days after a firm is notified of the staff’s preliminary determination.*

Exceeded: During 2010, staff negotiated and commenced 93 percent of fire-related corrective actions within 60 business days after a firm was notified of the staff’s preliminary determination.

7. Corrective action within 35 business days of violation notice on regulated products.

Corrective Action Timeliness (Regulated Products)

Compliance staff regularly conducts surveillance to check compliance of products with CPSC mandatory standards. Samples collected by investigators in the field and at the ports are sent to the CPSC Laboratory for analysis. Additional analysis is often conducted by CPSC technical experts. When it is determined that a product violates CPSC standards, a compliance officer sends a letter of advice (LOA) to the manufacturer, importer, or retailer. For violations posing a serious risk of injury, staff will seek a consumer-level recall (unless the sample was collected at a port of entry and no products have been distributed within the United States). For less serious violations, staff may seek a lesser corrective action, such as stopping the sale of the violative products and correction of future production.

Goal: *In 2010, staff will obtain 80 percent of fire-related corrective actions within 35 business days after the LOA is issued.*

Exceeded: In 2010, staff completed 90 percent of fire-related corrective actions within 35 business days after the LOA was issued.

Consumer Information

Alert the public to fire-related hazards through:

8. Consumer Outreach

Consumer Outreach



In 2009, about 117 million views of CPSC safety messages related to fire hazards were received by consumers through TV appearances, interviews, video news releases (VNRs), and e-publications available through the CPSC's website. Topics that generated the most coverage included the refrigerator recall, the fireworks safety press conference, and holiday decorating safety. Staff also supplied information for stories on national and local radio, and in national or local newspapers and wire services. These appearances or mentions on radio or print were generated by the CPSC's live or taped interviews, audio news releases, public service announcements, press releases, and online information.

Goal: In 2010, 150 million views of CPSC fire safety messages will be received by consumers through communication tools such as newspaper stories, social media, TV appearances, and interviews on national television networks, VNRs to national and local television networks, and Web publication downloads.

Exceeded: In 2010, the CPSC secured an estimated 447 million views of our safety messages related to fire hazards, including messages on holiday cooking, holiday decorating, fireworks, and various recalls involving fire hazards. Outreach included press releases, PSAs, Tweets, and video news releases. This goal was exceeded by such a large margin due to the CPSC's reach via Twitter, YouTube, the OnSafety blog, and online news media, which were not measured in prior years.

9. Conduct five public information efforts, including at least one partnership with industry and/or a fire safety group.

Fireworks Safety



Goal: In 2010, the CPSC will conduct a national safety campaign for the Fourth of July to increase public awareness of the dangers associated with legal and illegal fireworks. This campaign will include activities such as a news conference; video news release; Podcast message; YouTube video; or message to the Neighborhood Safety Network (NSN). Possible partners include the U.S. Department of Justice and the U.S. Department of Homeland Security.

Met: In June 2010, the CPSC partnered with the Federal Emergency Management Agency (FEMA); U.S. Customs and Border Protection (CBP); and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) for a joint fireworks safety news conference on the National Mall.

Also joining the CPSC and its partners on the Mall was Jason Henderson, who lost both hands and sight in his right eye during a fireworks-related incident. Mr. Henderson described his incident with illegal fireworks and encouraged others not to use them.

The corresponding video news release (VNR) was covered by all major networks and was seen by an estimated 37 million consumers. The CPSC continued the warning through social media with an “On Safety” blog, Tweets and Flickr postings of photographs taken during the news event capturing dramatic demonstrations of reenacted fireworks incidents.

Halloween Hazards



Goal: *In 2010, CPSC staff will remind consumers of the flammability hazards associated with Halloween costumes and highlight warnings about the risk of fire associated with homemade children’s costumes, jack-o’-lanterns, and other Halloween decorations. Staff will conduct activities such as issuing a news release, producing a video (YouTube), posting a safety message on Twitter, or conducting TV and radio interviews.*

Met: In October 2009, the CPSC distributed a news release warning consumers about burn and laceration hazards that occur during Halloween celebrations. The CPSC cautioned that using inherently flame-resistant fabrics in home made costumers and battery-operated candles instead of open-flame candles when decorating the house can prevent fire and burn incidents. An “On Safety” 60-second video was posted to the CPSC YouTube site and promoted to the news media.

Holiday Decoration Hazards

Goal: *In 2010, for the winter holiday season, the CPSC will reissue its annual news release to warn consumers about the fire risk from defective decorative holiday light strings and from natural trees, and will provide tips on the safe use of candles and fireplaces. Staff will also conduct activities such as recording a Podcast or posting a video on YouTube.*

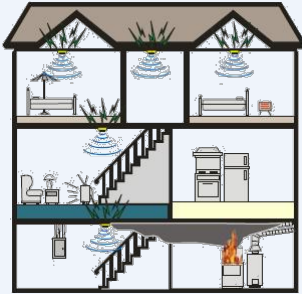
Met: During the 2009 holiday season, the CPSC offered consumers 10 tips to keep their holidays fire- and injury-free. A news release was issued warning consumers of the thousands of holiday-related injuries that occur each year from November to January. An “On Safety” blog was posted to the CPSC website. In addition, a 60-second video was posted to the CPSC YouTube site.

Home Heating

Goal: *In 2010, at the beginning of the home heating season, staff will warn about fire hazards from home heating equipment, especially space heaters, by conducting activities such as issuing a news release, an audio news release, or a Podcast message, or will post messages on social media platforms.*

Met: In December 2009, the CPSC issued a news release warning consumers of the dangers associated with home heating. As the winter months approached, the CPSC warned consumers that carbon monoxide poisonings were on the rise and provided safety tips to prevent the needless tragedies. In that following January, during severe East Coast snow storms, the CPSC posted a blog to “On Safety,” reiterating the dos and don’ts of home heating.

Smoke Alarms



Goal: In 2010, in a continuing effort to remind consumers that smoke alarms save lives, staff will issue a news release in the spring and the fall to emphasize that consumers need to have and maintain their smoke alarms. Staff will also contact national or local media to encourage them to remind consumers to check that their smoke alarms are in working order. Staff will use communication tools, such as podcasting, blogging, YouTube, Twitter, or the website www.FireSafety.gov, to promote new developments in technology as identified by CPSC experts aimed at making smoke alarms even more effective.

Met: In fall 2009, the CPSC promoted smoke alarm usage with a blog post on the “On Safety” site. The safety message was posted during the fall daylight saving time change with a “Change Your Clock, Change Your Batteries” theme. The commission continued the theme in the spring by issuing a news release to support smoke alarm use. Staff contributed information on the effectiveness of different technologies used in smoke alarms for the www.FireSafety.gov website.

REDUCING PRODUCT HAZARDS: CARBON MONOXIDE POISONING



STRATEGIC GOAL: By 2013, reduce the rate of death from carbon monoxide poisonings (by 20 percent from the 1999–2000 average)

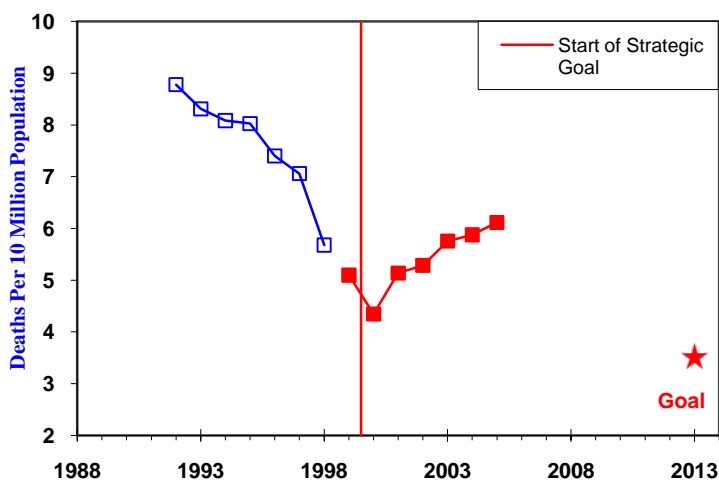
Total resources for this goal (dollars in thousands)					
Fiscal year	2006	2007	2008	2009	2010
FTEs	13	16	6	10	11
Amount	\$2,496	\$3,296	\$1,118	\$2,292	\$2,365

The Hazard

Carbon monoxide (CO) is a poisonous gas that has no smell, color, or taste—truly an invisible killer. Burning any fuel, such as gas, oil, wood, or coal produces this gas, so that any fuel-burning appliance is a potential CO source. At higher concentrations in the blood, CO can cause cognitive impairment, loss of consciousness, coma, and death.

From 2004–2006,⁶ there was an estimated annual average of 181 unintentional nonfire CO poisoning deaths associated with consumer products, at a societal cost of approximately \$900 million each year. Because some symptoms of moderate CO poisoning may mimic common illnesses, such as influenza or colds, there may be a high incidence of missed initial diagnoses. Not only are victims frequently unaware

Carbon Monoxide Poisoning Death Rate Associated with Consumer Products by Year (Based on 3 Year Moving Averages)



of exposure to CO, but health care providers also may not suspect, and consequently not check for, CO poisoning. While some symptoms of CO poisoning are reversible, irreversible and debilitating delayed neurological effects can develop following severe poisonings, especially those involving prolonged unconsciousness. Prompt medical attention is important to reduce the risk of permanent damage.

Most consumer product-related CO poisoning deaths are associated with the use of heating systems and portable generators. Recently, as shown in the graph,⁷ there has been an increase in the number of CO-related deaths, in large part associated with the use of portable generators during natural disasters, such as hurricanes and ice/snow

⁶ The latest year for which death data are available is 2006. CPSC continues to receive reports of CO poisoning deaths for previous years, so these estimates may change in future reports.

⁷ The estimates since 1999 are not strictly comparable to those for previous years because of changes in the methods for estimating carbon monoxide data.

storms. Other consumer products associated with CO poisoning deaths include: charcoal grills, gas water heaters, gas ranges and ovens, and fuel-burning camping equipment. Problems with chimneys, flues, or vents connected to fuel-burning products have also been mentioned in fatality scenarios.

The CPSC's Progress

Under the 1997 and 2000 Strategic Plans, the CPSC had a target to reduce the rate of CO poisoning deaths associated with consumer products by 20 percent from 1994 to 2004. From 1994 to 2004, the annual death rate was reduced by 34 percent. To further reduce the death rate, the CPSC retained this strategic goal in the 2003 Strategic Plan, with a new target of a 20 percent reduction by 2013, from the 1999–2000 average.

The CPSC has been successful in the past in reducing deaths through a number of interventions, including: working with industry to encourage the development of new products to protect consumers from CO poisonings; partnering with industry to develop a voluntary performance standard for CO alarms; and warning the public about CO poisoning through information campaigns.

Due in large part to the increased use of portable generators, the share of CO poisonings associated with portable generators increased from 6 percent in 1999, to 47 percent in 2006. Accordingly, effective in 2007, the CPSC issued a mandatory rule for a new danger label for portable generators to warn consumers about CO and to encourage safe use. Activities in this plan include supporting a portable generator rulemaking activity, public outreach activities, and monitoring voluntary standards that are designed to address this increase.

Annual Carbon Monoxide-Related Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Safety Standards						
1. Prepare candidates for rulemaking	Goal	**	1	1	1	1
	Actual	1	1	1	1	1
2. Complete data analysis and technical review activities	Goal	3	2	1	1	1
	Actual	2	1	1	0	1
3. Support voluntary standards and codes revisions	Goal	3	3	3	D [†]	2
	Actual	3	3	3		2
Consumer Information						
4. Consumer outreach* (in millions)	Goal	**	20.0	25.0	15.0	8.0 [#]
	Actual	14.6	26.0	1.0	4.0	67.9 [#]
5. Conduct public information efforts/partnerships	Goal	3	4	4	4	5
	Actual	2	4	4	4	5

** No goal established.

[†] This goal was deferred.

* The baseline data for this goal are not strictly comparable to the 2007 or later data due to an improved data capturing capability implemented in 2007.

[#] Beginning in 2010, the data include social media and online news media, so they are not directly comparable to the data for prior years.

Safety Standards

1. Prepare for Commission consideration one candidate for rulemaking or other alternatives.

Portable Generators

In 2006, the Commission voted to publish an Advance Notice of Proposed Rulemaking to begin research to develop technology to lower the risk of CO poisonings associated with portable generators. Staff awarded a contract to take a commercially available generator and modify the engine into a prototype

configuration to reduce CO emissions in the exhaust. Staff also entered into an interagency agreement (IAG) with the National Institute of Standards and Technology (NIST) to model the infiltration of CO in various styles of homes when the user operates the generator (in both the off-the-shelf and prototype configurations) in an attached garage.

In 2007 through 2009, staff monitored the prototype development contract and the NIST prototype testing IAG, adding necessary modifications to each. Staff modified the prototype development contract to add automatic shutoff programming into the electronic fuel injection controller of the existing low-CO emission prototype generator. Additionally, staff created a second agreement with NIST (“Standard Development IAG”) to develop CO emission performance limits for portable generators that significantly improve predicted survivability, based on results from indoor air quality and health effects modeling.

Goal: *In 2010, staff will draft a preliminary report containing staff’s health assessment of the CO concentrations measured in NIST’s test house with generators, in both off-the-shelf and prototype configurations, operated in an attached garage. The CPSC staff will also draft an interim report on the results provided in the contractor’s final report for the development and durability testing of the prototype low CO emission portable generator.*

Met: Staff drafted an interim report of the results on the development and durability testing of a prototype low CO-emission portable generator. The draft interim report includes staff’s preliminary health assessment of a limited set of test results obtained from generator testing in NIST’s test house. The results from the NIST test house were completed in July 2010; therefore, staff’s analyses of the test results are ongoing. The draft interim report will be updated as further analyses are completed.

2. Complete one testing, data collection, hazard analysis, or technical review activity.

Vented Gas Appliances CO Sensors

Gas-fired heating appliances continue to be a leading cause of unintentional CO poisoning deaths. Despite improvements over the years, current standards for vented gas appliances do not address adequately known CO poisoning hazard scenarios. In 2000, CPSC staff proposed that the American National Standards Institute (ANSI) Z21/83 Committee revise applicable standards to include CO shutdown requirements for the appliances. Staff supported these proposals with proof-of-concept testing in 2001 and 2003, demonstrating the use of CO and other gas sensors for safety shutdown of gas appliances. From 2002–2004, staff participated in an industry-led working group to develop test criteria to evaluate the use of gas sensors for this application. At the conclusion of that effort, industry opted not to pursue the use of sensors due to concerns about their durability and longevity.

To address industry concerns, in 2006, staff initiated a test program to evaluate sensors in a gas furnace. Staff completed this work in 2008. In 2009, staff began drafting its report of test results.

Goal: *In 2010, staff will complete a draft report of test results associated with longevity/durability tests of sensors within a gas furnace.*

Met: CPSC staff completed a draft report of the results of tests conducted by a contractor to evaluate the longevity and durability of sensors used in a gas furnace application. The report is expected to be finalized in 2011.

3. Support voluntary standards and/or codes revisions.

Voluntary Standards

Staff participates in the voluntary standards process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries, and/or incidents occurred.

Goal: *In 2010, staff will support the revision of the voluntary standards and/or model codes for the following two products or codes: CO alarms and portable generators.*

Met: In 2010, staff monitored and/or participated in the development or modification of voluntary standards for the following two products:

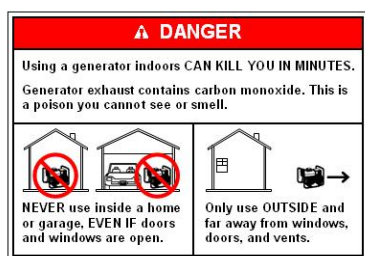
- CO alarms
- portable generators

Consumer Information

Alert the public to the hazards of CO poisoning deaths through:

4. Consumer outreach

Consumer Outreach



Staff supplies information for stories on national and local radio, and in national or local newspapers and wire services. These appearances or mentions on radio or print are generated by live or taped interviews, audio news releases, public service announcements, press releases, and online information. The CPSC has been successful in increasing the number of views of CO safety messages. However, the number of views dropped in 2008 and 2009, because of the lower number of major tropical storms and hurricanes to strike the United States; this, in turn, decreased the number of consumers using portable generators in emergencies. Additionally, there were no new rulemaking activities, such as the approval of a new danger label, which was a source of significant media attention in 2007, when a press conference reached 13 million viewers.

Goal: *In 2010, consumers will receive eight million views of CPSC CO safety messages through newspaper stories, social*

media outreach, TV appearances, and interviews on national television networks, video news releases to national and local television networks, and e-publications through the CPSC's special online portable generator information center.

Exceeded: In 2010, the CPSC secured an estimated 67.9 million views of our CO messaging through newspaper stories, social media outreach, TV appearances, and interviews. This goal was exceeded due to the CPSC's reach via social media, and online and print news media, which were not measured in prior years.

5. Conduct five public information efforts and/or partnerships with a trade association or safety advocacy group.

CO Alarms



While a large percentage of consumers' homes are equipped with smoke alarms, it is estimated that far fewer have working CO alarms in their homes. The CPSC strongly supports the installation of CO alarms.

Goal: In 2010, CPSC staff will remind consumers to change the batteries in their CO alarms at least once every year through activities such as using partnerships, issuing posters, issuing news releases, or recording podcasts. Staff will use communication tools, such as a podcast, blog entry, YouTube, Twitter, or the website www.FireSafety.gov, to promote any new developments in technology aimed at making CO alarms even more effective.

Met: In 2010, the CPSC posted two public service announcements on YouTube, one in English and one in Spanish, reminding consumers to “Change Your Clocks, Change Your Batteries” in conjunction with daylight saving time.

CO Poster Project



The CO Poster Project is a multiyear project consisting of developing a contest to be administered and judged by CPSC staff or an outside organization, for elementary school students to create posters to teach other students and their families about CO poisoning hazards. Staff will post selected posters on the CPSC's website. Advocacy for both CO alarm use and CO awareness may also be supported through the formation of a CO safety coalition, consisting of federal, state, and local governments, fire departments, health care providers, and low-income housing programs.

Goal: In 2010, the CPSC will work with partners (state, local, and nonprofit) to develop contest rules and judging criteria. Staff will also publicize the contest to generate school interest in contest participation.

Met: In 2010, staff developed contest rules and judging criteria for a CO home safety poster contest. This contest was developed for middle school students, as the topic is well-suited for the

curriculum and for science fairs associated with these grade levels.

Staff promoted the contest in conjunction with the White House and the General Services Administration's www.Challenge.gov launch, which is a site for all federal government-supported contests. Staff began the promotion of the CO safety contest with the help of the fire safety industry, home safety partners, youth clubs, and state departments of education and health, and sent the information directly to school districts in Florida, Texas, Ohio, and Michigan, which has the highest number of CO deaths in the United States. The contest is featured on the CPSC's website at www.cpsc.gov/info/co/index.html. The contest timeframe overlaps the months when CO fatalities are most prevalent.

Advertisement and promotion of the contest will continue until December 2010, and the contest winners will be announced in February 2011.

Home Heating



Goal: *In 2010, to remind the public of the continuing threat of CO in the home, staff will highlight the need for routine maintenance of gas appliances. At the beginning of the home heating season, staff will issue a seasonal warning about CO hazards from home heating equipment. Staff will remind consumers of specific issues, including the need to have a routine furnace checkup, through activities such as news releases, audio news releases, postings on social media sites, publications, or other similar media instruments.*

Met: In 2010, the CPSC issued a press release urging caution with home heating as winter weather arrived and warned about CO deaths. The press release urged consumers to have a yearly professional inspection of all fuel-burning appliances, including furnaces.

Natural Disaster Preparedness

Goal: *In 2010, prior to and in the aftermath of hurricanes, tornadoes, floods, and/or blizzards, staff will use communication tools such as print news releases, audio news releases, social media sites, or video news releases to address CO poisoning hazards.*

Met: In 2010, the CPSC communicated with consumers through social media on Twitter at the beginning of hurricane season in June, to remind them about proper generator use. The CPSC also launched a coordinated effort with the U.S. Fire Administration to identify and plan distribution of safety materials to disaster first responders.

Portable Gas Generators

During times of power loss, homeowners may be exposed to CO because of incorrect use of portable gas generators to provide power to their homes.



Goal: *In 2010, staff will promote generator safety with at least one communication tool, such as a news release, video, podcast, YouTube, Twitter, cell phone text messages, or safety materials to help reduce generator-related deaths and poisonings.*

Met: In 2010, the CPSC communicated with consumers through the distribution of safety publications and social media on Twitter at the beginning of hurricane season in June, to remind them about proper generator use.

REDUCING PRODUCT HAZARDS: CHILDREN'S AND OTHER HAZARDS

Total resources for this goal (dollars in thousands)					
Fiscal year	2006	2007	2008	2009	2010
FTEs	168	169	188	235	290
Amount	\$25,651	\$26,613	\$32,572	\$49,251	\$64,700

The Hazards

Children's Hazards



Children's hazards are associated with a wide range of consumer products. Examples of children's hazards include: drowning hazards related to pools and other in-home products; choking and suffocation hazards related to some children's toys; strangulation, suffocation, and entrapment risks to infants in sleep environments; strangulation from window blind cords and clothing drawstrings; unintentional ingestion of toxic household chemicals; and various hazards with infant products, such as old or improperly maintained cribs, high chairs, and strollers.

The recently enacted CPSIA (see CPSIA section) and Virginia Graeme Baker Pool and Spa Safety Act (VGB) gave the Commission new tools to address children's hazards. The VGB requires a retrofit of the nation's public pools with compliant, anti-entrapment drain covers and, in certain instances, with additional anti-entrapment devices or systems. The Act also mandates a comprehensive education initiative to inform the public and pool owners of pool and spa hazards, and specifies that the CPSC establish a grant program for states that meets minimum requirements for pool safety.

The CPSC has had a significant impact in reducing injuries and deaths for a number of children's hazards. For example, staff worked with industry to recall numerous toys and other products that presented choking hazards to children.

Chemical Hazards



The CPSC seeks to reduce or prevent deaths or injuries due to ingestion, inhalation, or dermal exposure from hazardous substances in consumer products. Commission action has helped to protect children from exposure to lead in toys, crayons, children's jewelry, miniblinds, and playground equipment. The CPSC has helped reduce children's exposure to hazardous chemicals in art materials and school laboratories. The CPSC has worked to improve indoor air quality by reducing emissions of pollutants from heating equipment, building materials, home furnishings, and a new emerging hazard, imported drywall.

The Poison Prevention Packaging Act (PPPA) authorizes the CPSC to issue requirements for child-resistant packaging for products such as drugs and other hazardous household chemical substances. Since the PPPA became law in 1970, poisoning deaths of children under five years of age have declined

substantially. In 1972, there were 216 poisoning deaths of children younger than five years of age. In 2006, the last year for which staff has data, there were 35 pediatric poisonings. This represents an 84 percent reduction in pediatric poisoning deaths since the PPPA took effect. While child poisoning deaths have been relatively low for a number of years, the Commission has seen evidence that, without continued surveillance, the death rate could increase. The CPSC will continue to monitor the data to determine if other action is needed.

For the years 2004 to 2006, unintentional⁸ ingestion of drugs and hazardous household products were associated with an annual average of 29 deaths of children under age five. In 2007, more than an estimated 78,000 children under age five were treated in hospital emergency rooms for unintentional ingestion of drugs and hazardous household products.

Household and Recreation Hazards



Household and recreation hazards are found throughout the nation's homes and affect many family activities. The CPSC's work in this area covers products such as lawn and garden equipment, power tools, and recreational equipment. The Commission's past activities made significant contributions to household and recreation safety. For example, the Commission improved lawn mower safety by establishing a Standard addressing blade contact. Staff estimates that the lawn mower Standard saves about \$1 billion in societal costs annually. The Commission also has been a leader in urging consumers to use safety gear when participating in recreational activities, such as bicycling, all-terrain vehicle riding, and skateboarding.

