

Memorandum



**To: Printing Industries of America Board of Directors
Affiliate Managers**

From: Michael Makin, President and CEO

Re: Consumer Product Safety Improvement Act

True to form, our industry is once again in the crosshairs of environmental regulation that could prove costly and devastating to a huge segment of the printing and graphic communications marketplace. Specifically, printers producing material marketed to children under the age of 12 years old are now subject to the Consumer Product Safety Improvement Act (CPSIA), a law signed last fall that regulates the amount of lead-in-paint, phthalates, and overall lead content in children's products (fortunately, our industry is only dealing with the latter of the three – a burdensome proposition nonetheless).

The new law, which will be implemented on February 10th under the Consumer Product Safety Commission (CPSC), would require certification to demonstrate children's products – including ordinary books, flashcards, magazines, posters, etc. – fall below the newly lowered levels of acceptable lead content. The CPSC is still determining what type of testing data is acceptable to prove what we already know – that ordinary books and other printed material are safe products. Tests are expensive, lengthy and a threat to the entire book printing and publishing process (not to mention other printed materials). Almost worse, confusion abounds in the retail, publishing and printing industry regarding what will actually be required on the implementation date.

It's clear the intent of the law – protecting children from toxic substances, especially in the face of numerous imported Chinese toys with sky-high lead contents – is a good one; however, its unintended consequences cannot be borne by the industry. There is a growing sense of disbelief and outrage in the courts of public opinion and in the mainstream media. An op-ed on Forbes.com says the “CPSIA is now shaping up as a calamity for businesses and an epic failure of regulation,” and the [Wall Street Journal's op-ed](#) titled “Pelosi's Toy Story” noted the CPSIA will need to issue exemptions to “avoid an economic train wreck in February.” The WSJ piece noted rightly that “last year's toy law was an election-year overreaction by Congress. The Commission needs to implement the rules without putting more companies out of business in an already tenuous economy.”

We agree. Therefore, our Government Affairs and Environmental Health & Safety teams have been working double-time to seek administrative relief from the CPSC. I've outlined below the tactics being undertaken on behalf of the membership along with the initial results achieved. The clock is ticking and there is little guarantee of a reprieve prior to February 10th; however, work continues to seek such an exemption as soon as possible.

Advocacy on Capitol Hill

In meetings with counsel for House Energy & Commerce Chairman Waxman (D-CA), it has been made clear to Printing Industries that the majority does not intend to re-open the Act; however, Congress can strongly urge the CPSC to consider specific industry

exemptions to allow products deemed “safe” to be free of the regulatory burden. Therefore, our Hill strategy continues to be two-fold: to encourage Congressional oversight of the implementation and unintended consequences while also seeking lawmakers to urge CPSC to act on our behalf. This effort includes:

- Direct lobbying of a bipartisan roster of Capitol Hill offices, including Representatives serving on the Energy & Commerce Committee and Subcommittee on Commerce, Trade & Consumer Protection. Julie Riccio, Gary Jones and Lisbeth Lyons spent an entire day on Capitol Hill and I personally pressed the point with a GOP Member of the Committee in Washington, D.C. last week. The agenda included Member-level and staff-level visits with Chairman Waxman, Rep. Rush, Rep. Radanovich, and Rep. Blackburn, among others, which in part led to the following Hill activity in the past two weeks:
 - [Letter](#) from leading Democrats on key committees (Sens. Rockefeller/Pryor and Reps. Waxman/Rush) to CPSC Commission requesting urgent action on four items, including children’s’ books and component testing.
 - [Letter](#) from minority leadership on Energy & Commerce Committee (Reps. Barton/Radanovich) to Chairman Waxman urging hearings.
 - [Letter](#) from Energy & Commerce Committee member & TN delegation (Reps. Blackburn/Duncan) to CPSC seeking exemption for industry.
 - A closed-door staff briefing for legislative assistants to lawmakers serving on the Energy & Commerce Committee to provide more information and clarity in the face of growing constituent concerns.

Advocacy at the CPSC

The Commission has the authority to issue an exemption, but has not yet been assuaged by the scientific data to do so. Our allied industry coalition is working to provide testing data to meet the comfort level of the Commission. This effort includes:

- Joint industry taskforce of leading manufacturers and allied associations, including American Association of Publishers, Book Manufacturing Institute, Magazine Publishers of America, leading publishing houses and others to pursue relief for children’s’ books and other printed material.
- Launched an [online database](#) to collect and disseminate lead testing data to use in advocacy before CPSC.
- Engaged in [written dialogue](#) with CPSC regarding need for exemption and testing requirements; resulted in two advisory letters from CPSC.
- Met with CPSC Commissioners (2), General Counsel and Compliance Team at the Commission’s Bethesda HQ to explain why books and other paper-based printed materials do not pose a hazard to children.

Member Education & Grassroots Action

As evidenced by what Ranking Members Barton and Radanovich noted as constituent “emails, calls and letters numbering in the thousands,” manufacturers of all types of children’s’ products – not just the intended target of toys – have been ensnared in an Act without much information or understanding. The Rockefeller/Pryor/Waxman/Rush letter called the CPSC on the carpet for its lack of education and outreach to America’s small

businesses. As such, Printing Industries has quickly reached out to educate our members. This effort includes:

- Publication of [Special Edition imPRINT](#) newsletter and an [online CPSIA Tool Kit](#) featuring FAQs, Hill and CPSC correspondence, testing data and more.
- Printing Industries Webinar on “What an Obama Administration and 111th Congress Means to Printers” with Special Feature “Hot Issue: CPSIA” discussing the issue and what printers will need to do in the face of the implementation date.
- Series of communiqués from EHS Staff to Affiliate Managers.
- Creation of a member activist roster based on dozens of incoming calls and emails concerning the Act.
- Posting of a [pre-written, customizable letter](#) to CPSC Acting Chairman Nancy Nord requesting an exemption for printers.
- Posting of a [pre-written, customizable letter](#) to Capitol Hill urging lawmakers to in turn urge the CPSC to take action to avoid economic and operational turmoil in the industry.

Again, I hope you will log on to www.printing.org to take action on this issue. Should you have lead testing data for your own company or products, please share with Gary Jones (gjones@printing.org). Even you are not directly affected by this regulation, please take action. The industry must defend itself collectively. Please stay tuned to imPRINT, Quick Takes and special communications for updates on this issue. Please don't hesitate to contact Gary Jones, Lisbeth Lyons or me with questions. Thank you!