Electrocution and Shock Hazards



In 2004,⁹ there were about 60 deaths from consumer product-related electrocutions. In 2008, an estimated 6,300 consumer product-related electric shock injuries were treated in U.S. hospital emergency rooms. Total societal costs in the United States associated with electrocutions and electric shock are about \$600 million. The annual estimate of electrocutions has declined substantially since 1975. The CPSC's work on ground fault circuit interrupters, hair dryers, power tools, house wiring, and garden equipment has contributed significantly to this decline.

⁸ Unintentional ingestions are those not supervised or administered by an adult.

⁹ The latest year for which complete electrocution-related fatality data are available is 2004.

Annual Children's and Other Hazards-Related Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Safety Standards						
1. Prepare candidates for rulemaking	Goal	3	5	4	2 [†]	3 [†]
	Actual	1	4	2	2	1
2. Complete data analysis and technical review activities	Goal	21	22	17	11	25
	Actual	15	17	15	10	22
3. Support voluntary standards and code revisions	Goal	52	49	56	36	49
	Actual	49	51	58	36	49
Compliance						
4. Corrective action within 60 business days of preliminary determination (unregulated products)	Goal	**	80%	82%	80%	80%
	Actual	93%	89%	91%	91%	91%
5. Corrective action within 35 business days of notice of violation (regulated products)	Goal	**	85%	88%	80%	80%
	Actual	91%	96%	96%	96%	88%
6. Enforce the Virginia Graeme Baker Pool and Spa Safety Act	Goal	**	**	**	1	1
	Actual				1	1
7. Enforce the Children's Gasoline Burn Prevention Act	Goal	**	**	**	**	1
	Actual					1
Consumer Information						
8. Consumer outreach* (in millions)	Goal	**	125	450	300	375 [#]
	Actual	284	978	334	550	1,560 [#]
9. Conduct public information efforts/partnerships	Goal	8	7	9	10	10
	Actual	9	9	9	10	10
Minority Outreach Program						
10. Conduct minority outreach tour	Goal	**	**	**	**	5
	Actual					7
11. Grassroots initiative	Goal	**	**	**	**	1
	Actual					1
12. Neighborhood Safety Network membership	Goal	**	**	**	**	7,500
	Actual				5,600	3,600
13. Conduct awareness campaign (in millions)	Goal	**	**	**	**	5
	Actual					8
Virginia Graeme Baker Pool and Spa Safety Act - Education and Outreach						
14. Conduct nationwide campaign	Goal	**	**	**	**	1
	Actual					1
15. Consumer outreach (in millions)	Goal	**	**	**	60	90 [#]
	Actual				80	198 [#]
16. Promote industry and consumer awareness	Goal	**	**	**	**	1
	Actual					1
17. Target outreach aimed towards high-risk families and communities	Goal	**	**	**	**	1
	Actual					1
18. Website development	Goal	**	**	**	**	1
	Actual					1
19. Develop training programs for pool inspections	Goal	**	**	**	**	1
	Actual					1
20. Rapid response initiative	Goal	**	**	**	**	90%
	Actual					100%

[†] Refer to the CPSIA section for additional rulemaking activities related to children's and other hazards.

** No goal established.

* The baseline data for this goal are not strictly comparable to the 2007 or later data due to an improved data capturing capability implemented in 2007.

Beginning in 2010, the data include social media and online news media, so they are not directly comparable to the data for prior years.

Safety Standards

1. Prepare for Commission consideration three candidates for rulemaking or other alternatives.

The CPSIA covers children's hazards, which are further described in the CPSIA section beginning on page 23. See page 107 for work on imported drywall.

Poison Prevention



To reduce injuries and deaths of children associated with ingestion of household chemicals, staff continues to monitor these ingestions and assess them for the need for child-resistant packaging.

Goal: *In 2010, staff will prepare a briefing package for Commission consideration regarding a petition for exemption from PPPA requirements.*

Not Met: CPSC staff completed a draft briefing package responding to a petition requesting an exemption from PPPA requirements for several drugs. However, additional data requiring staff review was received, and revisions to the briefing package are required to address the data. The briefing package is expected to be completed in early 2011.

Recreational Off-Highway Vehicles

Recreational off-highway vehicles (ROVs) are a relatively new product category with a significant injury rate. Nonfatal injuries are significant in nature, often resulting in amputation or other severe injury of extremities. In 2009, the Recreational Off-Highway Vehicle Association (ROHVA) developed a draft voluntary standard. The CPSC staff reviewed the draft standard and concluded that it did not address adequately lateral stability, vehicle handling, and occupant protection. The Commission voted to publish an Advance Notice of Proposed Rulemaking to address the significant number of deaths and injuries.

In 2010, CPSC staff will conduct evaluations to identify contributing factors to vehicle rollover; the ways in which occupants are ejected; and minimum rollover protection methods, such as restraints, handholds, footholds, and vehicle structure. Additionally, staff will develop methods to minimize vehicle rollovers and ways to prevent occupant ejection. Staff will use this information in the development of a draft Notice of Proposed Rulemaking for Commission consideration in the future.

Goal: *In 2010, staff will draft a report of technical work conducted to identify contributing factors that lead to ROV rollover and occupant ejection.*

Met: Staff conducted extensive testing and evaluation of various model ROVs in 2010. Under an interagency Agreement (IAG) with the U.S. Army Aberdeen Test Center (ATC), www.cpsc.gov/library/foia/foia10/contracts/CPSC-I-07-0003-mod8.pdf, the ATC tested four popular model ROVs. The test

program included static and dynamic testing, which will be used to evaluate lateral stability and vehicle handling. Dynamic testing will also measure minimum lateral acceleration at vehicle rollover. Staff drafted a report on the preliminary analysis of the test results of the four popular ROV models.

Staff also awarded a contract to conduct static and dynamic testing of nine ROV models. This information is available at www.cpsc.gov/library/foia/foia10/contracts/CPSC-S-10-0014.pdf. The test results provide comprehensive information on the characteristics of the vehicles that make up the current ROV market.

Staff also awarded a contract to conduct two pilot studies addressing occupant protection performance of ROVs, www.cpsc.gov/library/foia/foia10/contracts/CPSC-S-10-0034.pdf, using sled test methods. The results of the pilot studies will be used to develop the test protocol for a full-scale test and evaluation program to assess the occupant protection performance of nine vehicles that make up the current ROV market. In July 2010, staff briefed the Commission on the test efforts and progress of the ROV project.

Sensitizers

Previous staff work in response to the petition to declare natural rubber latex a strong sensitizer identified the need to update the regulatory definition of “strong sensitizer” due to recent scientific advances and the United Nation’s Globally Harmonized System mandate. Beginning in 2004, staff prepared questions for a group of outside scientific experts to address this topic. In 2008, staff developed a recommendation regarding the CPSC’s definition to address scientific advances and new risk assessment methods currently under development by federal agencies.

Goal: *In 2010, staff will prepare a briefing package regarding the regulatory definition of “strong sensitizer” for Commission consideration.*

Not Met: In 2010, due to higher priority work on the investigation of contaminated drywall and the associated potential health effects, the staff was not able to complete a briefing package on the definition of “strong sensitizer.” This work is planned to be completed in early 2011.

2. Complete 25 testing, data collection, hazard analysis, or technical review activities to evaluate the need for, or adequacy of, safety standards.

ATV Annual Data Update



Goal: In 2010, staff will prepare its annual all-terrain vehicle (ATV) death and injury data update report. The report also includes data on deaths by state, relative risk of death by year, and injuries distributed by year and age grouping.

Met: Staff completed the 2009 Annual Report of ATV-Related Deaths and Injuries in September 2010.

Chemical Toxicity Assessment (2 activities)

Staff addresses a variety of products and hazards by continuing ongoing activities and initiating new activities, depending on the identification of emerging hazards. The topics will vary, but may include the following: lung injuries and fatalities from aerosol waterproofing products, updating the chronic hazard guidelines, and indoor air quality.

Goal: In 2010, staff will complete at least two risk assessments, technical review activities, or guidance documents related to chemical toxicity.

Exceeded: Staff completed a number of toxicity assessments for several key project areas. Several assessments (11) were conducted for phthalates and phthalate alternatives in support of the Chronic Hazard Advisory Panel (CHAP), including two contractor reports. As part of the drywall investigation, staff completed several reports, including two reports on the Lawrence Berkeley National Laboratory (LBL) chamber studies, and a report on the 51 home indoor air investigations conducted by Environmental Health & Engineering, Inc. During an investigation of disposable diapers, staff evaluated the chemical compounds that the manufacturer reported were used in the disposable diapers. The investigation did not reveal any health concerns for the general population, but did not rule out the potential for especially sensitive populations. On the topic of cadmium, a report on the potential health effects of cadmium in children's metal jewelry was also completed, and public comments were received.

Consumer Opinion Forum

The CPSC website provides a venue to solicit information from consumers who volunteer to respond to staff questions about interactions with consumer products. Such information can be useful in framing questions for scientific surveys, for providing information for future studies, or providing anecdotal behavioral data regarding foreseeable use of products. In 2009, staff completed an analysis of the Ground Fault Circuit Interrupter (GFCI) questionnaires and drafted a report of the survey results. Staff also prepared a new survey related to clothes dryer maintenance. The CPSC has cleared this survey for public dissemination, and staff will launch the survey in 2010.

Goal: In 2010, staff will finalize its report on the results of the survey for GFCI receptacles. Staff will also complete an analysis of the results of the survey for clothes dryer maintenance and draft a report of the results.

Exceeded: In 2010, staff finalized its report on the results of the GFCI receptacle survey, and posted the report on the CPSC website at www.cpsc.gov/library/foia/foia10/os/gfci.pdf. The staff also launched a clothes dryer maintenance survey, posted the draft report on the survey results on the CPSC website for public comment, and finalized the report on the survey results. The final report is also available on the CPSC website at www.cpsc.gov/library/foia/foia10/os/clothesdryer.pdf. Finally, the staff prepared a new survey on televisions and hazards associated with television tipovers; currently, the staff is seeking OMB approval to launch the survey.

Electrocution Annual Data Update



Goal: In 2010, staff will prepare its annual report of electrocutions associated with consumer products.

Met: CPSC staff completed the annual report, 2007 *Electrocutions Associated with Consumer Products*, in September 2010. Currently, the report is in the clearance process.

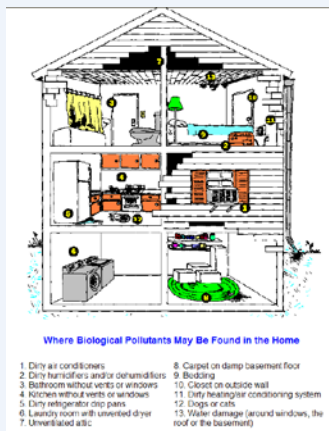
Globally Harmonized System

In 2007, staff compared selected portions of the Federal Hazardous Substances Act (FHSA) regulatory requirements to the Globally Harmonized System (GHS) for classification and labeling. This comparison identified some of the technical differences between the FHSA and the GHS. A preliminary legal feasibility assessment was also conducted to assess whether changes would be needed to the FHSA should certain provisions of the GHS be adopted and implemented. Staff needed a more complete technical comparison. In 2008, staff initiated a contract to complete a side-by-side comparison of the FHSA and the GHS. The contractor completed a report in 2009.

Goal: In 2010, staff will develop recommendations or options regarding the implementation of the GHS for Commission consideration.

Not Met: This goal was deferred due to higher priority work on the investigation of contaminated drywall and the associated potential health effects. A contractor report consisting of a side-by-side comparison of the FHSA and GHS requirements for classification and labeling of hazardous substances was submitted to CPSC staff in 2009; the final draft of this report was submitted in July 2010. Clearance of the contractor report is under way. Staff plans to develop recommendations or options regarding the implementation of the GHS for Commission consideration in the future.

Indoor Air Quality Database



CPSC staff expects the number and frequency of health-related calls involving indoor air quality (IAQ) to increase in the future because of the heightened concern generated from consumer issues such as drywall and formaldehyde that are currently receiving public attention. Staff uses a variety of databases to monitor the adverse effects of products on consumers. The databases cover a wide variety of reports associated with consumer products across the United States, including death certificates, emergency room visits, medical examiner reports, newspaper articles, and consumer complaints. The purpose of the project is to determine if current incident databases available to the CPSC (federal, state, local, or tribal) are adequate to capture IAQ-related health issues. Project participants will probe databases and provide an assessment: (1) of what IAQ information is currently available; (2) on whether IAQ-related information is of use in assessing health-based issues associated with indoor air quality; and (3) of database input or output factors/parameters that would be useful or might be added for improving the capture of indoor air quality-related issues.

Goal: *In 2010, staff will review the CPSC's and other databases for incidence data associated with health issues and indoor air quality and write a draft report commenting on database adequacy to address indoor air quality issues.*

Met: Staff assessed the utility of four primary CPSC databases in providing indoor air quality information and identifying health hazards. The four databases included: the Death Certificate Database (DTHS), the In-Depth Investigation Database (INDP), the Injury and Potential Injury Incident Database (IPII), and the National Electronic Injury Surveillance System (NEISS). Searches were performed for two specific chemicals and two specific products, and subject area experts analyzed the data to distinguish indoor air hazards from other hazards found in these databases. A draft report was completed by the staff and concluded that data are limited; however, when information is available, it is possible to identify health effects.

Interagency Coordination

The purpose of interagency coordination is to coordinate chemical hazard activities with other agencies, participate in international harmonization projects, and improve the scientific basis of agency risk assessments. In addition, the Commission is obligated by the Interagency Coordinating Committee on the Validation of Alternative Methods (ICCVAM) Authorization Act to respond to each test method validated by ICCVAM.

Goal: *In 2010, staff will review a request for a validated test method that is an alternative to animal testing. Staff will complete a briefing package for Commission consideration, along with staff's recommendation regarding acceptance of the test method.*

Exceeded: On March 2, 2010, CPSC staff sent a briefing package to the Commission, responding to a request from the ICCVAM regarding alternative test methods that encourage the reduction, refinement, or replacement of the use of animals in testing (i.e., the Murine Local Lymph Node Assay (LLNA) test method). The LLNA is a test method developed to assess the potential of a test substance to induce allergic contact dermatitis in humans. The ICCVAM recommended updates to the test method protocol; establishment of performance standards; and a modified form of the assay, the reduced LLNA. On March 9, 2010, the Commission approved the ICCVAM recommendations. The staff's briefing package is available on the CPSC website at www.cpsc.gov/library/foia/foia10/brief/iccvam.pdf.

Staff attended multiple meetings of the ICCVAM. In addition, the staff participated in a number of ICCVAM working groups, addressing ocular toxicity, acute toxicity, endocrine disruptors, and immunotoxicity.

Staff also participated in the Interagency Scientific Review Group (ISRG) of the National Toxicology Program. In 2010, the ISRG reviewed the available data on eight chemical substances and made recommendations on whether to list them in the 12th *Report on Carcinogens* (RoC). The RoC is an informational scientific and public health document, first ordered by Congress in 1978, that identifies and discusses agents, substances, mixtures, or exposure circumstances that may pose a hazard to human health by virtue of their carcinogenicity.

Nanotechnology Annual Data Update (Consumer Product Database)

In March 2006, the Woodrow Wilson International Center for Scholars published an inventory of consumer products found on the Internet, which were identified by manufacturers as nanotechnology products; these products included: aerosol household chemicals, apparel, and sports equipment. A large number of products that are expected to contain nanomaterials will fall under the regulatory authority of the CPSC. Without pre-market notification, the staff is unaware of the products that contain nanomaterials and the specific nanomaterials incorporated in these products. Staff identifies products that claim or are believed to contain nanomaterials and maintains a database with detailed information on these products.

Goal: *Beginning in 2010, staff will produce an annual report on the commercialization of nanomaterials and the consumer products that contain nanomaterials.*

Met: Staff purchased three contractor reports that present data on the commercialization of nanomaterials and the specific products that contain these compounds. Based on these reports and other information, staff completed an internal report that identifies key areas where nanomaterials have been incorporated into consumer products. The report also describes staff activities in

nanotechnology, including the development of an internal database that lists specific products and the materials contained in the products. The staff has also completed a classification scheme for these products based on their potential use and exposure potential.

Nanotechnology - Nanomaterials in Aerosol Products

In 2008, the CPSC initiated an interagency agreement (IAG) with the National Institute for Occupational Safety and Health (NIOSH) to evaluate the particulate aerosol generated during use of an antimicrobial spray product containing titanium dioxide nanoparticles. The CPSC provided funding for the product and the construction of a generation system and test chamber; NIOSH provided the expertise and staff time to conduct this project. Since the project has been successful at identifying nanomaterials in the product, the next step is to evaluate the acute bioactivity of these particles.

Goal: *In 2010, under an IAG between the CPSC and NIOSH, NIOSH will conduct testing to determine the exposure impact of a bathroom spray that contains engineered nanomaterials. NIOSH will provide at least an interim status report on their evaluation of the particulate aerosol generated during use of an antimicrobial spray product containing titanium dioxide nanoparticles.*

Met: Staff received a status report from NIOSH on their evaluation of aerosols released from a spray product. The investigation is expected to be completed and a final report submitted to staff in early 2011. Based on the interim results, staff expects to continue this work to test similar products, which will provide greater understanding of the potential health impacts of these products.

Nanotechnology - Nanosilver in Consumer (Children's) Products

There is a growing use of compounds or materials that have been produced using technologies that directly manipulate matter at the atomic level and fabricate materials that could not have been produced in the past.

The unique properties of nanosilver are being exploited for use in consumer products, including room sprays, laundry detergents, wall paint, textiles (such as shirts, pants, and underwear), and products intended for use by children (such as baby bottles, teething rings, and plush toys). Exposure associated with silver varies with the chemical form (metallic, salt) and the route of exposure (ingestion, inhalation, and dermal contact).

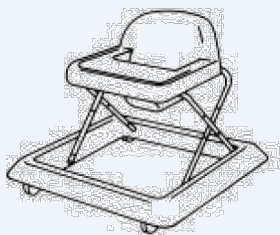
Evaluating potential exposures to consumers from use of nanosilver-enabled products is critical for assessing potential health effects. Results obtained from available studies were highly variable, precluding generalization of these studies to other consumer products. This project is an interagency cooperative effort involving staff from the NIOSH, the U.S.

Environmental Protection Agency (EPA), and the CPSC. This work will continue in 2011.

Goal: *In 2010, staff will enter into new or modified IAGs with NIOSH and the EPA. Staff will complete a literature search and will use it to develop experimental procedures to quantify releases and consumer exposure to nanosilver from treated products. Special emphasis will be placed on exposures to young children.*

Met: The CPSC entered into new IAGs with both NIOSH and the EPA. CPSC staff received interim reports from both NIOSH and the EPA; a literature review was completed and included in the EPA's interim report. The interim reports describe the specific products that have been tested thus far, the analytical techniques used to test for the presence of silver, and results of the testing. The results presented in the interim reports suggest that many, but not all, tested products contain measurable quantities of silver. Additional testing will provide information on the characteristics of the silver contained in these products.

Nursery Equipment Annual Update



Goal: *In 2010, staff will prepare its annual report of nursery product-related injuries and deaths to children under the age of five.*

Exceeded: In 2010, CPSC staff completed the annual report, *Nursery Product-Related Injuries and Deaths Among Children under Age Five*.

In accordance with Section 104(b) of the Consumer Product Safety Improvement Act (CPSIA) of 2008, staff also conducted analyses to characterize injury and fatality numbers and hazard patterns associated with toddler beds, bassinets/infant hammocks, full-size and non-full-size cribs, and portable youth bedrails. The memoranda documenting these analyses are available to the public in notices of proposed rulemaking packages.

Pediatric Poisonings (2 activities)



CPSC staff estimates that there are about 30 deaths per year from unintentional pediatric poisonings. This is down from more than 200 in the 1970s, but this figure has been stable for the past 10 years. Furthermore, this is an acknowledged overcount due to lack of specificity in the National Center for Health Statistics data used for the report. A detailed analysis of the data could provide a more accurate death count.

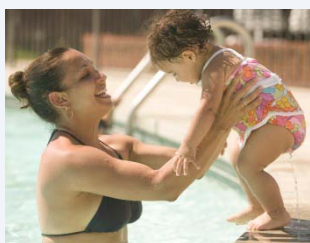
Goal: *In 2010, staff will conduct an in-depth review of deaths addressable by PPPA regulation to determine death and injury counts that are more accurate and to look for addressable hazard patterns by completing a draft report on the number of unintentional pediatric poisoning deaths and injuries, including information on the hazard scenarios.*

Met: Staff conducted an in-depth review of deaths addressable by PPPA regulation and completed an internal mortality report using the CPSC data. It was determined that we could not produce a more accurate number because the data was not complete. Staff recommended changes for data acquisition and incident investigation to improve future mortality reports.

Goal: *In 2010, staff will prepare its annual report on unintentional pediatric poisonings.*

Exceeded: CPSC staff completed the annual report, *Pediatric Poisoning Fatalities from 1972 through 2007*, regarding children under five years of age. This report incorporates the National Center for Health Statistics (NCHS) mortality data. The report is available on the CPSC website at www.cpsc.gov/library/foia/foia10/os/pppa2010.pdf. Staff also completed an annual injury report. Data from this report is provided to stakeholders, as requested.

Pool and Spa Safety



The CPSC's 2009 appropriation includes \$2 million to implement a state grant program, mandated by the Pool and Spa Safety Act, to provide funding to eligible states for pool and spa safety training and enforcement, with funds remaining available for obligation until September 30, 2010. In 2010, the CPSC entered into an agreement with the Centers for Disease Control and Prevention (CDC) to administer the grant program. Staff began the process of establishing the grant program, which includes determining eligibility criteria for grant applicants; establishing application submission and evaluation criteria; and preparing a public announcement about the grant program. The grant program will be implemented in 2010.

Goal: *In 2010, under the provisions of an interagency agreement, the CPSC will assist the CDC's National Center for Injury Prevention and Control in completing a funding opportunity announcement about the grant program. The CDC will implement the grant for the CPSC, including the awarding of grants to eligible states.*

Met: CPSC staff assisted the CDC's National Center for Injury Prevention and Control in developing a funding opportunity announcement (FOA) about the grant program. The FOA provided information about eligibility to apply for a grant, application content and submission requirements, application review procedures, and application evaluation criteria. The FOA was published on March 29, 2010, on www.grants.gov, with a closing date for receipt of applications of May 28, 2010. No states applied for a grant, and no grants were awarded.

Pool and Spa Safety Act Baseline Evaluation

The Virginia Graeme Baker Pool and Spa Safety Act provides for a grant program to furnish funds to qualifying states trying to prevent pool submersion and entrapment incidents. According to the Act, funds are to be awarded in a manner designed to provide the maximum benefit from the state's program in terms of protecting children. CPSC staff will conduct a nationwide longitudinal evaluation of the programs that states employ and multiple local effectiveness studies. A contract was planned in 2009, to begin gathering baseline data for such a study. Staff will promote the innovations and practices of the best programs with other states in the years after the analysis is completed.

Goal: *In 2010, CPSC staff will award and monitor the contract for the longitudinal study. The contractor will submit a report of progress on developing and administering the study.*

Not Met: A contractor qualified to perform this work was not found; therefore, no contract was awarded. Subsequently, no states applied for the available grants, so the contract would have been difficult to fulfill if it had been awarded.

Pool Submersion Annual Data Update



Goal: *In 2010, staff will update its annual report on pool submersion incidents involving children age five and under.*

Met: CPSC staff completed the annual report, *Pool and Spa Submersion: Estimated Injuries and Reported Fatalities, 2010 Report*. The report is available on the CPSC website at www.cpsc.gov/library/foia/foia10/os/poolsub2010.pdf.

Portable Pool Protection



CPSC staff is aware of the growing numbers of submersion fatalities and injuries associated with portable pools. A persistent challenge encountered with portable pools is designing effective submersion prevention systems that are matched appropriately to the assembly and installation restrictions.

Goal: *In 2010, staff will design and build small-scale and/or full-sized models of innovative submersion protection systems for portable pools that may be used for demonstration purposes.*

Met: In 2010, CPSC staff worked with industrial engineering students at the Virginia Polytechnic Institute and State University. The collaboration resulted in the development of three prototype designs for submersion prevention barriers, one of which was modeled using readily available parts. The pilot designs will be discussed at the next meeting for the portable pool standard (ASTM F 2666), which has not been scheduled.

ROV/MUV/ATV Data Collection Refinement

Annual estimates of injuries and deaths related to recreational off-highway vehicles (ROVs) or multipurpose off-highway utility vehicles (MUVs) cannot be calculated with data collected to date. At present, the derivation of fatalities and injury estimates for

ROVs from CPSC staff's databases is complicated because staff codes ROVs as utility vehicles, which includes a number of vehicles that are not considered ROVs by the Recreational Off-Highway Vehicle Association (ROHVA). As compared to ROVs, these MUVs may have very different designs and uses. Since ROVs are often referred to as "ATVs" or "Quads" by the press, the police, and the public, as well as by medical personnel, ROV-related injuries and fatalities may be coded as "ATVs" in CPSC staff's databases, particularly in incidents where the product manufacturer and model are not reported. In 2010, staff will begin a special study to determine how ATVs, ROVs, and MUVs are currently coded within the CPSC's National Electronic Injury Surveillance System (NEISS) databases. Staff will also create a plan for future identification and coding of the data, including development of new product codes involving these three classes of vehicles. This project is likely to continue into 2011.

Goal: *In 2010, CPSC staff will complete the survey instrument, which is in the final phase of the design process for the special study and will implement the telephone survey.*

Met: In 2010, CPSC staff completed design of the survey instrument and initiated the collection of data through telephone surveys. All injuries recorded in NEISS related to all-terrain vehicles and utility vehicles occurring from January 1, 2010 to August 31, 2010, were part of this study. Data collection through the surveys is in its final stages.

Sleep Environment Hazards



Staff will identify common hazards in an infant's sleep environment, such as hazardous gaps and soft sleeping surfaces. Staff will also describe the injury patterns and develop recommendations to address them.

Goal: *In 2010, staff will prepare a draft report presenting the results of the staff's review and describing strategies that will help consumers recognize sleeping environment hazards.*

Met: Staff reviewed incidents related to infant sleep environments and designed a probe that potentially could be used to identify hazardous gaps. From an educational standpoint, the candidate probe was deemed less practical than the current recommendation of using two fingers to measure a gap. Staff will continue to recommend teaching consumers to use two fingers to identify hazardous gaps. Staff prepared a draft report of this investigation that explains the rationale.

Spray Foam Insulation

Many homeowners and state and local governments are expected to use insulating products, such as spray foams, to increase the energy efficiency of their residences and constructed buildings. The purpose of this project is to identify the potential hazards that are associated with the use of spray polyurethane foams under various conditions. Specifically, staff will determine the

health effects of the constituents of the foam, the exposure limits for safe use, and will develop educational materials for communicating advice and best practices for minimizing exposure to potentially hazardous compounds.

Goal: *In 2010, staff will conduct a review of spray foam products and identify the potential health impacts of these products. CPSC staff will develop guidance documents for consumers in collaboration with the U.S. Environmental Protection Agency, the U.S. Federal Trade Commission, and other federal agencies.*

Met: In 2010, staff completed a draft memorandum that reviews the potential health effects of chemicals that may be used in spray foam products. Staff has received new information on compounds that may be released from foam, and this new information is being incorporated into the draft memorandum. The federal working group, led by the EPA, compiled information on best practices for installing spray foam and placed this information on the EPA's design for the environment (DFE) website at www.epa.gov/dfe/pubs/projects/spf/spray_polyurethane_foam.html. The website contains a link to the CPSC incident reporting system.

Table Saws (Blade Guards)

Staff has worked with industry to improve protection from table saw blade contact, but there remains the concern that blade guards are inadequate and/or of poor design and can pose a risk of severe injury. In 2007, new blade guard designs became available for consumers. In 2008, staff began an evaluation to assess whether the new blade guard designs can reduce blade contact injuries. In 2009, staff completed testing of a new blade guard system and a blade-contact detection/reaction system and prepared a draft report of its evaluation.

Goal: *In 2010, staff will finalize the report of its evaluation of blade guard and blade-contact detection systems.*

Met: Staff completed the report, *Human Factors Evaluation of Technology Intended to Address Blade-Contact Injuries with Table Saws*, in September 2010. Currently, the report is in the agency clearance process and the staff expects the report to be published in 2011.

Tipover Prevention



For 2006, CPSC staff estimates that 42,700 people were treated in U.S. hospital emergency departments for injuries related to instability or tipover of appliances, furniture, and televisions. The furniture category had the largest number of injuries among the three products. From 2000 to 2006, 87 fatalities were associated with tipping televisions. Approximately 45 percent of estimated injuries for 2006, and 80 percent of reported fatalities for 2000 to 2006, involved children younger than 10 years of age. Staff will

identify and evaluate potential strategies to prevent tipover incidents.

Goal: *In 2010, staff will prepare a draft report of the results of a review of incidents involving tipovers and will make recommendations for addressing tipover hazards.*

Not Met: This work was not completed due to higher priority work associated with the CPSIA and sample testing for compliance. Staff reviewed tipover incidents and common designs of tipover prevention tethers. The draft report is expected to be completed in 2011.

Toys Annual Update

Goal: *In 2010, staff will prepare its annual update on toy-related deaths and injuries.*

Met: In 2010, CPSC staff completed its annual report, *Toy-Related Deaths and Injuries, Calendar Year 2009*. Currently, the report is in the agency clearance process.

Toys Not Elsewhere Classified

In 2008, staff began activities to distinguish incidents involving “Toys, Not Elsewhere Classified” in the CPSC epidemiology databases that were associated with products that could be better classified in an existing or new toy product code from those reported incidents where the toy product was unknown. In 2009, staff initiated a toy surveillance project to monitor all incoming reports associated with toy product codes. The findings from the 2008 work and the results of the 2009 surveillance effort will help to inform the sample design and development of a NEISS-based special study in 2010. This work will continue in 2011.

Goal: *In 2010, staff will develop the sample design and questionnaire for a NEISS-based special study to gather more detailed information on the toys involved in incidents that are associated with “Toys, Not Elsewhere Classified.”*

Met: In January 2010, a new toy coding system was established. The new coding system allows for the separation of toys that completely are unspecified, from toys that are specified, but not among the list with available product codes. Prior to the new coding system, both groups of toys were coded “Toys, Not Elsewhere Classified.” In order to gather more detailed information on the toys that completely are unspecified, a NEISS-based special study was designed and implemented in July 2010. Besides asking for further details on the injury and the injured, some of the questions that focus on obtaining toy-related information ask for:

- Description of the toy;
- Manufacturer/model of the toy;
- Description of incident scenario;
- Age of toy, place of purchase, condition at time of purchase;

- Presence of batteries and/or magnets, and specifics of the batteries if malfunctioned; and
- Presence of age/warning labels.

The special study will cover a six-month period, and the analysis of the special study will be concluded in 2011.

3. Support the development/revision of voluntary standards and codes.

Voluntary Standards

Staff participates in the voluntary standards process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries, and/or incidents occurred.

Goal: In 2010, staff will support the revision of the voluntary standards and/or model codes for the following 49 products:

air cleaners (ozone-generating), amusement rides (portable), bassinets/criadles, bath seats, bed rails, beds (bunk, toddler), bedside sleepers, bicycles, blind cords, booster seats, chairs (high, youth), changing tables, child-resistant packaging, cribs (commercial, full-size, non-full-size/play yards), fuel tanks (leakage), garage doors/gate operators, gasoline containers (child-resistant closures), headgear (recreational), infant bedding/accessories, infant bouncers, infant carriers (frame, hand-held, soft), infant gates, infant slings, infant swings, infant tubs, infant walkers, ladders, mowers, off-road vehicles (e.g., ATVs, MUVs, and ROVs), phthalates, playground equipment (under two years, home, public), power equipment, ranges (tipover), scooters (motorized), shopping carts, soccer goals, stationary activity centers, strollers, swimming pools/spas, toys, and tree stands (hunting).

Exceeded: In 2010, staff provided support for the development or revision of voluntary standards/model codes for the following 49 products:

- | | |
|-----------------------------------------------------------|--------------------------------------------------------|
| • air cleaners (ozone generating) | • infant gates |
| • amusement rides (portable) | • infant slings |
| • bassinets/criadles | • infant swings |
| • bath seats | • infant tubs |
| • bed rails | • infant walkers |
| • beds (bunk, toddler) | • ladders |
| • bedside sleepers | • mowers |
| • bicycles | • off-road vehicles (e.g., ATVs, MUVs, and ROVs) |
| • blind cords | • phthalates |
| • booster seats | • playground equipment (under two years, home, public) |
| • chairs (high, youth) | • power equipment |
| • changing tables | • ranges (tipover) |
| • child-resistant packaging | • scooters (motorized) |
| • cribs (commercial, full-size, non-full-size/play yards) | |

- fuel tanks (leakage)
- garage doors/gate operators
- gasoline containers (child-resistant closures)
- headgear (recreational)
- infant bedding/accessories
- infant bouncers
- infant carriers (frame, hand-held, soft)
- shopping carts
- soccer goals
- stationary activity centers
- strollers
- swimming pools/spas
- toys
- tree stands (hunting)

In addition, staff presented recommendations to voluntary standards or code organizations for the following three products:

- Blind Cords/Roman Shades
www.cpsc.gov/volstd/blindcords/wcma08_17_10.pdf
- Ranges/Stability
www.cpsc.gov/volstd/ranges/ul092109.pdf
- Shopping Carts
www.cpsc.gov/volstd/shopcart/astmmay2010.pdf

Compliance

4. *Corrective Action Timeliness (Unregulated Products)*

Each investigation involving a children's or other hazard will culminate in a preliminary determination that a product is or is not defective. If the product is determined to be defective, the compliance officer begins negotiating with the responsible company to obtain a voluntary corrective action. For defects that pose a risk of serious injury, the compliance officer seeks a consumer-level recall, which usually involves a free repair, or replacement of the product, or a refund of the purchase price. For less serious hazards, the corrective action may involve stopping sale of the product and correction of future production.

Goal: *In 2010, staff will negotiate and commence 80 percent of children's and other hazards corrective actions within 60 business days after a firm is notified of the staff's preliminary determination.*

Exceeded: During 2010, staff negotiated and commenced 91 percent of children's and other hazards corrective actions within 60 business days after a firm was notified of the staff's preliminary determination.

5. *Corrective Action Timeliness (Regulated Products)*

Compliance staff regularly conducts surveillance activity to check compliance of products with the CPSC mandatory standards. Investigators in the field collect samples and send them to the CPSC Laboratory for analysis. The CPSC experts often conduct additional technical analyses. When staff determines that a product violates CPSC standards, a compliance officer sends a letter of advice (LOA) to the manufacturer, importer, or retailer. For violations posing a serious risk of injury, the letter will seek a consumer-level recall (unless the

sample was collected at a port of entry, and no products have been distributed within the United States). For less serious violations, the letter may seek a lesser corrective action, such as stopping sale of the violative products and correction of future production.

Goal: *In 2010, staff will obtain 80 percent of children's and other hazards corrective actions within 35 business days after the LOA is issued.*

Exceeded: In 2010, staff completed 88 percent of corrective actions within 35 business days after an LOA was issued.

6. *Pool and Spa Safety Act Enforcement*



The Virginia Graeme Baker Pool and Spa Safety Act (VGB) requires public pools to be equipped with compliant anti-entrapment drain covers and, in certain instances, with additional anti-entrapment devices/systems.

Goal: *In 2010, staff will continue to implement its multifaceted program to enforce the Act. The program includes inspections of drain cover manufacturers as well as pool and spa sites. Contracts for enforcement by state and local authorities will play a key role in the enforcement of the Act.*

Met: During 2010, staff continued to improve and enforce the Virginia Graeme Baker Pool and Spa Safety Act by working with state and local authorities to inspect more than 2,200 pools, and conducted at least three inspections of manufacturers.

7. *Children's Gasoline Burn Prevention Act Enforcement*

The Children's Gasoline Burn Prevention Act requires each portable gasoline container manufactured on or after January 17, 2009, for sale in the United States, to conform to the child-resistance requirements for closures on portable gasoline containers as specified in the standard ASTM F2517-05.

Goal: *In 2010, staff will implement a program for enforcing requirements of the Children's Gasoline Burn Prevention Act.*

Met: In 2010, staff implemented a program for enforcing requirements of the Children's Gasoline Burn Prevention Act that included seven manufacturer inspections. Certification is required for products manufactured after February 10, 2010.

Consumer Information

Alert the public to children's and other hazards through:

8. *Consumer Outreach*

In 2009, about 550 million views of CPSC safety messages relating to children's and other hazards, including pool safety, toy safety, and the CPSIA were received by consumers through TV appearances, video news releases (VNRs), and e-publications through the CPSC's website. Staff also provides information for



stories on national and local radio, in national or local newspapers, and wire services. These appearances or mentions on radio or print are generated by live or taped interviews, audio news releases, public service announcements, press releases, and online information.

Goal: In 2010, 375 million views of safety messages relating to children's and other hazards will be received by consumers through newspaper stories, social media outreach, TV appearances, and interviews on national television networks, VNRs to national and local television networks, and e-publications through the CPSC's website.

Exceeded: In 2010, the CPSC secured an estimated 1.6 billion views of our safety messages about children's products and other hazards, including pool safety, toy safety and known risks to minority populations. This goal was exceeded due to the CPSC's reach via Twitter, YouTube, the OnSafety blog, and online news media, which were not measured in prior years. It was also exceeded due to extensive media coverage and video news release play related to Chinese drywall and crib, stroller, infant sling, and toy recalls.

9. Conduct 10 public information efforts to warn the public about other hazards.

Drive to One Million



The "Drive to One Million" campaign was started in 2007. This effort uses several different Commission tools to make the public aware that, despite the CPSC's best efforts, there are still many recalled products in the hands of the public. The goal is to have at least one million consumers sign up to receive, electronically and free of charge, potentially life-saving information through the CPSC's email notification system or other social media platforms, such as Twitter, Facebook, and YouTube. Consumers can sign up to receive instant notice of recall information at www.cpsc.gov/cpsclist.aspx. Currently, there are nearly 300,000 members.

Goal: In 2010, the CPSC will aim to reach the one million mark of consumers who have registered to receive CPSC recall announcements via email and social media platforms such as YouTube, Twitter, and Facebook. Outreach will continue with stakeholders, such as mainstream media, social media websites, consumer-oriented websites, private sector and special interest supporters, and state and local governments. Marketing of this program will continue to be driven by promotion of the Drive to One Million logo.

Met: In 2010, CPSC staff worked throughout the year to generate additional members for the Commission's email notification system to receive recall alerts. Staff signed up new members by attending local fairs, national safety events, working with the media to promote the free service, and working with

stakeholders to encourage their members to register. In addition, the CPSC used its Twitter account to disseminate recall information and encourage followers to sign up for email alerts. The CPSC added nearly 1,000 new members through its participation in minority outreach activities, and attracted 5,000 followers to its Twitter account where they can receive recall information. Currently, there are 308,000 consumers who are part of our Drive to One Million campaign.

ATV Safety



In 2010, staff will continue its all-terrain vehicle (ATV) rapid response program as the cornerstone of its ATV education activities. Rapid response focuses on fatalities involving both children and adults with the goal of preventing future incidents. The ATV website received about 213,000 visits in 2008.

Goal: *In 2010, staff will promote the CPSC's multifaceted website, www.ATVSafety.gov, and update it bimonthly, with death and injury data, news items, industry developments, and changes to state laws. Additionally, staff may plan and sponsor an educational roundtable/forum on ATV safety for all organizations interested in promoting safe riding practices. The CPSC will utilize social media sites, including blogs, to promote safe ATV riding and media interviews.*

Met: In 2010, to promote ATV safety, the website was updated biweekly with death and injury data, news items, industry developments, and changes to state laws. CPSC staff once again carried out an ATV rapid response program, which resulted in contact with dozens of reporters and editors announcing safe riding practices throughout the year in the aftermath of fatalities. The CPSC used both blogs and tweets to promote ATV safety, and issued a Memorial Day news release that presented compelling facts about the sharp rise in ATV deaths every spring among children under 15 years old.

Bicycle/Helmet Safety



More than 800 consumers are killed each year in bicycle-related incidents.

Goal: *In 2010, the CPSC will communicate with the public about the need to wear helmets when riding their bikes and other wheeled toys. Public information efforts will take the form of one or more of the following: a news release, a Podcast, an audio news release, public service announcements, reissuance of NSN posters on bike and helmet safety, tweets, a YouTube video, and/or partnering with agencies such as the National Highway Traffic Safety Administration.*

Met: In 2010, to communicate the importance of bike helmet usage, the CPSC reiterated the message several times during the year. Helmet safety tips were issued in a news release and blog posting occurred during the CPSC's holiday toy safety news event. Tweets on helmet safety were issued during the year.

In-Home Drowning Prevention



On average, more than 75 nonpool or spa drowning deaths involving children younger than three occur inside or around homes each year.

Goal: *In 2010, to prevent young children from drowning, the CPSC will focus at the end of the summer on addressing the hazard of standing water in places such as buckets and bathtubs. As part of this effort to reduce in-home drowning, the CPSC will use tools such as issuing a news release, conducting media interviews, communicating via social media sites, recording a podcast, distributing a video, or issuing a poster for NSN members.*

Met: In 2010, staff communicated to consumers about in-home drowning safety on several levels. In October 2009, the CPSC distributed a news release warning consumers of the dangers of in-home drowning related to bathtubs, bath seats, and buckets. Parents and caregivers were encouraged never to leave children unattended and to stay within arms' reach during bath time. The in-home drowning message was also communicated through social media via tweets and in an "On Safety" blog post.

Poison Prevention

Goal: *In 2010, during National Poison Prevention Week, the CPSC will continue to support the efforts of the Poison Prevention Council by issuing a news release to promote child-resistant packaging and other poison prevention measures. The CPSC will carry out activities such as updating the online poison prevention information center, conducting media interviews, recording a podcast, or disseminating a safety message to NSN members.*

Met: During Poison Prevention Week 2010, the CPSC partnered with the Poison Prevention Week Council to take safety messages to the social media environment. The CPSC distributed a media advisory announcing the effort. The child-resistant packaging and other prevention safety messages and images were posted on the Council's Facebook page, and daily tweets were issued throughout the week by the Council and the CPSC. Staff continued the poison prevention outreach effort during the year, with status updates on the Council's Facebook page.

Product Tipovers



Goal: *In 2010, the CPSC will continue its work to alert parents to the dangers of televisions, heavy furniture, and freestanding ovens tipping over and crushing young children. The CPSC will communicate this hazard through one or more of the following communication tools: issuing a previously recorded, dramatic video news release on YouTube, recording a podcast, conducting media interviews, or producing a new NSN poster.*

Met: In 2010, staff sent dramatic video in DVD format on product tipovers to grassroots organizations and 100 NEISS hospitals. The CPSC's Spanish-speaking spokeswoman

conducted interviews with Univision and Telemundo's most popular news shows, reaching hundreds of thousands of families.

Staff issued a revised version of the previously recorded dramatic video on YouTube and made a 20-second version available through smart phone texting, reaching 5,000 consumers during a one-month period.

Staff issued a revised version of an NSN poster with powerful data: "On average, one child dies every two weeks when a TV, furniture or an appliance falls on him."

The CPSC partnered with Goodwill Industries and other secondhand stores to disseminate posters, and worked with Walmart and Target to have the PSA placed on the websites of these retail stores.

Safe Sleep



Goal: *In 2010, the CPSC will conduct a national safe sleep campaign that is aimed at warning new parents and day care providers about the dangers of placing babies to sleep in recalled, defective, or outdated cribs. The CPSC will partner with public and/or private organizations, associations, or foundations. Information and education activities for this effort will include materials such as a new publication, a press release featuring new data, press events, roundtable meeting, incentive programs, a message to Neighborhood Safety Network (NSN) members, videos, media interviews, special online information center, or the use of social media platforms.*

Met: In 2010, CPSC Chairman Inez Tenenbaum placed a high priority on "safe sleep" outreach and education efforts in accordance with findings from the CPSC's Early Warning System (EWS) related to nursery products, specifically cribs, play yards, and bassinets. Through a targeted information and education campaign, the CPSC has released and publicized over the past few years recalls involving nearly 10 million cribs.

CPSC staff produced new safety materials, including materials targeting new and expectant parents and caregivers through the NSN. NSN members were sent posters featuring sleeping babies of various ethnic backgrounds and also distributed a variety of safe sleep warnings and safety alerts, including warnings regarding infant slings, drop-side cribs, and sleep positioners.

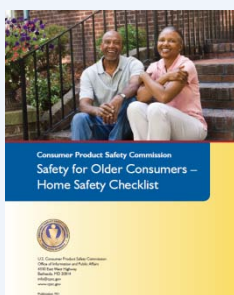
In order to ensure that families had current and accurate safety messages relating to safe sleep environments, the CPSC worked with morning TV shows that reached more than six million viewers and parenting publications such as Baby Talk magazine, conducted print and radio interviews, and posted numerous blog stories and YouTube videos demonstrating the hazards associated with defective cribs.

Through Associated Press wire stories of keynote addresses to the International Consumer Product Safety and Health Organization and the Juvenile Products Manufacturers Association, the CPSC generated national press coverage of Chairman Tenenbaum's leadership to promote "safe sleep" for all babies through regulatory and corrective actions.

The CPSC also worked in cooperation with safety advocacy groups on the grassroots level, including Safe Kids USA, Keeping Babies Safe, the American Academy of Pediatrics, the National Urban League, various community groups, and state and local government agencies to help disseminate the crib safety and safe sleep messages.

Finally, the CPSC began the production of a safe sleep video targeted at new and expectant parents that will be distributed through hospitals and pediatricians' offices in cooperation with Keeping Babies Safe and the American Academy of Pediatrics.

Safety Publication Update



Some of the CPSC's brochures and product safety alerts (both in print and on the website) may depict older products that do not comply with more recent standards, contain outdated epidemiological information, and refer to codes and standards that have been revised, or refer to organizations that have changed names. This project, started in 2009 as a pilot, is intended to regularly update the CPSC safety publications and online documents.

Goal: *In 2010, staff will update three safety publications.*

Met: In 2010, staff updated three safety publications: *Older Brass Gas Connectors Safety Alert No. 5135*, *GFCI Fact Sheet No. 099*, and *Older Consumer Safety Checklist No. 701* (Spanish).

Smart Holiday Shopping / Toy Safety



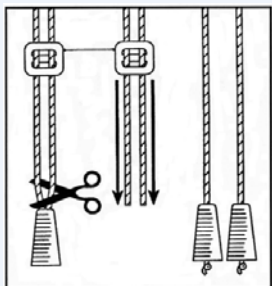
Every holiday season, staff continues efforts to educate parents and caregivers on suitable products for appropriate ages. Staff will also continue at this time of year to encourage consumers to be aware of the various websites that will assist them to identify recalled products. As part of the drive to remove dangerous products from homes, staff will continue to build upon the success of the CPSC's website, www.cpsc.gov, and the www.recalls.gov website, for notifying consumers about recalled products.

Goal: *In 2010, staff will educate the public at the grassroots level about safe shopping for toys now that the CPSIA requirements for lead, phthalates, and children's toys are in effect, by utilizing communications tools such as a press event, video news release, social media outreach, NSN safety poster, op-ed, or conference call with media.*

Met: On November 17, 2009, Chairman Tenenbaum hosted a “Town Hall on Toy Safety” event at the Times Square Toys “R” Us in New York City to launch the holiday toy season with information relating to toy safety hazards and requirements. The event was cohosted by the chief executive officer of Toys “R” Us and the general counsel for Safe Kids USA.

In addition, CPSC staff conducted various toy safety interviews with media; distributed toy safety materials and recall notices, including recalls of several million Fisher-Price infant toys; informed consumers through press releases, media outlets, mom-focused blogs, and use of the Neighborhood Safety Network. The CPSC also added information on its website on the CPSIA and toy regulations, and partnered with children’s advocacy organizations, such as Keeping Babies Safe and Safe Kids, to distribute toy safety materials.

Window Covering Safety



Goal: In 2010, CPSC staff will alert consumers about the various dangers with corded loops on window covers and on how to avoid these dangers in homes with young children, by developing a new safety alert, blogging, and posting a YouTube video, posting messages on Twitter, working with national or local media, or sending a message to NSN members. The CPSC will recommend, for the first time, that parents use cordless blinds in any home where there is a young child, in an effort to prevent deaths of children strangled in window covering cords, which averages about one death each month.

Met: In 2010, staff communicated a new Commission recommendation, of installing cordless blinds in any home where there is a young child, through a new PSA posted on YouTube, a new safety alert, a new NSN message, and tweets. In addition, in December 2009, the CPSC announced the recall of more than 50 million shades/blinds; the recall received extensive national network broadcast news, radio, and print coverage and used the opportunity to disseminate this new message again.

Minority Outreach Program

CPSC staff will implement a grassroots-based Minority Outreach Campaign aimed at increasing awareness among minority and underserved consumers of critical safety hazards in the home, such as safe sleep for babies, TV/furniture tipover, and poison and drowning prevention. (See performance goals for Pool and Spa Safety for minority outreach for drowning prevention on page 104.)

10. Minority Outreach Tour



CPSC staff will take the minority outreach effort directly to organizations that serve minority populations by participating in community events, fairs, and conferences. These events host thousands of local attendees and organization leaders and will enable staff to directly reach thousands of consumers at the events and through followup with local branches.

Goal: In 2010, staff will visit at least five cities to participate in community events, fairs, and conferences, such as the annual National Council of La Raza in Texas and National Urban League conference in Washington, DC. Staff will conduct activities such as interactive demonstrations of hazards, and provide handouts of publications and other safety materials.

Exceeded: In 2010, CPSC staff participated in community events and met directly with groups that target minority audiences in seven major U.S. cities. Cities and events include:

- Oklahoma City, OK–Red Earth American Indian Festival,
- Sacramento, CA–Festival de la Familia,
- San Diego, CA–Pacific Islander Festival,
- Washington, DC–National Urban League,
- San Antonio, TX–National Council of La Raza,
- New York City, NY–Asian American Festival, and
- Kansas City, KS–Blacks in Government (BIG).

At the events, staff distributed safety message materials and conducted demonstrations of safe behavior, including safe sleep, poison prevention, drowning prevention, and furniture and TV tipover prevention. The events included large audiences (on average 20,000 per event) where CPSC staff distributed safety materials, including more than 10,000 safety publications, posters, and promotional bags containing safety materials.

In conjunction with these events, staff extended CPSC's outreach by conducting interviews and meetings with state and local officials, congressional staff, religious institutions, and community and grassroots groups. Highlights include meetings with the National Urban League (representing 100 affiliates) and staff of Sen. Kirsten Gillibrand (D-NY), Rep. Kendrick Meek (D-FL), and Rep. Tom Cole (R-OK) to discuss Neighborhood Safety Network membership and dissemination of safety materials to their constituents, potentially reaching tens of thousands of consumers locally.

Media highlights include publication on Black America Web (all four major safety topics printed), Telemundo and Univision television appearances, local affiliate television and radio interviews, and social media blogs targeted to minority groups and vulnerable populations. Overall figures include more than six million targeted views.

11. Grassroots Initiative



Staff will step up opportunities for grassroots organizations to provide feedback to the CPSC. The interactive discussions will enable the CPSC to develop more effective safety materials and increase dissemination of those materials to minority and underserved populations.

Goal: In 2010, CPSC staff will conduct activities such as conference calls and webinars with current members of the

Neighborhood Safety Network. Staff will solicit feedback from members on the level of use and effectiveness of materials and campaigns.

Met: During 2010, CPSC staff contacted more than 900 NSN members to solicit feedback about the program. A small group of less than 10 members was asked a series of questions for in-depth feedback. More general information was solicited from the larger group. The result of the latter effort was more than 120 referrals to other prospective member organizations serving minority and underserved populations.

12. *Neighborhood Safety Network Membership*



Goal: *Staff will increase its membership in the Neighborhood Safety Network from 5,600 to 7,500.*

Not Met: In 2010, the membership list for the Neighborhood Safety Network went through much-needed maintenance. During the cleanup process, many faulty addresses were contacted and updated. This update, combined with new signups, accounted for an increase of nearly 1,000 members in the system. As part of the maintenance, nonrepairable and nonlocatable contacts were dropped, bringing about a net decrease of useable contacts in the list. The end result was a membership total of 3,600.

As part of the 2010 Minority Outreach Program, teams visiting communities for seven major events celebrating ethnic and racial communities collected more than 100 new NSN member signups and contacts. A major program planned to add about 3,000 NSN members was proposed midyear, but could not be procured prior to the close of the fiscal year. Staff will seek to repropose the procurement in 2011.

13. *Awareness Campaign*



CPSC staff will quantify minority media efforts, and promote electronic information resources.

Goal: *In 2010, staff will reach five million minority consumers through safety messages on television, in newspapers, and via social media through activities such as developing a list of at least 100 minority-targeted media and grassroots organizations, creating and disseminating at least two targeted videos in English and Spanish, translating 12 news releases into Spanish, or posting minority-targeted blog entries.*

Exceeded: In 2010, the CPSC reached an estimated eight million minority consumers through television interviews, newspaper stories, and social media outreach. This goal was exceeded due to the CPSC's exceptional reach via broadcast TV PSAs and media coverage on tipovers, drinking glasses, infant slings, and recalls of cribs and toys.

Virginia Graeme Baker Pool and Spa Safety Act – Education and Outreach

In December 2007, Congress passed, and the President signed, the Virginia Graeme Baker Pool and Spa Safety Act, which became effective in December 2008. The Act addresses the hazards of child drowning and drain entrapment. It requires a targeted education campaign that addresses these hazards. The Act also mandates retrofitting the nation's public pools with compliant anti-entrapment drain covers and, in certain instances, with additional anti-entrapment devices or systems. The CPSC is working on achieving high compliance with this new law. This program will be supported with \$8.1 million in funding for education and outreach.

14. Conduct Nationwide Campaign



The Virginia Graeme Baker Pool and Spa Safety Act requires the CPSC to conduct an extensive grassroots nationwide pool and spa safety campaign designed to warn the public, target underserved populations, and educate state and local jurisdictions and the affected industries. In order to conduct this far-reaching campaign, the CPSC will work with a public relations contractor.

Goal: *In 2010, the CPSC will award a contract to a public relations firm to develop and execute outreach and education programs to support this program.*

Met: In 2010, the CPSC awarded a contract to develop and implement an information and education campaign to fulfill the requirements of the VGB. The comprehensive *Pool Safely* campaign teaches pool and spa safety steps that stress prevention of drowning and entrapment by engaging stakeholders as partners at the national and grassroots levels. Child safety experts work on public and residential drowning prevention programs for parents and children, and industry organizations share VGB compliance information with pool and spa owners and operators.

15. Consumer Outreach



In 2009, CPSC staff participated in numerous print, TV, and radio interviews related to pool and spa safety where more than 80 million TV viewers were reached.

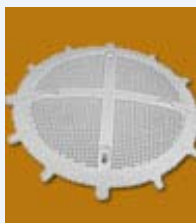
Goal: *In 2010, 90 million views of the CPSC safety messages related to pool and spa safety will be received by consumers and key stakeholders through activities such as TV appearances and interviews on national and local television networks, public service announcements, newspaper articles, social media outreach, video news releases, a rapid response program, visits to www.PoolSafety.gov, and e-publications through the CPSC's website.*

Exceeded: In 2010, the CPSC's *Pool Safely* campaign messages totaled more than 198 million views, which were generated from print articles, online stories, local television broadcasts, and e-publications through the CPSC's website. This goal was exceeded due to the exceptional exposure generated by our public relations firm through the production and dissemination of a high-value TV PSA. In addition, numerous print articles and online stories were generated in 2010, which were not measured

in the previous year. (Note: the radio version of the PSA reached tens of millions of listeners, but was not included because radio reach was not established as a measurement tool at the beginning of the year. Radio reach will be considered in 2011.)

Significant additional views were made via Twitter, Flickr, and YouTube. Metro transit stations in the District of Columbia displayed five illuminated posters, which generated 1.7 million views in September 2010, and billboards with Pool Safely campaign messages were placed on streets and highways in Arizona, California, and other states.

16. *Industry and Consumer Awareness of Pool and Spa Safety*



Goal: In 2010, CPSC staff will develop educational materials for pool manufacturers, pool service companies, pool supply retail outlets, pool owners and operators, and state entities. Additionally, staff will provide educational materials (such as brochures, posters, reproducible education handouts, and videos) designed for a national media campaign to promote awareness of pool and spa safety among the general public, including minority and hard-to-reach populations.

Met: In 2010, the CPSC developed educational materials and designed a national media campaign which included the following materials: brochures, posters, billboards, and print public safety announcements (PSAs) in both English and Spanish; fact sheets; advertising specialties, such as fans and sunglasses; educational videos in eight segments; Metro transit station illuminated poster displays; video PSAs; and a *Pool Safely* tool kit of materials and guidance.

17. *Targeted Outreach for Minorities and High-Risk Families and Communities*



Goal: In 2010, CPSC staff and a contracted public relations firm will develop and carry out targeted education activities and host safety events aimed at minorities and high-risk families and communities by working with national and regional organizations, associations, or companies, such as the Home Safety Council, the American Red Cross, and YMCAs, whose missions are tied to water safety or drowning prevention.

Met: During 2010, CPSC staff worked with a contractor on events targeting minorities and high-risk families. These events included: focus groups, program announcement press conferences, and events in minority communities in Houston, TX and Washington, DC. At these events, participating groups included organizations such as Safe Kids, American Red Cross, the YMCA, and local organizations like Bria's House, which provides swimming lessons to underprivileged children.

18. *Website Development*

The CPSC plans to redesign, expand, and update its website PoolSafety.gov. The website will host education tool kits, interactive teaching and training videos, and other information developed as part of the pool and spa safety information and education campaign. The site will have materials for informing



and educating all stakeholders about the Act and compliance with it.

Goal: In 2010, the CPSC will work with a contractor to redesign PoolSafety.gov to include new interactive content.

Met: In 2010, a professional Web design services company was contracted to redesign and expand PoolSafety.gov into a state-of-the-art, interactive Web resource using the campaign name www.PoolSafety.gov. The new site was launched on September 27, 2010. This site has interactive links to all content developed as part of the Information and Education campaign, with special sections for families, industry, state and local officials, and the media.

19. Training Programs for Pool Inspections



Goal: In 2010, the CPSC will develop a training program consisting of awarding contracts to third-party experts to create and deliver a variety of educational and training materials for specific stakeholder group(s) such as a training program for state and local officials to learn how to conduct proper inspections of public pools and spas; training and maintenance programs for pool operators and lifeguards; and water safety and swimming classes for minority and hard-to-reach communities, whose exposure to swimming pools is less than the general population. The training programs will be a combination of live events, webinars, and prepared educational training video programs that will address issues related to drowning and entrapment prevention.

Met: In 2010, CPSC staff developed and awarded six contracts to leading organizations to create and deliver educational and training programs nationally. Contractors representing top national industry experts were retained to execute training materials for pool owners and operators, manufacturers, and retail outlets, and local and state regulatory entities. Using a combination of live events, webinars, and prepared educational training video programs, each contractor will address issues related to drowning and entrapment prevention for their specified audiences.

20. Rapid Response Initiative

In 2009, the CPSC started a daily rapid response pool safety initiative based on responding to breaking news about drowning or entrapment incidents and using these as educational opportunities to inform the media on a regular basis about pool and spa safety and providing them with materials and data for their audiences.

Goal: In 2010, the CPSC will make contact with local media within one business day of learning of a pool or spa drowning or near drowning, or of an entrapment incident 90 percent of the time.

Exceeded: In 2010, the CPSC made contact with local media within one business day of learning of a pool or spa drowning or near drowning, or an entrapment incident 100 percent of the time.

Since January 29, 2010, in response to 503 media-reported drowning and near-drowning incidents, the CPSC's contractor distributed 29,975 rapid response communications to reporters with "simple steps save lives" information.

The CPSC secured four Letter to the Editor submissions in the New York Times, the Courier-Journal, the Medford Central Record, and the Ventura County Star in response to incidents. The rapid response campaign generated national media coverage with at least one story published or aired in all 50 states and the District of Columbia.

IMPORTED DRYWALL



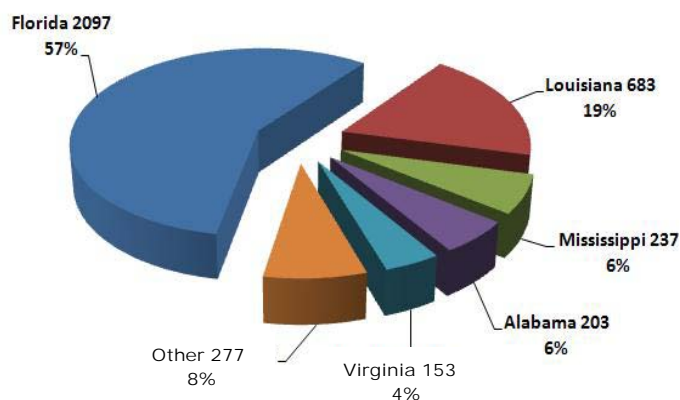
In December 2008, the CPSC first received drywall-related complaints from consumers. These complaints included reports of noxious odors; corrosion of metal items inside homes, especially copper air conditioning coils; and short-term health effects generally involving the upper respiratory tract. In response, the CPSC launched an extensive investigation requiring substantial resources.

As of September 2010, the CPSC received more than 3,600 incident reports from residents in 38 states, the District of Columbia, Puerto Rico, and American Samoa about corrosion and health symptoms. The CPSC is committed to providing answers and solutions to these homeowners.

The CPSC's Accomplishments

- The CPSC has led the coordination of an Interagency Drywall Task Force to investigate possible health and corrosion risks from Chinese drywall with support from the U.S. Environmental Protection Agency, the Centers for Disease Control and Prevention/Agency for Toxic Substances and Disease Registry, the U.S. Department of Housing and Urban Development, and the U.S. Department of Homeland Security.
- The CPSC and its federal partners developed an online *Drywall Information Center* (www.DrywallResponse.gov), which provides the latest information on technical developments, news about the investigation, and a way for homeowners to report incidents to the CPSC.
- The CPSC's outreach efforts and investigations have secured information from many other sources, including state governors, county governments, importers, builders, distributors, installers, and other parties in the drywall distribution chain. Combining the 3,603 incident reports CPSC has received from consumers with information from our investigation into the chain of commerce, our best estimate of the number of homes that have registered complaints about drywall is approximately 6,300.
- The CPSC has been providing congressional updates on a monthly basis since the early days of the investigation. As the CPSC wraps up its scientific investigation, staff will continue to report findings on www.DrywallResponse.gov and issue these updates to Congress on a quarterly basis, with the next update at the end of the first quarter of fiscal year 2011.

Number (and Percentage) of Reports by State



New Developments

- Assistance to U.S. Army Investigation at Fort Bragg: The CPSC is assisting the U.S. Army in the investigation of the deaths of infants reported by families at Fort Bragg, NC, by providing an independent, comprehensive investigation into environmental factors in certain homes. The CPSC's contractor, Environmental Health & Engineering (EH&E), is conducting a comprehensive investigation of the indoor environment of two houses at Fort Bragg.

- **Additional Indoor Air Testing in Homes with non-Chinese Drywall:** In addition to the indoor air testing at Fort Bragg, EH&E is also conducting indoor air testing focused on drywall-related issues in a small number of homes where consumers have reported problems with non-Chinese manufactured drywall. Although these reports of homes alleging problems due to non-Chinese drywall represent a very small fraction of the total reported incidents, the CPSC is investigating them as part of our overall investigation to gain a comprehensive understanding of the reported problems.

Progress in the Investigation

The CPSC continues to investigate long-term corrosion on electrical and fire safety components under contract with other federal laboratories. Through this work, the Commission hopes to fine-tune the Interim Identification Guidance and Interim Remediation Guidance (in conjunction with the U.S. Department of Housing and Urban Development). To date, this has been the largest compliance investigation in agency history.

Annual Drywall-Related Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Safety Standards						
1. Tracking labels	Goal	**	**	**	**	1
	Actual					1
2. Support voluntary standards and codes revisions	Goal	**	**	**	**	1
	Actual					1
Complete Data Analysis and Technical Review Activities						
3. Drywall investigation	Goal	**	**	**	**	4
	Actual					4

** No goal established. While no goals were established, work related to drywall began in late FY2009. At that time, it was too late in the fiscal year to be a part of the published 2009 operating plan.

Safety Standards

1. *Tracking Labels for Drywall Notice of Inquiry*



The CPSC staff's investigation indicates that it is often difficult to determine the manufacturer and origin of drywall in homes that have reported drywall-related effects. Such identification could narrow the scope of any investigation or necessary remedial action in the future. The Commission could require manufacturers of drywall to label/mark their products.

Goal: *In 2010, CPSC staff will prepare a briefing package for Commission consideration regarding a notice of inquiry for a possible rule to require identifying labels on drywall.*

Met: On November 25, 2009, the CPSC staff sent a briefing package to the Commission regarding a notice of inquiry for a possible rule to require identifying labels on drywall. The briefing package is available at www.cpsc.gov/library/foia/foia10/brief/drywalllabels.pdf. The Commission approved the draft Notice of Inquiry for Identifying Labels for Drywall in December 2009.

2. Support voluntary standards and codes revisions.

Voluntary Standards

Staff participates in the voluntary standard process by providing expert advice, technical assistance, and information based on data analyses of how deaths, injuries, and/or incidents occurred.

Goal: *In 2010, staff will support the revision of the voluntary standards and/or model codes for drywall.*

Met: CPSC staff actively participated with ASTM International (ASTM) and Underwriters Laboratories Inc. (UL) on voluntary standards development activities for drywall. The staff participated in conference calls for ASTM *Standard Practice for Screening of Buildings Containing Gypsum Board for Sulfur Corrosion* and provided draft comments to UL on the Proposed First Edition of the *Standard for Sustainability of Gypsum Board* (ULE 100).

Complete Data Analysis and Technical Review Activities

3. Drywall Investigation



The CPSC has led an Interagency Task Force in investigating the nexus between drywall and reported health and safety concerns and has found a strong association between the problem drywall, hydrogen sulfide levels in homes with that drywall, and corrosion in those homes. In 2009, staff began work on the technical studies relating to drywall.

In 2010, in partnership with the Interagency Task Force, the CPSC will continue to investigate potential health and safety issues and the chain of commerce for drywall, while also working with the Interagency Task Force to develop identification and remediation protocols. Staff will monitor and participate in potential ASTM development of test methods or standards for drywall related to corrosion or health issues. Additionally, staff will work with the Interagency Task Force on options for identification and remediation protocols.

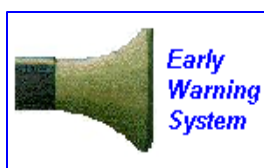
Goal: *In 2010, staff will prepare four reports on the results of technical studies relating to drywall, such as elemental and chemical analysis, emissions testing in controlled chambers, indoor air testing of affected and control homes, and corrosion and metallurgical analyses of electrical, fuel gas distribution, and fire safety components.*

Met: Staff prepared and published reports on the results of technical studies relating to drywall such as elemental and chemical analysis; emissions testing in controlled chambers; indoor air testing of affected and control homes; corrosion and metallurgical analyses of electrical, fuel gas distribution, and fire safety components; results of microbiological testing of drywall; and results of a study of identification methods for problem drywall based on source marker evaluations. These reports are available on www.DrywallResponse.gov.

IDENTIFYING PRODUCT HAZARDS

Total resources for this goal (dollars in thousands)					
Fiscal year	2006	2007	2008	2009	2010
FTEs	80	71	82	86	88
Amount	\$11,361	\$10,840	\$17,447	\$25,668	\$27,430

This program provides the information needed to assess product hazards and develop injury reduction strategies. The CPSC collects data on consumer product-related injuries and deaths, as well as economic and hazard exposure information, for those products under CPSC jurisdiction. CPSC staff also investigates specific injury cases to gain additional knowledge about injuries or hazards and how the reported product was involved. These activities reflect the Commission's commitment to making decisions based on appropriate data analyses.



The CPSIA directed the Commission to modernize its IT systems and develop a database searchable by the public. This modernization is essential to meet our demanding workload as staff works to monitor the safety of products from across the globe. In response to that mandate, the Commission is developing a single, integrated Web-based environment—the Consumer Product Safety Risk Management System (CPSRMS)—that will allow increased public access to consumer product safety information. The CPSRMS is an example of the Commission's efforts to alter the way we approach early warning detection by creating a single data source and resolving issues of siloed systems with disparate data.

Each year, staff collects information about product-related injuries treated in hospital emergency rooms through the National Electronic Injury Surveillance System (NEISS). This unique system provides statistically valid national estimates of product-related injuries from a probability sample of hospital emergency rooms and is the foundation for many CPSC activities. Several foreign governments have modeled their national injury data collection systems after the CPSC's system. Annually, NEISS supplies more than 370,000 product-related cases from a sample of about 100 hospitals. The hospitals transmit incident information electronically and, in some cases, the data are available within 24 hours after an incident.

Annual Data Collection and Data Analysis Goals and Results*

Annual Goals Summary		2006	2007	2008	2009	2010
Data Collection Activities						
1. Evaluate, train, and audit hospitals in the NEISS sample	Goal	95%	95%	95%	98%	98%
	Actual	100%	99%	100%	100%	100%
2. Capture product-related cases reported by hospitals	Goal	90%	90%	90%	90%	90%
	Actual	91%	91%	91%	88%	90%
3. Complete headquarters telephone investigations in less than 45 business days	Goal	90%	90%	90%	98%	98%
	Actual	100%	99%	99%	99%	100%
4. Complete fire investigations as onsite or other in less than 45 business days	Goal	**	95%	95%	95%	95%
	Actual	95%	98%	98%	98%	97%
5. Complete nonfire investigations as onsite or other in less than 45 business days	Goal	**	93%	93%	93%	93%
	Actual	93%	96%	95%	97%	95%
6. Maintain the number of establishment inspections by field staff	Goal	**	400	400	400	400
	Actual	320	493	463	454	585
7. Sustain the number of incident reports collected from medical examiners/coroners	Goal	4,160	3,900	4,500	4,500	4,500
	Actual	4,843	4,724	4,606	4,358	5,524
8. Sustain the number of incident reports collected from news clips	Goal	8,100	7,300	7,800	7,200	7,200
	Actual	8,634	8,612	7,402	7,528	6,598
Minority Data Collection						
9. Modify NEISS data collection software	Goal	**	**	**	**	1
	Actual					1
10. Collect race and ethnicity data	Goal	**	**	**	**	80%
	Actual					90%
11. Analyze pilot questionnaire	Goal	**	**	**	**	1
	Actual					1
12. Leverage other federal data collection efforts	Goal	**	**	**	**	1
	Actual					1
Data Analysis Activities						
13. Early Warning System	Goal	**	**	1	1	1
	Actual			1	1	1
14. Economic impact of CPSC work	Goal	**	**	**	**	1
	Actual					1
15. Conduct Brain Injury Study	Goal	**	**	**	**	1
	Actual					1

* See page 40 for a discussion of Consumer Product Safety Risk Management System goals for 2010.

** No goal established.

Data Collection Activities

Maintain the quality of injury data through:

1. *Monitoring Hospitals*

Evaluation visits provide CPSC staff an opportunity to review hospital records and ensure that hospital coders are capturing and reporting data on the highest possible percentage of reportable cases.

Goal: In 2010, staff will conduct at least one evaluation visit at 98 percent of the hospitals in the NEISS sample.

Exceeded: In 2010, staff conducted at least one evaluation visit at 100 percent of the hospitals in the NEISS sample.

2. *Capturing Product-Related Cases*



A high reporting percentage is necessary to ensure the integrity of the injury estimates developed by CPSC staff. Remedial action would be implemented in any hospital that is missing significant numbers of reportable cases.

Goal: *In 2010, NEISS hospitals will report at least 90 percent of the product-related cases, as documented by audits in each hospital.*

Met: Based on audits in each hospital in 2010, NEISS hospitals reported 90 percent of product-related cases.

Identify and investigate product hazards

3. *Telephone Investigations (Headquarters)*

Headquarters telephone investigations provide valuable information on specific NEISS cases of interest to CPSC analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

Goal: *In 2010, staff will complete at least 98 percent of telephone investigations in fewer than 45 business days.*

Exceeded: In 2010, 100 percent of completed telephone investigations were concluded in fewer than 45 business days.

4. *On-site and Other Fire Investigations (Field) – Timeliness*

Onsite and other fire investigations by the field staff provide valuable information on cases of interest to CPSC compliance officers and analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

Goal: *In 2010, field staff will complete at least 95 percent of onsite and other fire investigations (not including telephone investigations) in fewer than 45 business days.*

Exceeded: In 2010, field staff completed 97 percent of onsite and other fire investigations (not including telephone investigations) in fewer than 45 business days.

5. *On-site and Other Nonfire Investigations (Field) – Timeliness*

Onsite and other nonfire investigations by the field staff provide valuable information on cases of interest to CPSC compliance officers and analysts. Analysts must receive these data as quickly as possible to support hazard reduction activities.

Goal: *In 2010, field staff will complete at least 93 percent of onsite and other nonfire investigations (not including telephone investigations) in fewer than 45 business days.*

Exceeded: In 2010, field staff completed 95 percent of onsite and other nonfire investigations (not including telephone investigations) in fewer than 45 business days.

6. *Establishment Inspections*

The primary purpose of an onsite field inspection of a manufacturing facility, importer, distributor, or a retailer is to gain firsthand knowledge of a particular product or product type to determine whether it complies with federal regulations or contains a defect, which could create a substantial product hazard.

Goal: *In 2010, field staff will conduct 400 establishment inspections.*

Exceeded: In 2010, field staff completed 585 inspections of firms to determine compliance with CPSC laws and regulations.

7. *Medical Examiner/Coroner Reports*

Reports from medical examiners and coroners provide critical information on product-related deaths. The data are especially valuable because, unlike death certificates, they generally are received soon after the incident and provide some detail on how the incident occurred.

Goal: *In 2010, staff will obtain 4,500 medical examiner/coroner reports.*

Exceeded: In 2010, staff obtained 5,524 medical examiner reports. The CPSC allocated more resources to meet this goal after not meeting it in 2009.

8. *News Clips*

The CPSC relies on clips from newspapers in all 50 states to identify incidents. News clips are provided by two sources: (1) news reports purchased under clipping service contracts, and (2) news reports from the Internet and other sources obtained by staff. News clips provide many reports of product-related deaths, serious injuries, and hazardous fires. The reports fill gaps in reporting from other data systems and provide a very important source of incidents to investigate in support of hazard identification and analysis activities.

Goal: *In 2010, staff will obtain 7,200 incident reports from news clips.*

Not Met: In 2010, staff obtained 6,598 news clips. The number of news clips obtained has continued to drop due to a decline in the availability and effectiveness of news clipping services.

Minority Data Collection

The GAO completed a study assessing disparities in the risk and incidence of preventable injuries and deaths among certain racial minority children. The final report of its findings, *Consumer Product Safety Commission: Better Data Collection and Assessment of Consumer Information Efforts Could Help Protect Minority Children*, was issued on August 5, 2009. Based on recommendations in the GAO report, the CPSC is undertaking a number of activities to improve the data that is collected by the National Electronic Injury Surveillance System (NEISS).

9. *Software Modification*

The NEISS currently collects two variables that capture race and ethnicity. Coders in NEISS hospitals select either White, Black, Other, or Not Stated from a drop-down menu and also have the option of adding Asian, Native American, Hispanic, or Unknown in a free text field.

Goal: *In 2010, CPSC staff will modify the NEISS data collection software to better align with the Office of Management and Budget standards for maintaining, collecting, and presenting federal data on race and ethnicity.*

Met: In 2010, the NEISS data collection software was modified to collect data on race and ethnicity to better align with the Office of Management and Budget standards with the addition of more race categories to select from.

10. *Race and Ethnicity Data Collection*

Annually, CPSC staff conducts up to 1,000 follow-back telephone interviews with injured persons treated in NEISS hospitals. Standardized questionnaires are developed to collect additional information of interest to CPSC analysts that is not found on the NEISS record.

Goal: *In 2010, the CPSC will develop and include a core set of demographic questions on race and ethnicity to collect in 80 percent of current and future NEISS questionnaires being conducted.*

Exceeded: In 2010, 90 percent of the completed NEISS questionnaires included a core set of demographic questions on race and ethnicity.

11. *Pilot Questionnaire*

A pilot questionnaire has been developed to test the core set of demographic questions used by the U.S. Census Bureau. The pilot began in July 2009.

Goal: *In 2010, the pilot will continue, and staff will analyze the data and write a draft report.*

Met: In 2010, staff wrote a draft report analyzing the results of the pilot questionnaire.

12. *Leverage Other Federal Data Collection Efforts*

The GAO report recommended that the CPSC leverage other federal injury data collection efforts, such as the U.S. Department of Health and Human Services Maternal and Child Health Bureau (MCHB) Child Death Review Case Reporting Systems. After staff's review in 2010, if the CPSC determines the data is of potential use, the CPSC will begin to work with each state to gain access to the data.

Goal: *In 2010, CPSC staff will review the child death system to determine what information collected would be useful for CPSC staff in analyzing consumer product-related deaths. The CPSC*

shall discuss with MCHB what data can be made available to the CPSC and how this data can be accessed.

Met: In 2010, following discussions with MCHB, CPSC staff reviewed the available data from MCHB's child death system. Due to the limited data that could be obtained through MCHB's child death system, the CPSC staff plans to enter into agreements with individual states to directly obtain data from the state's individual child death review teams in the future.

Data Analysis Activities

13. Early Warning System

In 2008, staff developed and implemented processes and procedures for a pilot Early Warning System (EWS) that focuses on products found in the sleeping environments of children: cribs, bassinets, and play yards (playpens). In 2009, a fourth product, toddler bed, was added to the pilot study. A multidisciplinary team of subject matter experts (SMEs) meets weekly to evaluate and characterize the hazard scenarios and failure modes of product-associated incidents received during the previous week. An electronic database captures the hazard scenarios, failure modes, investigative status, and compliance disposition of each incident.

In 2009, a prototype system was developed and deployed to replace the existing electronic database. The prototype automates data extraction processes and provides enhanced electronic collaboration for the EWS team. Improvements to the prototype system will continue in 2010, as part of the Consumer Product Safety Risk Management System project. (See page 42.)

Goal: *In 2010, staff will continue to apply the EWS processes and procedures for products found in the sleeping environments of children. Staff will complete memoranda using information in the EWS to characterize hazard scenarios and severity, which will be used to support development of crib and bassinet regulations.*

Met: Staff continued to implement the processes and procedures established for the EWS pilot study. The EWS pilot study data served as the source of information for characterizing the hazard scenarios and severity of reported incidents included in memoranda as part of the briefing package for the crib and bassinet regulatory development efforts that were conducted during 2010, and will be used as the data source for the development of play yard regulations.

14. Economic Impact of CPSC Work

Staff conducts economic studies to develop hazard exposure data and maintains econometric models and economic information to provide analyses of general, small business, and environmental impacts of CPSC actions. Model maintenance includes periodic review to assure that methodological approaches and models are current and adequate for use by the CPSC.

In 2010, staff will work on an Input-Output Study to develop a model to estimate the impact of CPSC actions on the U.S. Gross Domestic Product (GDP) through those actions' reduction in injuries to workers and their dependents. These reductions, in turn, reduce labor and fringe benefit costs to employers.

Goal: *In 2010, staff will be trained on input-output software and data collection will be completed. The analytical phase of the project will begin at the end of 2010.*

Met: In 2010, staff was trained on input-out software and completed data collection. The staff worked on developing an input-output model that will estimate the impact of CPSC actions on the GDP.

15. *Brain Injury Study*

Staff conducts economic studies to develop information to provide injury cost estimates, estimates of product life and numbers in use, and labeling and recall costs. In 2009, staff developed a study plan and awarded a contract to develop severity and cost information on carbon monoxide brain injuries for all victims, lead poisoning brain injuries to children, and submersion brain injuries to children.

Goal: *In 2010, the contractor will begin data collection for the Brain Injury Study. The contractor will also provide two status reports on the Brain Injury Study in 2010.*

Met: The contractor began data collection and provided two status reports on the Brain Injury Study. The first status report detailed the initial meeting with CPSC staff, the preparation of the work plan, and the initial steps taken to acquire data and arrange interviews with health professionals. The second status report presented preliminary results from an analysis of various Healthcare Cost and Utilization databases, data from the Undersea and Hyperbaric Medical Society (UHMS), and poisoning surveillance data from the American Association of Poison Control Centers (AAPCC).

SERVICES AND MANAGEMENT GOALS: INDUSTRY SERVICES¹⁰



STRATEGIC GOAL: Maintain success with the timeliness and usefulness of the Fast-Track Product Recall and the Small Business Ombudsman programs for industry through 2010.

The Program

The CPSC's Compliance function ensures that firms comply with the laws, regulations, and safety standards that protect consumers from hazardous and defective products. When a violation of a safety standard is found, or a defective product is identified, the CPSC works cooperatively and quickly with industry to obtain an appropriate corrective action that can include recall of the hazardous product.

The CPSC administers programs to assist industry, for example, the Fast-Track Product Recall (Fast-Track) and Small Business Ombudsman programs. Under the Fast-Track program, a firm that reports a hazardous product and recalls it quickly avoids a CPSC staff preliminary determination that its product is defective and presents a substantial risk of injury. Other advantages of this program for industry include reductions in paperwork and legal expenses related to voluntary recalls. For the CPSC, advantages of this program include removing hazardous products from consumers' homes and the marketplace quicker, and reducing staff time to process the recall.

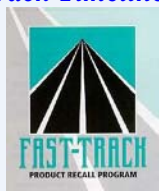
Through 2010, more than 1,700 firms have participated in the Fast-Track program, resulting in more than 3,000 product recalls involving more than 418 million product units. The Fast-Track program has been cited as outstanding by both government and private organizations.

With the establishment of a full-time Small Business Ombudsman position within the Commission's new Office of Education, Global Outreach, and Small Business Ombudsman, the Small Business Ombudsman will serve the nation's many small businesses in the area of consumer product safety and help them comply with the CPSIA requirements. Additionally, the Small Business Ombudsman will be charged with developing and providing information specifically tailored to small batch manufacturers to help them understand and comply with applicable safety standards. (See page 39.)

Annual Industry Services Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
1. Initiate a Fast Track recall within 20 days	Goal	90%	90%	90%	90%	90%
	Actual	98%	95%	96%	93%	95%
2. Provide industry guidance	Goal	5	5	5	10	6
	Actual	8	5	6	11	10

1. Fast-Track Timeliness



Goal: In 2010, staff will complete a technical review and initiate a corrective action within 20 days 90 percent of the time for the Fast-Track program.

Exceeded: In 2010, staff completed a technical review and initiated a corrective action within 20 days 95 percent of the time for the Fast-Track program.

¹⁰ Resources for this effort are included in the two major programs, *Reducing Product Hazards to Children and Families* and *Identifying Product Hazards*, which this effort supports.

2. *Industry Guidance*

The new CPSIA, enacted in August 2008, greatly expanded the Commission's authority to regulate safety in consumer products. Staff is developing guidance to facilitate industry transition to the new legislation.

Goal: *In 2010, staff will develop six guidance documents to explain regulations, other policies, or procedures to assist industry in complying with CPSC regulations.*

Exceeded: In 2010, staff completed 10 guidance documents or advisory opinions on the application of the CPSIA to current industry practices. The CPSC currently offers two handbooks on recalls and eight guidebooks of recall information. Further information on the topic can be found at www.cpsc.gov/businfo/corrective.html.

Ombudsman - Small Business

The CPSIA section presented earlier in this document describes this activity. (See page 39.)

SERVICES AND MANAGEMENT GOALS: CUSTOMER SATISFACTION WITH CPSC SERVICES¹¹



STRATEGIC GOAL: Sustain the high level of customer satisfaction with CPSC’s website, Hotline, Clearinghouse, and State Partnership Program at 90 percent or better through the year 2010.

The Program

In addition to work in reducing hazards associated with consumer products, the CPSC also provides services to the public in the form of information services, including the Commission’s website, Hotline, the National Injury Information Clearinghouse, and the State Partners program. These resources are used to provide safety information to, and receive information from, the public. Customer satisfaction with these services is vital if the CPSC is to fulfill its mission.

The CPSC’s website, www.cpsc.gov, offers Internet access to the CPSC’s resources and allows the public to view information about recalled products, report unsafe product incidents, request information, and download safety information. The Hotline is a toll-free service that allows consumers to report product complaints or product-related injuries, learn about recalls and safety hazards, and obtain safety publications. The National Injury Information Clearinghouse provides data to the public in response to about 1,200 requests each year. It also alerts manufacturers to potential hazards associated with their products, providing them with consumer complaints, reported incidents, and incident investigations involving their products. The State Partners program, using limited CPSC funds and CPSC-developed safety information, brings product safety services to consumers through cooperative programs with state and local governments. The program extends the CPSC’s reach throughout the nation.



¹¹ Resources for this effort are included in the two major programs, *Reducing Product Hazards to Children and Families* and *Identifying Product Hazards*, which this activity supports.

Annual Customer Satisfaction Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
CPSC Website						
1. CPSC website visits (in millions)	Goal	18.0	25.0	38.8	40.0	41.0
	Actual	20.3	32.3	40.5	39.8	53.6
Hotline Services (1-800-638-2772)						
2. Respond to voicemail messages the next business day	Goal	85%	85%	95%	98%	98%
	Actual	89%	99%	100%	99%	54%
3. Process incident reports within eight working hours	Goal	95%	100%	95%	99%	98%
	Actual	100%	100%	100%	100%	100%
National Injury Information Clearinghouse						
4. Mail incident information for verification to consumers within two business days	Goal	95%	95%	95%	95%	98%
	Actual	100%	98%	97%	97%	97%
5. Provide manufacturers with verified incidents and investigations within 48 business days	Goal	90%	90%	95%	95%	95%
	Actual	96%	97%	100%	100%	100%
6. Provide responses to requests within seven business days*	Goal	95%	95%	80%	80%	80%
	Actual	98%	82%	63%	42%	46%
State Partners Program						
7. Conduct recall checks within 90 days or less	Goal	**	**	**	**	90%
	Actual	99%	99%	100%	100%	100%
8. Host state caucus training sessions	Goal	**	1	1	D [†]	1
	Actual	0	1	1		1

* Starting in 2006, this goal was changed from five to seven business days.

** No goal established.

† This goal was deferred.

The CPSC Website

1. Website Visits



The CPSC website, (www.cpsc.gov), was enhanced recently to widen and speed public access to important safety information. The site started out simply, allowing for the retrieval of basic information, such as press releases (usually announcing product recalls) and the Commission's public meeting calendar. Over time, new features have been added, such as allowing the public to make online reports of product hazards and providing consumers the ability to search and download data from the National Electronic Information Surveillance System (NEISS). Additional features include a recall widget, information centers, and extensive information on the CPSIA. (See the CPSIA section.)

The number of visits to the website has grown rapidly from about 200,000 visits in 1997, to about 39.8 million visits in 2009. Based on a customer feedback survey and a review of the CPSC's website, staff plans to implement changes that will improve the ability to access safety information.

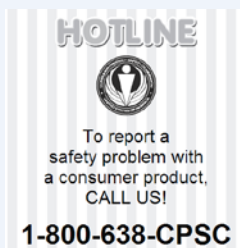
Goal: In 2010, staff will have 41 million visits to the CPSC's website.

Exceeded: In 2010, there were 53.6 million visits to the CPSC's website. The goal of 41 million visits was exceeded by 12.6 million in part because of the new CPSC 2.0 social media initiative, including Twitter, YouTube, Flickr, OnSafety Blog,

Recall Sharing tool, and widgets. In 2010, the CPSC made available for the first time a widget, a Web-based tool that third parties can feature on their Web pages that displays brief summaries of the latest CPSC safety information. The presence of the CPSC widget on other organizations' Web pages accounted for an additional 42.8 million views of CPSC safety information.

Hotline Services (1-800-638-2772)

2. Voicemail



A new vendor will help the Hotline maintain high levels of customer satisfaction through administering a performance-based contract for a call and email center that deals directly with the public. Under this type of contract, the CPSC evaluates the performance and renews the contract only if the performance level meets or exceeds the standards set forth in the contract. This includes maintaining the Hotline's automated message system, maintaining the system for responding to email messages, and preparing reports on consumer usage of these systems. In 2009, the CPSC received 4,619 messages from the public through voicemail.

Goal: *In 2010, the CPSC's Hotline will respond to voicemail messages the next business day 98 percent of the time.*

Not Met: In 2010, the CPSC's Hotline responded to voicemail messages the next business day 54 percent of the time. An unexpected 34 percent increase in voicemail messages challenged the new vendor's staffing plan for the contract. Because this increase was so large, interim steps taken to improve response time did not solve the problem. New processes are now in place to speed responses to voicemail messages and new staffing levels are bringing performance in line with the performance goal.

3. Incident Reports

Consumers may make a complaint of an unsafe product or product-related injury through the Hotline. In 2009, Hotline staff recorded 3,315 incident reports. The staff processed these reports (calls and emails) within eight hours of receipt 100 percent of the time. Staff uses these complaints to look for emerging hazards and to support studies of specific product hazards.

Goal: *In 2010, CPSC's Hotline will process product incident reports within eight working hours 98 percent of the time.*

Met: In 2010, the CPSC's Hotline processed product incident reports within eight working hours 100 percent of the time. In 2010, reports increased 67 percent from 3,315 to 5,546 incident reports.

National Injury Information Clearinghouse

4. Consumer Confirmation

The Clearinghouse contacts consumers to request verification of information contained in reports of unsafe products submitted to

the CPSC through the consumer Hotline, the Internet, or by mail. Requests for verification are mailed to consumers within 48 hours after the report arrives in the Clearinghouse. In 2009, the CPSC sent 15,494 reports to consumers for verification, and 97 percent were completed within two business days.

Goal: *In 2010, staff will mail incident report verification information to consumers within two business days 98 percent of the time.*

Met: In 2010, staff sent 23,855 reports to consumers for verification and the goal was substantively met by mailing incident report verification information to consumers within two business days 97 percent of the time.

5. *Manufacturer Mailing*

The incidents from consumers and investigation reports from the CPSC's field staff are sent to manufacturers whose products are named in these reports. Consumer verification information and manufacturer responses also are made available to staff for review electronically. In 2009, the CPSC mailed 15,182 reports to manufacturers, and 100 percent were completed within 48 business days. The number of business days is calculated from the date the incident or investigation is received in the Clearinghouse and includes 20 business days of waiting for a response verifying the information from the complainant.

Goal: *In 2010, staff will provide reported incidents and completed investigation results to manufacturers of identified products within 48 business days of receiving the reports in the Clearinghouse 95 percent of the time.*

Exceeded: In 2010, staff mailed 20,394 reports to manufacturers and 100 percent were completed within 48 business days or less.

6. *Information Requests*

The Clearinghouse provides the public with technical information relating to the prevention of death and injury associated with consumer products. Requests for injury data are assigned to technical information specialists who search Commission databases and publications to tailor responses to each customer's needs. In 2009, due to the loss of staff who process the requests, staff received 1,205 requests and responded to 42 percent of the requests within seven business days or less. Since 2006, goal definition and targets have been adjusted because of reprioritization of resources.

Goal: *In 2010, staff will provide responses to requests for information within seven business days 80 percent of the time.*

Not Met: In 2010, 1,266 information requests were completed, but staff was only able to respond to 46 percent of the information requests within seven business days or less due to the need for

staff in the Clearinghouse to handle additional duties resulting from a large volume of baby product complaints.

State Partners Program

The CPSC's State Partners program works in cooperation with a group of state and local officials to deliver CPSC services to consumers, including checks of recall compliance, inspections, and injury investigations to support the CPSC priorities. The program provides a vehicle for the CPSC to reach out from the federal sector to deliver services to consumers, and to receive information from people around the country. The goal of the program is to reduce consumer product-related deaths and injuries by leveraging CPSC resources through cost-effective cooperation with state and local governments. Activities include, but are not limited to, the following:

- conducting compliance and enforcement activities;
- supporting states through technical assistance and participation in conferences;
- monitoring industry's compliance with the CPSC's mandatory laws; and
- engaging in outreach and dissemination of product safety information through multiple venues, such as journal, print, and electronic media; presentations; and sharing product safety research.

7. Recall Checks

Pursuant to the CPSIA, it is now illegal to sell a recalled product. To ensure that recalled products are removed from the marketplace, staff conducts recall checks in cooperation with state and local partners by visiting retail stores and other establishments to verify that the products are not available for sale.

Goal: *In 2010, staff will conduct 90 percent of recall checks in cooperation with state or local partners within 90 days or less of assignment.*

Exceeded: During 2010, the State Partners program conducted 702 recall checks and completed 99.9 percent within 90 days or less.

8. State Caucus Training

State and local officials work with the CPSC on cooperative activities that complement those performed by CPSC field staff; these activities are done at little or no cost to the CPSC. The CPSC state designee meeting provides a forum for states to meet with CPSC staff and discuss product safety issues in the states. These interactive meetings provide CPSC staff the opportunity to work with state and local officials, learn about emerging hazards, and develop collaborative initiatives for promoting consumer product safety nationwide. States also collaborate with each other and learn the most current information about consumer product safety.

Goal: *In 2010, CPSC staff will host a state designee meeting.*

Met: In 2010, CPSC staff hosted a state and local training caucus to provide states with the most current information about the CPSIA. In addition, states shared resources and exchanged information, allowing them to work cooperatively with the CPSC to promote product safety within their jurisdiction.

SERVICES AND MANAGEMENT GOALS: COMMISSION MANAGEMENT¹²



The President recognizes that in order to improve the functioning of the federal government and to achieve efficiencies in its operations, special attention needs to be paid to the people who carry out the work and duties of the federal government. The President has hiring reform as a top priority of this Administration. By reforming the hiring process, agencies will increase their capacity to better fulfill their missions and serve the American people. The Administration cares about the health of its employees and strongly supports wellness programs at federal agencies

through its Work-Life initiative.

Along with the President's hiring reform agenda and Work-Life initiative, the Commission has management-related goals in areas such as equal employment opportunity and affirmative employment and strategic planning.

Annual Management-Related Goals and Results

Annual Goals Summary		2006	2007	2008	2009	2010
Hiring Reform						
1. Implement streamlined, plain language vacancy announcements	Goal Actual	**	**	**	**	1 1
2. Reduce recruitment time using OPM's End-to-End hiring process (number of days)	Goal Actual	**	**	**	**	100 92
3. Develop and implement action items identified through the manager survey on the hiring process	Goal Actual	**	**	**	**	1 1
4. Conduct online survey and focus groups on the hiring process for all new employees	Goal Actual	**	**	**	1	2 2
5. Maintain applicant notification standard of at least four notifications	Goal Actual	**	**	**	**	4 4
Employee Wellness and Satisfaction—Work-Life Initiative						
6. Conduct focus groups on the Employee Viewpoint Survey	Goal Actual	**	**	**	**	6 0
7. Develop and implement action plan with improvements identified through the Employee Viewpoint Survey	Goal Actual	**	**	**	**	1 0
8. Conduct onsite wellness activities	Goal Actual	**	**	**	**	3 8
Equal Employment Opportunity and Affirmative Employment						
9. Target recruitment efforts to organizations serving underrepresented populations	Goal Actual	12 14	8 11	10 15	11 14	14 16
10. Conduct training sessions for managers and employees in EEO/AEP responsibilities	Goal Actual	3 4	3 6	5 7	5 7	5 8
11. Accomplish initiatives to promote representation of underrepresented groups and individuals with disabilities	Goal Actual	5 10	5 6	5 6	5 8	6 10
Strategic Planning						
12. Adopt a new long-range Strategic Plan	Goal Actual	**	**	**	**	1 1

¹² Resources for this effort are included in the two major programs, *Reducing Product Hazards to Children and Families* and *Identifying Product Hazards*, which this activity supports.

Hiring Reform

1. Streamlined, Plain Language Vacancy Announcements

In 2009, staff developed and implemented streamlined, plain language vacancy announcements for 10 of the CPSC's mission-critical positions. Staff will utilize the Office of Personnel Management's (OPM's) templates for administrative positions and continue this effort in 2010. The new vacancy announcements are user-friendly, reduce government jargon, and allow all applicants to understand easily what is required for the applications.

Goal: *In 2010, staff will develop streamlined, plain language announcements for all positions that are open to the public.*

Met: In 2010, staff developed streamlined, plain language vacancy announcements for all positions. Most announcements were fewer than six pages, contained minimal government jargon, and were crafted to make them easily understood by all applicants.

2. Recruitment Time Reduction

In 2009, staff mapped the current hiring process from the time a manager identifies the need for a new hire, to the employee's first day on the job, and found the average to be about 115 days. Staff will identify barriers and develop an action plan to reach the government-wide target of 80 days set by OPM.

Goal: *In 2010, staff will implement changes to the hiring process, address barriers encountered, and reduce the recruitment time by 15 days to 100 days.*

Exceeded: In 2010, staff reduced the average recruitment time to 92 days.

3. Hiring Management Involvement

In 2009, staff surveyed managers to gather feedback on their satisfaction with the Commission's hiring process, specifically the level of management involvement in the hiring process. Managers responded that the hiring process and the application process require streamlining to improve the time from vacancy posting to the entrance on duty. Additionally, managers would like to advertise for positions beyond USAJobs postings. Particularly, they would like to advertise in targeted communities and create glossy recruitment handouts for job fairs.

Goal: *In 2010, staff will develop an action plan with targets for addressing barriers to management involvement in the hiring process.*

Met: In 2010, staff developed and began implementing a comprehensive hiring reform plan that addresses barriers to manager involvement in the hiring process, such as a new process to request extensions for hiring certificates, a timetable given to managers when a vacancy is identified so they know when they will receive a certificate and can clear their calendar for interviews, and an automated certificate review process.

4. *New Employee Focus Groups*

Since 2002, staff has conducted surveys and focus groups with new employees to gather feedback on the hiring process. Staff will use the information gathered from these activities to improve the hiring process.

In 2009, new employees in the focus groups responded that the orientation package should be available electronically and offer the ability to submit completed forms electronically. In addition, they noted the need for additional time for in-processing on the first day of work.

Goal: *In 2010, staff will implement changes to the hiring process, from application to orientation. Staff will modify the surveys and focus groups in order to solicit feedback on these new processes.*

Met: In 2010, staff contracted for a new entry-on-duty system that interfaces with our personnel/payroll system and automated applicant intake system. The new system allows employees to review all the new employee materials electronically prior to onboarding and submit completed forms electronically to the CPSC. Employees automatically will be surveyed electronically on the process once their onboard entry is completed. Staff also modified the survey and focus groups to reflect the electronic application process and to gather input on the new processes versus the manual process.

5. *Four-point Status Update Notifications*

Goal: *In 2010, the CPSC will implement a new version of the online application system. The new system will provide a real-time applicant status update at each point of the vacancy process. Through the use of email alerts and status updates available for the applicant to check online, applicants will be updated on the status of their application at four points during the application process.*

Met: In 2010, staff utilized our applicant intake system to communicate with all applicants at four different points in the application process. Applicants now are also able to view the status of an announcement by logging onto their USAJobs account and viewing the status updates provided by CPSC staff.

Employee Wellness and Satisfaction

6. *Employee Viewpoint Survey – Focus Groups*

Staff conducts an annual Employee Viewpoint Survey in order to monitor employee satisfaction and to make improvements to address concerns, as necessary. Results of the survey are assessed annually, and focus groups will be conducted to understand the reasons for employee responses.

Goal: *In 2010, staff will conduct six focus groups to help understand better the results of the Employee Viewpoint survey. Two of the focus groups will be with management employees, and four of the focus groups will be with nonmanagement employees.*

Not Met: In 2010, staff contracted with the Office of Personnel Management (OPM) to conduct six focus groups of employees and supervisors to gather additional information on the results of the Employee Viewpoint Survey. The focus groups were conducted in October 2010.

7. Employee Viewpoint Survey – Action Plan

Beginning in 2009, each year staff is required to identify 10 items on the Employee Viewpoint Survey where the CPSC scored lower than the government-wide average. In 2009, staff also identified any items where satisfaction in 2009, was statistically significantly lower than in 2008.

Goal: In 2010, staff will develop an action plan based on the 2010 Employee Viewpoint Survey and conduct followup focus groups.

Not Met: The results of the focus groups conducted in October 2010 will be used to develop the action plan. The action plan will be completed 30 days after the focus groups have been completed.

8. On-site Wellness Activities

Goal: In 2010, staff will conduct at least three onsite wellness activities.

Exceeded: In 2010, staff conducted eight different wellness activities including: flu shots, Weight Watchers meetings, blood pressure screenings, stress screenings, seminars on men’s and women’s health issues, glucose screening, and all-employee access to a health and wellness online resource center.

Equal Employment Opportunity and Affirmative Employment

9. Target Recruitment

Goal: In 2010, staff will target 14 recruitment efforts to organizations serving underrepresented populations.

Exceeded: In 2010, staff conducted 16 recruitment efforts with organizations serving underrepresented populations. Staff attended career fairs with the Society of Hispanic Professional Engineers and Blacks in Government. Staff also participated in the Office of Personnel Management’s hiring fair for veterans and individuals with disabilities. Staff conducted targeted recruitment efforts for the Dallas product safety investigator position with all Hispanic serving institutions (HSIs) in that area; for the District of Columbia product safety investigator position with Coppin State, Morgan State, Bowie State, and local Historical Black Colleges and Universities; for the Florida product safety investigator position with HSIs in the surrounding area. Staff used the Corporate Gray Veterans Group to post listings for the New York product safety investigator, and posted compliance officer, IT auditor, and administrative services specialist vacancies on this website. In May, staff distributed our vacancy announcements for mathematical statistician, management analysis, operations research analyst, and IT specialist to all government Hispanic Employment Program Managers (HEPMs) for dissemination to

their constituency groups. In June, staff conducted outreach to both the HEPMs and the Federally Employed Women (FEW) listserv for distribution and dissemination to their constituency groups.

10. EEO/AEP Training

Goal: *In 2010, staff will conduct five training sessions for CPSC managers and employees about their Equal Employment Opportunity/Affirmative Employment Plan (EEO/AEP) responsibilities.*

Exceeded: In 2010, staff conducted eight training sessions.

- There was 100 percent participation in the No FEAR Act training.
- Staff offered training on Telework, *Hiring and Promoting with EEO in Mind*, *Why It's Not Good to Get Even*, *Religious Accommodation*, *a Legacy of Leadership*, and *Building Relationships at Work that Work*.
- Senior staff members were also briefed on the use of Schedule A: Hiring Authority.

11. Promote Representation

Goal: *In 2010, staff will promote representation of Hispanics and individuals with disabilities with at least six initiatives. Examples of these new initiatives are mentoring programs, a summer volunteer program, employee training programs, and disability and diversity awareness programs.*

Exceeded: In 2010, staff engaged in 10 initiatives to promote representation of Hispanics and individuals with disabilities. Staff ensured that the CPSC's partnership with Bethesda-Chevy Chase (BCC) High School in the areas of internships, mentoring high-risk students, and tutoring continued. Staff also developed and executed career-day activities with BCC. In April, staff sponsored an education fair that included more than 10 colleges and universities and information seminars on nanotechnology, funding resources, and education trends. In March, staff provided input to the Society of Hispanic Professional Engineers, and the CPSC was featured in their magazine as an agency of choice. Staff participated in the Latino Magazine 2010 Science Technology Engineering Math Conference. In August, staff planned and executed the third CPSC Diversity Day. In September, staff started a pilot mentoring program for new employees and recruited for all Special Emphasis Program Managers. Additionally, staff sent articles and studies to CPSC management throughout the year, including *Fair and Equitable Treatment: Progress Made and Challenges Remaining* and *Discrimination: It's the Little Things*. Finally, staff provided presentations about the CPSC at three District of Columbia-area small and disadvantaged veteran-owned business luncheons.

Strategic Plan

12. Strategic Plan Revision

The CPSC's past strategic plans set quantitative long-range strategic goals. The CPSC's second Strategic Plan, adopted in September 2003, focuses on the following two results-oriented hazard-reduction strategic goals:

- reduce the death rate from fires by 20 percent, and
- reduce the death rate from consumer product-related carbon monoxide poisonings by 20 percent.

The Strategic Plan also contains performance goals in other areas. The CPSC has service quality and customer satisfaction strategic goals for services provided to the public.

The Commission plans to revise its Strategic Plan in 2010. The revision of the Strategic Plan has been delayed for several reasons. In 2006, the OMB recommended a significant expansion of the Commission's strategic goals. The CPSC lacked a quorum, however, for extended periods in 2007 and 2008. Further, the enactment of the Consumer Product Safety Improvement Act of 2008 brought about significant changes in CPSC operations, and the Act's impact will be considered in the next plan revision. Finally, in June 2009, a new Chairman was sworn in, and in August 2009, two additional Commissioners were sworn in, increasing the number of Commissioners to five, a full complement of Commissioners.

Goal: *In 2010, the CPSC will present for Commission consideration, a new long-range draft Strategic Plan.*

Met: In 2010, the CPSC hired a contractor to facilitate the development of an updated Strategic Plan. The 2011–2016 Strategic Plan lays out an approach for the execution of the broad mission of the CPSC over the next five years. The CPSC approved the plan in October 2010.

PROGRAM EVALUATIONS

This section provides a summary of the evaluations we identified in our 2010 Performance Plan, as required in the Office of Management and Budget's Circular No. A-11.

Injury and death reduction strategic goals will have two types of evaluations: (1) yearly tracking of injuries and deaths at the hazard level; and (2) evaluations of injury and death reductions associated with specific products at appropriate time intervals. The timing for evaluating injury and death reductions depends, in part, on how long consumers keep specific products. Staff will conduct evaluations at the product level when consumers are expected to have replaced a substantial proportion of older products with safer products. Staff derives estimates of the extent to which safer products have replaced older products using the CPSC's Product Population Model.

Customer service/customer satisfaction goals will also have two types of evaluations: (1) tracking of customer service standards and activities; and (2) assessments of consumers and industry. Tracking will be evaluated annually, while assessments are planned to be implemented on a cycle of every three years.

A. Reducing Fire-Related Deaths

Tracking of fire-related deaths

In 2010, CPSC staff updated its report on fire-related (non-arson) deaths, injuries, and dollar losses from 2005 through 2007. The report presented estimates of annual and three-year averages for fire-related data. Following are some of the findings from the report.

For each year from 2005 through 2007, the relative ranking of the greatest contributors to fire loss has remained unchanged. Cooking equipment continued to account for the largest percentage of residential structure fires. An estimated annual average of 145,600 cooking equipment-related fires during 2005–2007 accounted for 37.8 percent of total residential fires for the same period. The corresponding death estimates averaged around 170, which is 6.8 percent of total deaths annually. The injury estimates averaged 3,300 injuries, which is 26.2 percent of the estimated annual average of the total number of injuries for the same period.

Heating and cooling equipment fires constituted the second largest share of total residential fires. The estimated annual average of 56,400 fires for the years 2005–2007 was 14.7 percent of the average annual estimate of total residential fires during the same period. The death estimates averaged around 240, which is 9.7 percent of total deaths annually. The corresponding injury estimates for the three years averaged 1,080 injuries. This accounts for 8.6 percent of the annual average estimate of total injuries during 2005–2007.

In the category of item first ignited, upholstered furniture ignition was involved in the greatest number of deaths. From 2005 through 2007, an estimated annual average of 510 deaths was associated with these fires. This constitutes 20.8 percent of the estimated annual average of total deaths associated with residential structure fires for the same period.

By heat source, smoking materials were the largest contributor to deaths and resulted in an annual average of 640 deaths from 2005–2007. This accounts for 25.8 percent of the estimated annual average of total residential fire deaths.

Tracking of fireworks-related deaths

In 2010, CPSC staff completed an analysis of data on fireworks-related injuries and deaths during 2009. Staff conducted a special study between June 19, 2009 and July 19, 2009, based on more detailed analyses of injuries, including the type of injury, the type of fireworks involved, and the characteristics of the victim. About two-thirds of the annual fireworks-related injuries for 2009 occurred during that period. Following are some findings from the report, as well as results from the special study.

CPSC staff has reports of two fireworks-related deaths during 2009. Both fatalities involved aerial shells. In the first incident, a 41-year-old male was killed in an explosion of a professional display mortar shell that he lit in his backyard. In the second incident, a 26-year-old male lit a consumer grade mortar shell that was in a launching tube that he held over his head. The shell discharged from the bottom of the tube resulting in a skull fracture. CPSC staff has reports of seven fireworks-related deaths in 2008.

Fireworks were involved in an estimated 8,800 injuries treated in U.S. hospital emergency departments during calendar year 2009. This is 1,800 more injuries than in 2008, which was estimated at 7,000 injuries.

The special study estimated 5,900 fireworks-related injuries during the one-month period between June 19, 2009 and July 19, 2009. Children under age 15 accounted for 39 percent of the estimated injuries during this one-month period.

The special study showed that among different types of fireworks, firecrackers were associated with the greatest number of estimated injuries at 1,200. There were an estimated 1,000 injuries associated with sparklers, and 400 associated with rockets.

B. Reducing CO Poisoning Deaths

Tracking of CO deaths associated with all consumer products

In 2010, CPSC staff completed its report on unintentional nonfire deaths attributed to carbon monoxide (CO) poisoning that were associated with the use of consumer products from 2005 through 2007 along with companion statistics since 1999. From 2005–2007, there was an estimated yearly average of 184 unintentional, nonfire CO poisoning deaths associated with consumer products; the estimate in 2007 was 183. It should be noted that data collection was not complete at the time of the analysis and, therefore, estimates for these years may change in future reports. Following are some findings listed in the report.

Heating systems were associated with the largest percentage of nonfire CO poisoning fatalities in 2007, at 38 percent (70 deaths). Engine-driven tools-related CO fatalities were associated with 38 percent (69 deaths) of all consumer product-related CO poisoning fatalities.

In 2007, the estimated 64 CO deaths associated with generators dropped from the estimated 88 deaths in 2005, and 84 deaths in 2006. Including multiple product involvement, in 2007, there were an estimated 71 CO deaths, compared to 97 deaths in 2005, and 87 deaths in 2006. With the exception of 2005 and 2006, the estimated number of generator-associated CO deaths in 2007 is greater than any other year covered in this report. On average, there were 33 generator-related CO fatalities (including multiple product involvement) per year from 1999–2004. The 2007 estimate of 71 deaths is more than double the average for that time period.

In the three most recent years of this report (2005–2007), adults 45 years and older comprised an annual average of 60 percent of all nonfire consumer product-related CO deaths, while this age group makes up only about 37 percent of the U.S. population. Conversely, children less than 15 years of age accounted for an annual average of five percent of the yearly CO poisoning deaths, while this age group makes up about 20 percent of the U.S. population.

C. Customer Satisfaction

Website Survey

In 2010 we planned to implement website customer satisfaction survey that was last implemented in 2005. However, the CPSC developed a major redesign of its website in 2010, which is expected to be launched in 2011. The website redesign is intended to enhance the user experience, improve the search functionality, and streamline the content management and posting process of the website. We identified a more suitable survey instrument that will provide a richer, more complete set of data on customer satisfaction that will enable us to better assess the effectiveness of the website redesign, as well as provide enhanced data on targeted groups of CPSC website users to assist us in efforts such as our increased outreach campaign for minority groups. The new survey will also provide comparative customer satisfaction data for comparable federal agency websites. The launch of the new survey was delayed until October 2010. Data collection for the improved customer satisfaction survey is ongoing and will continue into 2011 to assess the effectiveness of the CPSC website redesign.

**CONSUMER PRODUCT SAFETY COMMISSION
BALANCE SHEET
AS OF SEPTEMBER 30, 2010 (CY) AND 2009 (PY)
(IN DOLLARS)**

	<u>2010</u>	<u>2009</u>
	Unaudited	
Assets:		
Intragovernmental Assets:		
Fund Balance with Treasury (Note 2)	\$ 70,863,638	\$ 57,346,015
Advances To Others	1,485	-
Accounts Receivable (Note 3)	995,058	2,188,171
Equipment (Note 4)	3,220,477	3,068,556
Total Assets	<u>\$ 75,080,658</u>	<u>\$ 62,602,742</u>
Liabilities:		
Intragovernmental Liabilities: (Note 5)		
Accrued Benefits	\$ 8,023,588	\$ 6,967,920
Accounts Payable	173,078	149,601
Actuarial Federal Employees' Compensation Act Liabilities	353,052	342,040
Imputed Financing Sources	4,775,452	3,024,280
Unemployment Insurance	921	22
Other Liabilities	6,729,053	9,964,440
Total Liabilities	<u>20,055,144</u>	<u>20,448,303</u>
Net Position:		
Unexpended Appropriations	61,404,392	46,472,263
Cumulative Results of Operations	(6,378,878)	(4,317,824)
Total Net Position	<u>55,025,514</u>	<u>42,154,439</u>
Total Liabilities and Net Position	<u>\$ 75,080,658</u>	<u>\$ 62,602,742</u>

**CONSUMER PRODUCT SAFETY COMMISSION
STATEMENT OF NET COST
FOR THE YEARS ENDED SEPTEMBER 30, 2010 (CY) AND 2009 (PY)
(IN DOLLARS)**

	<u>2010</u>	<u>2009</u>
Net Cost of Operations:	Unaudited	
Program Costs	\$114,939,496	\$92,048,973
Less: Earned Revenue	<u>(2,795,379)</u>	<u>(2,777,337)</u>
Total Net Cost of Operations (Note 6)	<u><u>\$112,144,117</u></u>	<u><u>\$89,271,636</u></u>

CONSUMER PRODUCT SAFETY COMMISSION
STATEMENT OF CHANGES IN NET POSITION
FOR THE YEARS ENDED SEPTEMBER 30, 2010 (CY) AND 2009 (PY)
(IN DOLLARS)

	2010	2009
	Unaudited	
Cumulative Results of Operations:		
Beginning Balances	\$ (4,317,824)	\$ (4,348,450)
Budgetary Financing sources:		
Reimbursement Received	(2,753,072)	(2,796,804)
Accounts Receivable	(67)	22
Advance	1,485	-
Donated Revenue	(13,681)	37,715
Appropriations Used	105,459,619	85,016,493
Decrease prior year unfunded cost	2,613,327	4,020,556
Other Financing Sources(Non-Exchange):		
Imputed Financing	4,775,452	3,024,280
Total Financing Sources	110,083,063	89,302,262
Net Cost of Operations	(112,144,117)	(89,271,636)
Net Change	(2,061,054)	30,626
Cumulative Results of Operations	\$ (6,378,878)	\$ (4,317,824)
Unexpended Appropriations:		
Beginning Balance	\$ 46,472,263	\$ 23,840,212
Budgetary Financing Sources:		
Appropriations Received	118,200,000	105,404,000
Reimbursement Received	2,753,072	2,796,804
Donated Revenue	13,681	(37,715)
Appropriations Used	(105,459,619)	(85,016,493)
Cancellation of expired year	(575,005)	(514,545)
Total Budgetary Financing Sources	14,932,129	22,632,051
Total Unexpended Appropriations	\$ 61,404,392	\$ 46,472,263
Net Position	\$ 55,025,514	\$ 42,154,439

**CONSUMER PRODUCT SAFETY COMMISSION
STATEMENT OF BUDGETARY RESOURCES
FOR THE YEARS ENDED SEPTEMBER 30, 2010 (CY) AND 2009 (PY)
(IN DOLLARS)**

	2010	2009
Budgetary Resources:	Unaudited	
Budget authority:		
Unobligated balances-brought forward, October 1	\$ 8,873,910	\$ 762,679
Recoveries of prior year unpaid obligations	681,823	1,438,148
Appropriation	118,200,000	105,404,000
Spending authority from offsetting collections	2,795,379	2,777,337
Cancellation of expired year	(575,005)	(514,545)
Permanently not available	-	-
Total Budgetary Resources	\$ 129,976,107	\$ 109,867,619
Status of Budgetary Resources:		
Direct	119,889,362	98,196,905
Reimbursable	2,795,379	2,796,804
Unobligated balances currently available	4,476,786	8,080,109
Unobligated balances not available	2,814,580	793,801
Total Status of Budgetary Resources	\$ 129,976,107	\$ 109,867,619
Change in Obligated Balances:		
Unpaid obligated balance, brought forward, October 1	40,693,437	25,588,269
Obligations incurred	122,684,741	100,993,709
Gross outlays	(104,860,410)	(84,450,394)
Recoveries of prior year unpaid obligations, actual	(681,823)	(1,438,148)
Unpaid obligated balance, net-end of period (Note 7)	\$ 57,835,945	\$ 40,693,436
Net Outlays		
Gross outlays	104,860,410	84,450,394
Less: Offsetting collections	(2,795,379)	(2,777,337)
Less: Distributed offsetting receipts	(5,736,327)	(61,749)
Total Net Outlays	\$ 96,328,704	\$ 81,611,308

**CONSUMER PRODUCT SAFETY COMMISSION
STATEMENT OF CUSTODIAL ACTIVITY
FOR THE YEARS ENDED SEPTEMBER 30, 2010 (CY) AND 2009 (PY)
(IN DOLLARS)**

	2010	2009
Gross Revenue Activity	Unaudited	
Sources of Cash Collections:		
Civil Penalties and Fines	\$ 5,724,833	\$ 7,716,919
FOIA and Misc collections	11,494	61,749
Fees Collected-DOJ	67,350	29,905
Total Custodial Revenue	5,803,677	7,808,573
Disposition of Revenue Collected:		
Amounts to be Transferred to:		
Treasury General Fund	5,736,327	7,778,668
Retained by Justice Department-Fees	67,350	29,905
Net Custodial Activity	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The U.S. Consumer Product Safety Commission (CPSC) is an independent Federal regulatory agency whose mission is to save lives and keep families safe by reducing the risk of injuries and deaths associated with consumer products. The CPSC was created in 1972 by Congress under the Consumer Product Safety Act and began operating in 1973. The agency is headed by five commissioners nominated by the President and confirmed by the Senate for staggered seven-year terms. The President designates one of the commissioners as Chairman. The Consumer Product Safety Act (as amended) authorizes CPSC to:

- Develop voluntary standards
- Issue and enforce mandatory standards
- Obtain recall of products or arranging for their repair
- Conduct research on potential product hazards
- Inform and educate consumers responding to industry and consumer inquiries

Fund Accounting Structure

The CPSC's financial activities are accounted for by federal account symbol. They include the accounts for appropriated funds and other fund groups described below for which the CPSC maintains financial records.

General Funds: These funds consist of salaries and expense appropriation accounts used to fund agency operations and capital expenditures.

Miscellaneous Receipt Accounts: The CPSC collects civil penalties, Freedom of Information Act fees and other miscellaneous receipts which by law are not retained by CPSC. The U.S. Department of Treasury automatically transfers all cash balances in these receipt accounts to the general fund of the Treasury at the end of each fiscal year.

Gifts and Donations Receipt Account: U.S.C. Title 15, Chapter 47, section 2076, paragraph (b) (6), authorizes CPSC "to accept gifts and voluntary and uncompensated services." CPSC occasionally receives donations from non-government sources in support of the agency's mission. Funds received from excess property sales are also maintained in this account.

Basis of Accounting and Presentation

The financial statements present the financial position, net cost of operations, changes in net position, budgetary resources, and custodial activities of the CPSC, in accordance with accounting principles generally accepted in the United States of America and the form and content requirements of OMB Circular A-136-Revised September 2010. Currently, the Statement of Financing (SOF) will be presented as a note per OMB's authority under Statement of Federal Financial Accounting Standards 7 and will no longer be considered a Basis Statement. The Statement of Financing will now be a display in the notes and referred to as "Reconciliation of Net Cost of Operations to Budget". The statements have been prepared from the books and records of the CPSC and include the accounts of all funds under the control of the CPSC.

Accounting principles generally accepted in the United States of America encompass both accrual and budgetary transactions. Under the accrual method, revenues are recognized when earned and expenses are recognized when a liability is incurred, without regard to receipt or payment of cash. Budgetary accounting facilitates compliance with legal constraints and controls over the use of federal funds. The accompanying financial statements are prepared on the accrual basis of accounting.

Budget Authority

Congress annually passes appropriations that provide the CPSC with authority to obligate funds for necessary expenses to carry out mandated program activities. The funds appropriated are subject to OMB apportionment of funds in addition to congressional restrictions on the expenditure of funds. Also, the CPSC places internal restrictions to ensure the efficient and proper use of all funds.

Fund Balances with the U.S. Treasury

Fund balances with Treasury consist of appropriated funds and general fund receipt accounts. Appropriated funds are available to pay current liabilities and authorized purchase commitments. General fund receipt accounts are used to record collections made by the CPSC on behalf of the Department of Treasury's General fund. The CPSC's fund balances with Treasury are carried forward until such time as goods or services are received and payment is made, or until the funds are returned to the U.S. Treasury.

CPSC's cash receipts and disbursements are processed by the U.S. Treasury. Funds with U.S. Treasury represent obligated and unobligated balances available to finance allowable expenditures and restricted balances, including amounts related to expired authority and amounts not available for use by CPSC.

Advances and Prepayments

Payments in advance of the receipt of goods and services are recorded as advances and recognized as expense when the related goods and services are received. Advances are principally advances to CPSC employees for official government business.

Accounts Receivable

Entity accounts receivables include amounts due from current and former employees. Non-entity accounts receivable are for civil monetary penalties imposed as a result of the CPSC's enforcement activities, and for fees imposed for information requested from the public for Freedom of Information Act requests. CPSC does not retain these non entity receipts.

Property and Equipment

Property and equipment consists of equipment and software. All items with an acquisition value greater than \$5,000 and a useful life over two years are capitalized using the straight-line method of depreciation. Service lives range from five to twelve years.

Internal use software acquired for a value greater than \$5,000 is capitalized using the straight-line method with a service life of five years. Purchased commercial software which does not meet the capitalization criteria is expensed.

Accounts Payable and Accrued Liabilities

Liabilities Covered by Budgetary Resources represent liabilities funded by available budgetary resources, which include appropriated funds and reimbursable authority. Accounts payable and Accrued Benefits represent the amount of monies or other resources that are likely to be paid as the result of a transaction or event that has already occurred.

Liabilities Not Covered by Budgetary Resources exist when funding has not yet been made available through Congressional appropriations or reimbursable authority. The CPSC recognizes such liabilities for employee annual leave earned but not taken, and amounts billed by the Department of Labor for Federal Employee's Compensation Act (disability) payments. In addition, liabilities not covered by budgetary resources include liabilities resulting from the agency's custodial activity. See Note 5.

Accrued Leave

A liability for annual leave is accrued as leave is earned and paid when leave is taken. At year-end, the balance in the accrued annual leave account is adjusted to reflect the liability at current pay rates and leave balances. Accrued annual leave is reflected as a liability that is not covered by current budgetary resources. Sick leave and other leave are expensed as taken.

Retirement Plans and Other Benefits

Federal Employee benefits consist of the actuarial portions of future benefits earned by Federal employees, but not yet due and payable. These costs include pensions, other retirement benefits, and other post-employment benefits. These benefits are administered by the Office of Personnel Management (OPM) not CPSC. Since CPSC does not administer the benefit plans, the CPSC does not recognize any liability on the Balance Sheet for pensions, and other retirement benefits. CPSC does, however, recognize the imputed costs related to these benefits on the Balance Sheet, the Statement of Net Cost, and the Statement of Financing.

CPSC employees participate in either the Civil Service Retirement System (CSRS) or the Federal Employees' Retirement System (FERS). Employees hired after December 31, 1983, are covered by FERS and Social Security, while employees hired prior to January 1, 1984, elected to either join FERS or remain in the CSRS. Under CSRS, CPSC makes matching contributions equal to 7 percent of the employee's gross earnings to the CSRS Retirement and Disability Fund. Employees participating in FERS are covered under the Federal Insurance Contributions Act (FICA) for which the CPSC contributes a matching amount to the Social Security Administration. CPSC contributions are recognized as current operating expenses.

The Thrift Savings Plan (TSP) is a defined contribution retirement savings and investment plan for employees covered by either CSRS or FERS. CSRS participating employees may contribute up to \$16,500 for 2010 but do not receive a matching contribution from the CPSC. FERS participating employees may contribute up to \$16,500 for 2010. For FERS employees, the CPSC's automatic contribution is 1 percent of the employee's gross pay to the TSP. The CPSC matches dollar for dollar on the first 3 percent of basic pay for each pay period. Each dollar of the next 2 percent of basic pay is matched 50 cents on the dollar. CPSC contributions are recognized as current operating expenses.

Federal Employees' Compensation Act (FECA)

The CPSC records an estimated liability for future worker's compensation claims based on data provided from the Department of Labor (DOL).

Employee Health Benefits and Life Insurance

CPSC employees are eligible to participate in the contributory Federal Employees Health Benefit Program (FEHBP) and the Federal Employees Group Life Insurance Program (FEGLIP). The CPSC matches the employee contributions to each program to pay for current benefits.

Net Position

The CPSC's net position is composed of the following:

1. Unexpended appropriations include the amount of unobligated balances and undelivered orders. Unobligated balances are the amount of appropriations or other authority remaining after deducting the appropriation used and unpaid obligations.
2. Cumulative results of operations represent the net results of operations since inception, the cumulative amount of prior period adjustments, and the remaining book value of capitalized assets.

Revenues and Other Financing Sources

Exchange and Nonexchange revenue: Exchange revenue is the amount of money earned for goods and services provided to other agencies and the public. For example, reimbursable agreements are considered exchange revenue. Nonexchange revenue is assessed against manufacturers, retailers or distributors who violate the Consumer Product Safety Act, Federal Hazardous Substance Act, and the Flammable Fabrics Act. For example, collections of fines are nonexchange revenue. Other Financing sources are funding such as appropriations, where

resources are received and nothing of value is given in return. Following are revenue and financing sources for CPSC with an indication of whether the revenue is exchange, nonexchange revenue, or a financing source:

Freedom of Information Act Collections (Exchange) – The CPSC charges a fee for the processing of Freedom of Information requests. The CPSC accounts for this exchange revenue as a custodial activity. FOIA fees are deposited in the U.S. Treasury and are not available for the CPSC to use.

Civil Penalty Collections (Non-Exchange) – The CPSC has authority to levy fines and penalties. The CPSC accounts for this exchange revenue as a custodial activity. Civil Penalty collections are deposited in the U.S. Treasury and are not available for the CPSC to use.

Reimbursable Work Agreements (Exchange) - The CPSC recognizes reimbursable work agreement revenue when earned, i.e. goods have been delivered or services rendered. CPSC has reimbursable agreements which generated collections from trading partners totaling \$2.7 million in 2010. The CPSC's reimbursable agreements are with the following trading partners: the Center for Disease Control, National Institute for Occupational Safety and Health, Health and Human Services, Department of Transportation, and the Health Resources and Services Administration. The majority of these agreements are for CPSC to utilize its hospital reporting system to collect injury data.

Appropriations (Financing Source) – The CPSC receives financing sources through direct appropriation from the general fund of the Treasury to support its operations. Appropriations available for 2010 were \$116,200,000 (annual); FY 2010-2011 \$2,000,000; FY 2009-2010 \$2,000,000; and FY 2009-2011 \$6,000,000.

Estimates and Assumptions

The preparation of financial statements requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Transactions with Related Parties

The CPSC has relationships and financial transactions with several government agencies. The more prominent of these relationships is the Center for Disease Control, the General Services Administration, Health and Human Services, Department of Transportation and the Department of Interior among others. The CPSC recognizes reimbursable work agreement revenue when earned, i.e. goods have been delivered or services rendered.

Note 2 – Fund Balance with Treasury**Fiscal Year 2010**

	Entity	Non-Entity	Total
General Funds	\$65,127,311		\$65,127,311
Miscellaneous Receipts		\$11,494	\$11,494
Fines and Penalties		\$5,724,833	\$5,724,833
Total	\$65,127,311	\$5,736,327	\$70,863,638

Status of Fund Balance with Treasury:

	Not Available	Obligated	Unobligated Available	Total
Entity	\$2,814,580	\$57,835,945	\$4,476,786	\$65,127,311
Non-Entity:				
Miscellaneous Receipts	\$11,494			\$11,494
Fines and Penalties	\$5,724,833			\$5,724,833
Total	\$8,550,907	\$57,835,945	\$4,476,786	\$70,863,638

The obligated balance includes accounts payable and undelivered orders, which have reduced unexpended appropriations but have not yet decreased the cash balance on hand.

Other Information: Miscellaneous Receipts and Fines and Penalty balances amounting to \$11,494 and \$5,724,833, respectively, are not available to CPSC activities and are classified as non-entity assets. A corresponding liability is also recorded on the balance sheet.

Fund Balance with Treasury**Fiscal Year 2009**

	Entity	Non-Entity	Total
General Funds	\$49,567,347		\$49,567,347
Miscellaneous Receipts		\$61,749	\$61,749
Fines and Penalties		\$7,716,919	\$7,716,919
Total	\$49,567,347	\$7,778,668	\$57,346,015

Status of Fund Balance with Treasury:

	Not Available	Obligated	Unobligated Available	Total
Entity	\$793,801	\$40,693,437	\$8,080,109	\$49,567,347
Non-Entity:				
Miscellaneous Receipts	\$61,749			\$61,749
Fines and Penalties	\$7,716,919			\$7,716,919
Total	\$8,572,469	\$40,693,437	\$8,080,109	\$57,346,015

The obligated balance includes accounts payable and undelivered orders, which have reduced unexpended appropriations but have not yet decreased the cash balance on hand.

Other Information: Miscellaneous Receipts and Fines and Penalty balances amounting to \$61,749 and \$7,716,919, respectively, are not available to CPSC activities and are classified as non-entity assets. A corresponding liability is also recorded on the balance sheet.

Note 3 – Accounts Receivable

Fiscal Year 2010

The CPSC's entity receivable is \$2,332. CPSC's non-entity receivables are composed of Civil Fines and Penalties and Freedom of Information Act activity. CPSC maintains these accounts in a custodial capacity in the total amount of \$992,726.

Accounts Receivable

Fiscal Year 2009

Entity accounts receivables for FY 2009 was \$2,399. Non-entity accounts receivable was \$2,185,772. CPSC does not retain these non entity receipts.

Note 4 – Property, Plant & Equipment (PP&E)

Fiscal Year 2010

Classes of PP&E	Acquisition Cost	Accumulated Depreciation	Net Book Value	Service Life in Years
Equipment	\$6,543,569	(\$3,466,583)	\$3,076,986	5-12
ADP Software	\$965,260	(\$821,769)	\$143,491	5
Total	\$7,508,829	(\$4,288,352)	\$3,220,477	

Property

Fiscal Year 2009

Classes of PP&E	Acquisition Cost	Accumulated Depreciation	Net Book Value	Service Life in Years
Equipment	\$6,339,781	(\$3,478,791)	\$2,860,990	5-12
ADP Software	\$965,260	(\$757,694)	\$207,566	5
Total	\$7,305,041	(\$4,236,485)	\$3,068,556	

Note 5 – Liabilities

Other liabilities are composed of receivables and collections for Civil Penalties and Fines, and Freedom of Information Act (FOIA) fees. These balances reflect Treasury's balance on the Government wide Accounting & Reporting, Report of Unavailable Receipt Transactions, as of 9-30-10. CPSC maintains these accounts in a custodial capacity.

Liabilities Covered by Budgetary Resources:	2010	2009
Accrued Benefits	\$3,549,841	\$2,945,483
Accounts Payable	<u>173,078</u>	<u>149,601</u>
Total Liabilities Covered by Budgetary Resources	3,722,919	3,095,084
Liabilities Not Covered by Budgetary Resources		
Actuarial Federal Employees' Compensation Act Liabilities	353,052	342,040
Accrued Annual Leave	4,473,747	4,022,437
Imputed Financing Sources	4,775,452	3,024,280
Unemployment Insurance	921	22
Other Liabilities	<u>6,729,053</u>	<u>9,964,440</u>
Total Liabilities not Covered by Budgetary Resources	16,332,225	17,353,219
Total Liabilities	<u>\$20,055,144</u>	<u>\$20,448,303</u>

Note 6 – Reconciliation of Net Cost of Operations to Budget

FOR THE YEARS ENDED SEPTEMBER 30, 2010 (CY) AND 2009 (PY)
(in dollars)

Resources Used to Finance Activities	2010	2009
Budgetary Resources Obligated		
Obligations incurred	\$122,684,741	\$100,993,709
Less: Collections	(2,795,379)	(2,777,337)
Less: Adjustment-downward	(681,823)	(1,438,148)
Obligations net of offsetting collections and recoveries	119,207,539	96,778,224
Less: Offsetting receipts	(5,736,327)	(61,749)
Net Obligations	113,471,212	96,716,475
Other Resources		
Obligations-Beginning of the Period	40,693,437	25,588,269
Imputed Financing Sources	4,775,452	3,024,280
Total Resources Used to Finance Activities	158,940,101	125,329,024
 Resources Used to finance items not Part of the Net Cost of Operations		
Changes in Undelivered Orders	(54,113,026)	(37,598,353)
Other/Accrual/Accounts Payable prior year	(3,095,084)	(2,510,736)
Offsetting receipts	5,736,327	61,749
Resources that finance the acquisition of assets	(203,788)	(354,910)
Total resources used to finance items not part of the net cost of operations	(51,675,571)	(40,402,250)
Total Resources Used to Finance the Net Cost of Operations	\$107,264,530	\$84,926,774
 Components of the Net Cost of Operations that will not Require or Generate Resources in the Current Period:		
Components Requiring Resources in Future Periods:		
Actuarial Federal Employees' Compensation Act Liabilities	353,052	342,040
Unfunded Annual Leave	4,473,747	4,022,437
Unemployment Insurance	921	22
Total components of Net Cost of Operations that will Require Resources in the Future Period	4,827,720	4,364,499
Components not Requiring or Generating Resources:		
Depreciation	51,867	(19,637)
Total Components of Net Cost of operations that will not Require or Generate Resources in the Current Period	4,879,587	4,344,862
Net Cost of Operations	\$112,144,117	\$89,271,636

Note 7 – Unpaid Undelivered Orders, net - end of period

	2010	2009
Total Unpaid Undelivered Orders	\$57,835,945	\$40,693,436

Note 8 – Commitments and Contingencies

CPSC may face reasonably possible claims estimated at \$820,346 from 9 claims placed under the Federal Torts Claim Act and the Equal Employment Opportunity Act.

Note 9 – Analysis of Material Differences – FY 2010

	Budgetary Resources	Obligations Incurred	Net Outlays
Combined Statement of Budgetary Resources	\$129,976,107	\$122,684,741	\$96,328,704
SF 133, Report on Budget Execution and Budgetary Resources	\$129,976,107	\$122,684,741	\$102,065,031

CPSC does not have any material differences between the Statement of Budgetary Resources and SF 133 as of 9/30/2010. The \$5,736,327 represents the distributed offsetting receipts reported on the Combined Statement of Budgetary Resources but is not required to be reported on the SF 133.

Analysis of Material Differences – FY 2009

	Budgetary Resources	Obligations Incurred	Net Outlays
Combined Statement of Budgetary Resources	\$109,867,619	\$100,993,710	\$81,611,308
SF 133, Report on Budget Execution and Budgetary Resources	\$109,867,619	\$100,993,710	\$81,673,057

The \$61,749 represents the distributed offsetting receipts reported on the Combined Statement of Budgetary Resources but is not required to be reported on the SF 133.

REQUIRED SUPPLEMENTARY INFORMATION

Deferred Maintenance

CPSC does not have any items for which maintenance has been deferred.

Intragovernmental Amounts

See Note 2 on financial statements.

Statement of Budgetary Resources

The statement is prepared on a total Commission basis.

Statement of Custodial Activity

The Commission collects civil penalties and fines, Freedom of Information Act and miscellaneous collections, and Department of Justice fees.

Segment Information

CPSC does not have a franchise fund or other intragovernmental support revolving fund.

OFFICE OF THE INSPECTOR GENERAL AUDIT REPORT CONSUMER PRODUCT SAFETY COMMISSION FISCAL YEAR (FY) 2010 FINANCIAL STATEMENTS

Chairman Tenenbaum:

In accordance with the Accountability of Tax Dollars Act of 2002, we are responsible for conducting the audits of the financial statements of the U.S. Consumer Product Safety Commission. In our audits of the Commission for fiscal years 2010 and 2009, we found

- that we are unable to give an opinion on the fiscal year of 2010 financial statements of the U.S. Consumer Product Safety Commission because of limitations on the scope of our work. Thus, the financial statements may be materially misstated.
- that we are unable to give an opinion on the effectiveness of internal control for fiscal year 2010 because of the limitation on the scope of our work.
- that we were unable to test compliance with laws and regulations for fiscal year 2010 because of limitations on the scope of our work.

The following sections discuss in more detail (1) these conclusions, (2) our conclusions on Management's Discussion and Analysis, and other supplementary information, (3) our audit objectives, scope, and methodology, and (4) agency comments and our evaluation.

Explanation of Limitations on the Scope of Our Work

The Commission implemented a new financial accounting system in December 2009. As a result of the new system, the Commission encountered a number of posting, reconciliation, and reporting issues that hindered its ability to assure the accuracy and completeness of financial statement balances and to provide data necessary for audit testing. We noted specific issues in accounting for obligations, monitoring budget execution and control, reconciling payment information with the U.S. Treasury, and resolving posting errors. We noted that reports needed for management, internal control, and audit purposes were not available following system deployment.

Opinion on Financial Statements

As described above, the scope of our work was not sufficient to enable us to express an opinion on the Commission's financial statements for the year ended September 30, 2010. Regarding the fiscal year 2009 financial statements, we concluded that the financial statements, including the accompanying notes, presents fairly, in all material respects, in conformity with U.S. generally accepted accounting principles, the Commission's assets, liabilities, net position, as of September 30, 2009 and net costs, changes in net position, budgetary resources, and custodial activity for the years ended September 30, 2009.

Opinion on Internal Control

As described above, we are unable to give an opinion on internal control for fiscal year 2010. Regarding the fiscal year 2009, the Commission maintained, in all material respects, effective internal control over financial reporting (including safeguarding assets) and compliance as of September 30, 2009 that provided reasonable assurance that misstatements, losses, or noncompliance material in relation to the financial statements would be prevented or detected on a timely basis. Our opinion is based on criteria established under 31 U.S.C. 3512 (c), (d); the *Federal Managers' Financial Integrity Act*; the Office of Management and Budget (OMB)

Circular A-123, *Management Accountability and Control*; OMB Bulletin No. 07-04, *Audit Requirements for Federal Financial Statements*; the Government Accountability Office (GAO), *Government Auditing Standards*; and the GAO/President’s Council on Integrity and Efficiency (PCIE), *Financial Audit Manual*.

As result of the implementation of new accounting system, we identified issues with internal control regarding financial management and financial reporting that precluded the Commission from preparing its fiscal year 2010 financial statements and supporting documentation timely. Due primarily to the implementation of the new accounting system, the Commission was unable to develop adequate reporting and other internal controls essential to the deployment of the new system. Because of this limitation on the scope of our work, we are unable to an opinion on internal control.

Compliance with Laws and Regulations

We were unable to test for compliance with the laws we considered necessary; accordingly, we are unable to report on the Commissions compliance with laws and regulations.

Consistency of Other Information

The Commission’s Management Discussion and Analysis, required supplementary information, and other accompanying information contain a wide range of data, some of which are not directly related to the financial statements. We do not express an opinion on this information. However, we compared this information for consistency with the financial statements and discussed the methods of measurement and presentation with the Commission’s officials.

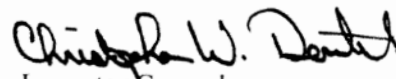
Objectives, Scope, and Methodology:

The Commission’s management is responsible for (1) preparing the financial statements in conformity with U.S. generally accepted accounting principles; (2) establishing, maintaining, and assessing internal control to provide reasonable assurance that the broad control objectives of the Federal Managers’ Financial Integrity Act are met, (3) ensuring that the Commission’s financial management systems substantially comply with FFMIA requirements; and (4) complying with applicable laws and regulations.

Because of the significance of the limitations on the scope of our work, we were unable to and did not perform our audit of internal control in accordance with U.S. generally accepted government auditing standards and OMB audit guidance. We considered the limitation on the scope of our work in forming our conclusion and in testing the financial statements.

Agency Comments and Our Evaluation

In commenting on a draft of this report (see appendix 1), the Commission’s management concurred with the facts and conclusions cited in our report.


Inspector General
U.S. Consumer Product Safety
Commission

November 15, 2010

MANAGEMENT’S RESPONSE

**UNITED STATES
CONSUMER PRODUCT SAFETY COMMISSION
4330 EAST WEST HIGHWAY
BETHESDA, MD 20814**

Memorandum

Date: November 15, 2010

TO : Christopher Dentel
Inspector General

THROUGH: Edward E. Quist *EQ*
Director
Office of Financial Management, Planning and Evaluation

FROM : Deborah Peebles Hodge *dph*
Director
Division of Financial Services

SUBJECT : Audit of FY 2010 Financial Statements

The audit report prepared by the Office of the Inspector General regarding CPSC’s Financial Statements for fiscal year 2010 has been reviewed by the Division of Financial Services. The Finance Division concurs with the findings expressed in the report. We are taking actions to correct the findings noted in the audit report. We have already implemented some corrections and will complete other corrections in a timely fashion in order to allow the Inspector General to issue an opinion on our future financial statements.

INSPECTOR GENERAL'S SUMMARY OF MANAGEMENT CHALLENGES

The Reports Consolidation Act requires that the Office of the Inspector General identify the most serious management and performance challenges facing the agency and the agency's progress towards meeting these challenges. As in 2009, the Inspector General concludes that the most serious management and performance challenges to the Commission relate to the implementation of the Consumer Product Safety Improvement Act (CPSIA) of 2008. These challenges may be grouped into the following categories:

Strategic Planning and other Management and Cultural Changes

Capital Improvements

Management of Human Capital

Background: The CPSIA expanded both the authority and the responsibilities of the CPSC. It established an aggressive regulatory agenda and set deadlines to ensure that results were achieved in a timely fashion. The aggressiveness of the CPSIA has had both positive and negative effects on the agency. It has spurred on a greater degree of regulatory activity than would have existed without the passage of the act. At the same time, it established implementation timelines that required the CPSC to move at a pace that the agency has not always been able to accommodate. Given some of the criticisms the agency has received in the past it is understandable that Congress would desire to speed-up the rulemaking process. However, the implementation timelines established by the CPSIA failed to include time for several necessary steps in the rulemaking process. For example, no time was provided for interpreting the CPSIA and providing training to CPSC employees on the content of the CPSIA. This led to the CPSC attempting to interpret various provisions of the CPSIA (What is a "children's product?" Are provisions of the CPSIA retroactively applicable? Etc.) at the same time it was attempting to develop rules to implement the CPSIA.

In implementing the CPSIA the CPSC faces challenges created by both the requirement that it promulgate rules within mandatory timelines and the complex scientific, technical, and procedural issues surrounding said rules. The pace of required rulemaking will remain high throughout the foreseeable future, as not later than one year after the date of enactment of the CPSIA, the agency is required by the Act to promulgate standards for no fewer than two categories of durable infant or toddler products every 6 months thereafter, beginning with the product categories that the Commission determines to be of highest priority, until the Commission has promulgated standards for all such product categories.¹

It would not be reasonable to expect the CPSC to take on the new challenges presented by the CPSIA with the same resources it has historically had. Nor did Congress expect this of the agency.

¹ The product categories include full-size and nonfull-size cribs; toddler beds; high chairs, booster chairs, and hook-on chairs; bath seats; gates and other enclosures for confining a child; play yards; stationary activity centers; infant carriers; strollers; walkers; swings; and bassinets and cradles.

In order to provide the resources necessary to meet these new responsibilities and to enforce the newly created requirements, the CPSIA authorizes increased funding levels for the CPSC annually culminating in an authorization level of \$136 million in FY2014. However, there is no guarantee that the funds authorized will ever actually be appropriated. This puts the agency in a position where its new responsibilities are in large measure fixed,² but the level of resources it will have to draw on to meet these responsibilities is unknown.

Strategic Planning and other Management and Cultural Changes

Strategic planning is a process through which an organization determines where it wants to be in the future and what steps it needs to take to get there. Strategic planning is also used to define the agency's vision, refine its goals, and develop an operational plan to help it face the challenges and opportunities ahead. Federal agencies are required to update their strategic plans every three years. The CPSC last updated its Strategic Plan in 2003. To provide better long-term planning in general and to account for the new authorities granted by the CPSIA, the CPSC needs to create and implement a new detailed and comprehensive agency wide Strategic Plan.

In doing so, the CPSC will need to make decisions regarding how recent fundamental changes in its mission and the consumer product marketplace will impact its organization and resource allocation. For example, what impact will the fact that an increasing percentage of consumer products are imported rather than manufactured domestically have on the agency? What, if any, percentage of agency resources formerly dedicated to regulating domestic manufacturers should be shifted to the Office of International Programs and Intergovernmental Affairs to promote its work with foreign governments in bilateral and multilateral environments? What will be the long term structural effects on the agency of recent legislation that has altered the jurisdiction and mission of the agency?³ For example, as noted by the GAO in a recent audit, the new Strategic Plan will need to take into account the agency's statutorily driven enhanced surveillance of the marketplace and at U.S. ports and will need to reflect agency determinations, not yet made, regarding whether these new and growing operational mission requirements are adequately supported by the current, or currently projected, analytical and laboratory staff.

An operational review is separate from but related to the strategic planning process. It is an assessment of an organization's key components, including its focus, structure, processes, and procedures. By reviewing and analyzing CPSC's current state, agency management can then identify how CPSC will need to grow or adapt to meet emerging challenges and opportunities in the next five years. An operational review would provide agency management with insight as to where it should focus agency resources, prioritize agency efforts, and align the agency to best deliver on its mission.

The Chairman of the CPSC recognized and took steps to address the need for both Strategic Planning and an operational review. However, the agency's efforts in this area were complicated by the agency's lack of recent experience at preparing strategic plans. In order to overcome this obstacle, the agency contracted with an entity with substantial experience in partnering with Federal agencies in the strategic planning process to assist the agency in the preparation of a new

² Some, but not all, of the new requirements are predicated on Congress appropriating adequate funding.

³ In addition to the CPSIA, the Virginia Graeme Baker Pool and Spa Safety Act and the Children's Gasoline Burn Prevention Act were recently passed and presented the agency with similar, although less broad, challenges.

Strategic Plan and to conduct an operation review of the agency. This process has been substantially completed.

At the end of this effort, the CPSC will have a documented strategic plan, based on the feedback received from CPSC employees and other key stakeholders that articulates the mission, vision, goals and objectives of the agency for the next five years. The CPSC will also have a prioritized list of ways to realign the organization so that it is best positioned to support this five-year plan. The strategic plan should be a living document that describes what the future looks like and a way of working that will help CPSC get there.

The successful adoption and implementation of a Strategic Plan would represent a substantial step forward in the CPSC's efforts to meet the expectations placed upon it by the CPSIA and the American people. By having a five-year Strategic Plan in place and aligning operations to support this strategy, the CPSC will be better prepared to make the tough decisions facing the agency, including how best to deal with the changing global economy, emerging technologies, and new statutes and regulations.

Changes in the mission, size, and funding of the CPSC, largely driven by the needs of implementing and enforcing the CPSIA, necessitate changes in the management and culture of the agency. As noted above, the agency is now required to perform many of its functions in a much more expeditious manner than in the recent past. Additionally, as additional staff is added, management must adjust to the challenges inherent in managing a larger, and more geographically separated, work force.⁴ A more formal style of management that promotes accountability and delegation of duties needs to be implemented.

Given the size of the agency, it has historically not only been feasible for senior managers at the CPSC to become directly involved in ongoing projects at the agency, it has been common practice. Senior managers have functioned as technical experts and done "hands-on" work in addition to carrying out their supervisory duties. This may or may not have been advantageous in the past, but given the new responsibilities and expanding size of the CPSC it is not currently an efficient way to manage the agency. A corollary of the above is that managers below the senior staff level need to be given greater responsibilities and autonomy than they have historically received. This will in turn mean that they will need to be held accountable for achieving results.

Capital Improvements

The CPSIA calls for upgrades of the Commission's information technology architecture and systems and the development of a database of publicly available information on incidents involving injury or death required under section 6A of the Consumer Product Safety Act, as added by section 212 of the CPSIA. The CPSIA also called for the agency to transmit to the appropriate Congressional committees a detailed plan for establishing and maintaining the database, including plans for the operation, content, maintenance, and functionality of the database. Congress clearly intended that the database be more than a mere repository of injury information. The plan the CPSC prepared had to detail the integration of the database into the

⁴ Many of the new hires will work at geographically separate locations rather than at the CPSC's Headquarters building.

Commission's overall information technology improvement objectives and plans. The plan submitted under this subsection was required to include a detailed implementation schedule for the database and plans for a public awareness campaign to be conducted by the Commission to increase consumer awareness of the database. OMB placed additional requirements on the agency relating to the plan for the database which had to be met before OMB would release funding for the database. OMB also expressed concern regarding the IT investment management process in place at the CPSC and the agency's capability to manage an IT project as sophisticated as the public database called for in the CPSIA.

In order to objectively assess both the current status of the CPSC's efforts in this area and future improvements, this office chose to employ the Government Accountability Office's (GAO) Information Technology Investment Maturity (ITIM) model framework.⁵ GAO's ITIM maturity model framework offers organizations a road map for improving their IT investment management processes in a systematic and organized manner. These process improvements are intended to: improve the likelihood that investments will be completed on time, within budget, and with the expected functionality; promote better understanding and management of related risks; ensure that investments are selected based on their merits by a well-informed decision-making body; implement ideas and innovations to improve process management; and increase the business value and mission performance of investments.

GAO's ITIM is subdivided into a hierarchy. Each maturity stage consists of critical processes that are composed of a number of key practices. Each of the four maturity stages beyond Stage 1 is a plateau of well defined critical processes. Each stage builds upon the lower stages and enhances an organization's ability to manage its IT investments. The five maturity stages represent the steps toward achieving a mature, comprehensive ITIM process. Each critical process contains a set of key practices that, when fulfilled, implement the critical process needed to attain a given maturity stage. The key practices are the tasks that must be performed in order to implement and institutionalize a critical process effectively.

The CPSC also completed its own internal ITIM assessment and its findings largely agreed with those of this office. The current condition of CPSC's ITIM processes are primarily a function of the length of time the CPSC has been working to fully develop and implement these processes. The passage of the Consumer Product Safety Improvement Act of 2008 (CPSIA) in August 2008 served as an impetus for the CPSC to upgrade its ITIM processes. The CPSC has been working since the passage of the CPSIA to improve its ITIM practices. In the past year, the CPSC has aggressively begun implementing a structured IT investment management process. The CPSC has taken several key steps, including the creation of the Investment Review Board (IRB) and the adoption of its charter, the development of an IT investment portfolio, the creation of a Capital Planning and Investment Control Guide, the creation of a System Development Life Cycle Guide (SDLC), and the implementation of IT Investment Classification Guidance. A year after passage of the CPSIA, the CPSC brought in a Capital Planning Manager from another Federal agency, who is also serving as the IRB chair.

As a result of these and other activities, we have concluded that the CPSC has reached Stage 1 of the five-stage IT investment maturity model as defined by GAO. The CPSC has implemented

⁵ Although the framework used was selected by the Office of Inspector General the actual process of auditing the CPSC's Information Technology Investment Maturity was undertaken by a contractor on behalf of the OIG.

several of the key practices and critical processes that constitute Stage 2. Although this represents real and fundamental improvement in the CPSC's IT investment management process, there is still clearly room for continued improvement.

The CPSC has determined that its existing laboratory facility is inadequate to its needs. The CPSC partnered with the General Services Administration (GSA) to acquire new space because the CPSC does not have statutory authority to directly acquire real property. Although ultimate responsibility for the acquisition and utilization of the new laboratory facility continues to reside in the CPSC; GSA was used to provide the technical component of the acquisition of the laboratory facility. A lease was signed and preparations begun for occupying the facility by the fall of 2010. However, unexpected complications have resulted in that projected date slipping to Spring of 2011. An assessment of the efficiency of this process and the functionality of the facility, once it becomes operational, still needs to be performed.

Management of Human Capital: A challenge ubiquitous to all Federal agencies will be the implementation of the Presidential Memorandum on Improving the Federal Recruitment and Hiring Process. Although this initiative to simplify the application process, increase the involvement of supervisors and managers in the hiring process, and improve the speed and quality of agency hiring will potentially lead to great increases in the Federal Government's ability to recruit a talented and engaged workforce in the long run, in the short run it will generate confusion and friction as managers and HR professionals are called upon to learn a new and radically different way of doing business.

Compounding the challenges faced by all Federal agencies in implementing the above described initiative is the fact that the CPSC is in the midst of a large scale hiring effort. In order to meet the responsibilities set out for it in the CPSIA the CPSC needs to expand the size of its work force dramatically. The CPSIA's drafters clearly contemplated that new employees would be hired by the CPSC to implement the CPSIA. The CPSC's ceiling for FTEs in FY 2010 was 530; however as of September 30, 2010 the agency was still 30 FTEs below this level. The pending President's 2011 request for the CPSC calls for another staffing increase to 576 FTEs.

Clearly, as important as hiring enough employees is ensuring that the right employees are hired. However, due to a lack of time and resources, no formal skill gap analysis has been performed for the agency as a whole to fine tune these manpower decisions.⁶ Similarly, although work was begun on both, neither the CPSC Human Capital Plan nor Human Capital Accountability system had been completed by the end of the Fiscal Year. In the future, a determination should be made regarding what positions are mission critical in implementing the CPSIA as a whole, a skill gap analysis should then be performed, and training and hiring plans developed based on the results of this analysis.

⁶ A skill gap analysis analyzes the gaps between the current workforce's skills and the competencies projected to be needed to fulfill future mission requirements. Skill gap analyses were completed for several occupational categories but not for all.

AGENCY'S RESPONSE

Management Comment on Inspector General Statement of Management Challenges

The Office of the Inspector General has identified three management and performance challenges facing the CPSC:

1. Strategic Planning and other Management and Cultural Changes
2. Capital Improvements
3. Management of Human Capital

These challenges largely result from the passage of the Consumer Product Safety Improvement Act of 2008, which in turn reflected the changed product safety environment with the growth of imported products and the heightened awareness of safety hazards posed to American consumers.

We concur in the identification of these challenges that face the CPSC. The CPSIA legislation represents the most extensive changes to our authorities since the founding of the agency in 1973. The Congress recognized this and has increased the Commission's funding by 48% since 2008.

The implementation workload has been extraordinary and will continue for the next few years as the Commission promulgates and enforces new rules. For example, mandatory rulemaking activity averaged about seven per year from 2000 through 2008, with the number of rulemaking projects per year ranging from a low of one in 2005 to a high of 10 in both 2007 and 2008. With the passage of the CPSIA, rulemaking activity has increased significantly, averaging over 26 substantial rulemaking activities each year for 2009, 2010, and proposed in 2011 as well as an additional 15 supportive rulemaking activities in 2009 and 2010.

Despite the significant increase in workload, the CPSC has been successful in implementing the CPSIA's requirements, including that the longtime voluntary toy standard be mandatory, and that the Commission promulgate mandatory standards for durable infant products and establish an independent laboratory accreditation and testing program. The agency's work on the CPSIA has already produced great results, as evidenced in part by a dramatic decline in 2009 of toy recalls involving lead; the establishment of independent testing of toys with small parts and children's metal jewelry; stiffer penalties against repeat offenders; and new standards under development for cribs, bassinets, baby walkers, and baby bath seats. Despite these recent accomplishments, however, much work remains to be done.

Strategic Planning and other Management and Cultural Changes

The CPSC adopted its new Strategic Plan on October 4, 2010. The plan is the result of a six month strategic planning process during which a wide range of internal and external CPSC stakeholders provided comments and participated in the development of the plan. CPSC staff, consumer organizations, industry associations, and partner agencies at the federal and state levels have all contributed to the plan. The plan may be viewed at

<http://www.cpsc.gov/cpsc/pub/pubs/reports/2011strategic.pdf>. The plan states our mission as “Protecting the public against unreasonable risks of injury from consumer products through education, safety standards activities, regulation, and enforcement. The stated vision of the CPSC is “The CPSC is the recognized global leader in consumer product safety.” This plan contains five strategic goals that will guide agency work over the next five years:

1. Leadership in Safety
2. Commitment to Prevention
3. Rigorous Hazard Identification
4. Decisive Response
5. Raising Awareness.

While this Strategic Plan adopts a long-term perspective, the CPSC will periodically assess its progress and refine the goals and objectives in this plan to meet the changing environment of the consumer product arena. We must also refine our metrics to measure progress in achieving the new goals. Therefore, as noted by the Inspector General, this plan will be a living document that guides our activities and approach to executing the broad mission of the agency for the next five years.

We agree that we must review our operations and, where necessary, realign our operations to support the new plan. This has already begun with the establishment of the new Office of Education, Global Outreach, and Small Business Ombudsman, on September 23, 2010, which will support several strategic goals and increase staff accountability. This new office will coordinate and provide education and outreach activities to domestic and international stakeholders, including manufacturers, retailers, resellers, small businesses, foreign governments, and consumers. For more information on this new office go to <http://www.cpsc.gov/pr/tenenbaum09222010.pdf>. The CPSC will be undertaking additional operational reviews in the next year to further align agency operations with the Strategic Plan.

Capital Improvements

Information Technology. Phase 1 of the public database and IT modernization program is on schedule to launch in March 2011, as required by the CPSIA. The CPSC is planning several more enhancements in Phase 2 starting in fiscal year 2011 and concluding in fiscal year 2013. Phase 2 will complete the business process enhancements needed to implement the CPSIA. Continued improvement in IT governance is critical to optimizing our limited resources and implementing the CPSIA mandate for IT modernization at the CPSC. CPSC staff is making plans to move the organization to GAO ITIM level 2 over the next year and go to at least level 3 in future years.

Laboratory. The General Services Administration, which has been working with the CPSC and the Office of Management and Budget since 2007, signed a lease for a new modern laboratory site to be occupied by the spring of 2011. The CPSC is currently in the process of outfitting the new facility as a new, modern, and efficient laboratory. The new facility, located at 5 Research Place in Rockville, Maryland, will also provide office and sample storage space. The new space will: (1) enhance fire testing with modern safety and environmental features and provisions for more accurate observation of fire development in products; and (2) provide for dedicated testing areas for children’s, electrical, combustion, and sports and recreation products, which will

enhance testing efficiency. We expect the laboratory to be fully functional when opened and welcome the Inspector General's help in assessing its efficiency in order to fully realize the promise of this critical capital improvement.

Management of Human Capital

Management of human capital is a recognized key to Commission success. Since 2008, the Commission's funded staffing has increased by 26 percent, a substantial increase. We faced several challenges in hiring staff, including delays in annual appropriations, space limitations, and having to hire many difficult-to-fill scientific and technical positions. We have acquired additional space to hire known staffing increases and to provide for possible future hiring growth. We have developed new hiring strategies for the more difficult-to-fill positions. Although the agency had already met many of the requirements outlined in the hiring reform, we developed a Hiring Reform Action Plan and are currently implementing policies, procedures, and processes to meet the additional new requirements of the President's memo. Of course, delayed funding will always present an obstacle, but we can prepare hiring plans in anticipation of funding and have done so. By the end of calendar year 2010, we will have completed a successful hiring drive that will achieve the 530 staffing level and identify additional hires that will bring us close to the 2011 request level of 576.

We recently received a positive performance audit from the Office of Personnel Management. We have developed competencies and completed a skill gap analysis for most of our mission critical positions including Engineers, Product Safety Investigators, Compliance Officers, Compliance Investigators, Program Analysts, IT Specialists, and Human Resources Specialists. We also utilized OPM's Federal Competency Assessment Tool – Management (FCAT-M) to assess the competencies of our supervisors and managers. The analysis and skill gap results were utilized to identify agency-wide training needs with an increased training budget, and a new, dedicated staff position to address employee development issues. We are working with the Office of Personnel Management and the Office of Management and Budget to reform hiring practices, and improve employee wellness programs and employee satisfaction. We recently hired a human capital specialist responsible for developing a human capital plan and accountability system. The human capital plan will be developed based on the agency's new Strategic Plan.

SUMMARY OF 2010 FINANCIAL STATEMENT AUDIT

Table 1: Summary of Financial Statement Audit

Audit Opinion	Disclaimer*				
Restatement	No				
	Beginning Balance	New	Resolved	Consolidated	Ending Balance
Material Weaknesses	0	0	0	0	0
Total Material Weaknesses	0	0	0	0	0

Table 2: Summary of Management Assurances
Effectiveness of Internal Control over Financial Reporting (FMFIA § 2)

Statement of Assurance	Unqualified					
	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Material Weaknesses	0	0	0	0	0	0
Total Material Weaknesses	0	0	0	0	0	0

Effectiveness of Internal Control over Operations (FMFIA § 2)

Statement of Assurance	Unqualified					
	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Material Weaknesses	0	0	0	0	0	0
Total Material Weaknesses	0	0	0	0	0	0

Conformance with Financial Management System Requirements (FMFIA § 4)

Statement of Assurance	Systems conform to financial management system requirements					
	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Non-Conformances	0	0	0	0	0	0
Total Non-Conformance	0	0	0	0	0	0

*Due to implementation of a new financial system, the Inspector General was not able to give an opinion on the fiscal year 2010 financial statements and effectiveness of internal control, or test compliance with laws and regulations.

MANAGEMENT ASSURANCES

FEDERAL MANAGERS' FINANCIAL INTEGRITY ACT REPORTING

The CPSC's management is responsible for establishing and maintaining effective internal control and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act. The CPSC conducted its assessment of the agency's internal controls to support effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations in accordance with OMB Circular A-123, *Management's Responsibility for Internal Control*.

Based on the results of this assessment, the CPSC can provide reasonable assurance that its internal control over the effectiveness and efficiency of operations, reliable financial reporting, and compliance with applicable laws and regulations, as of September 30, 2010, was operating effectively and no material weaknesses were found in the design or operation of internal control. Further, the CPSC has determined that the CPSC financial management system conforms to government-wide financial systems requirements.

We acknowledge that our Inspector General is unable to give an opinion on our fiscal year 2010 financial statements due to difficulties encountered with the implementation of a new financial system in 2010. The Commission will take steps to correct these difficulties (many have already been corrected) so that the Inspector General can issue an opinion on future statements.

Finally, the CPSC believes that the performance data contained in this report are complete and reliable.



Inez M. Tenenbaum
Chairman

November 15, 2010

ACRONYMS

ANPR	Advance Notice of Proposed Rulemaking
ANSI	American National Standards Institute
AQSIQ	General Administration for Quality Supervision, Inspection, and Quarantine
ASTM	ASTM International, formerly American Society for Testing and Materials
ATC	U.S. Army Aberdeen Test Center
ATV	All-Terrain Vehicle
CBP	Customs and Border Protection
CDC	Centers for Disease Control and Prevention
CFR	Code of Federal Regulations
CHAP	Chronic Hazard Advisory Panel
CO	Carbon Monoxide
CPIC	Capital Planning and Investment Control
CPSA	Consumer Product Safety Act
CPSC	Consumer Product Safety Commission
CPSIA	Consumer Product Safety Improvement Act
CPSRMS	Consumer Product Safety Risk Management System
CTAC	Import Safety Commercial Targeting and Analysis Center
EEO/AEP	Equal Employment Opportunity/Affirmative Employment Program
EPA	U.S. Environmental Protection Agency
EWS	Early Warning System
FHSA	Federal Hazardous Substances Act
FTE	Full-Time Equivalent
GFCI	Ground Fault Circuit Interrupter
GHS	Globally Harmonized System
GSA	General Services Administration
HSPD	Homeland Security Presidential Directive
IAG	Interagency Agreement
IAQ	Indoor Air Quality
ICCVAM	Interagency Coordinating Committee on the Validation of Alternative Methods
IRB	Internal Review Board
LOA	Letter of Advice
MOU	Memorandum of Understanding
MUV	Multipurpose Off-Highway Utility Vehicles
NEISS	National Electronic Injury Surveillance System
NIOSH	National Institute for Occupational Safety and Health
NIST	National Institute of Standards and Technology
NPR	Notice of Proposed Rulemaking
NSN	Neighborhood Safety Network
OMB	Office of Management and Budget
PMO	Project Management Office
PPPA	Poison Prevention Packaging Act
PSA	Public Service Announcement
RIP	Reduced Ignition Propensity
ROHVA	Recreational Off-Highway Vehicle Association
ROV	Recreational Off-Highway Vehicle
SME	Subject Matter Expert
SRM	Standard Reference Material
USFA	U.S. Fire Administration
VGB	Virginia Graeme Baker Pool and Spa Safety Act

VNR	Video News Release
XRF	X-Ray Fluorescence
20XX	Years mentioned refer to fiscal years, except for deaths, injuries, and associated property losses, which are on a calendar year basis.



U.S. CONSUMER PRODUCT SAFETY COMMISSION
BETHESDA, MD 20814