



Statement of

Mr. Ynon Kreiz
Chairman and Chief Executive Officer, Mattel Inc.

before the

Committee on Oversight and Reform
U.S. House of Representatives

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Chairwoman Maloney, Ranking Member Comer, and Members of the Committee, thank you for the opportunity to appear before you today to discuss Mattel's approach to consumer product safety, particularly with respect to our Fisher-Price products intended for young children.

Mattel is a leading global toy company with a mission to create innovative products and experiences that inspire, entertain, and develop children through play. We engage consumers through our portfolio of iconic brands, including Barbie, Hot Wheels, Fisher-Price, American Girl, Thomas & Friends, UNO, and MEGA, as well as other popular intellectual properties that we own or license in partnership with global entertainment companies.

Since its founding in 1945, Mattel has been proud to be a trusted partner in empowering children to explore the wonder of childhood and reach their full potential.

Fisher-Price was founded over 90 years ago and was acquired by Mattel in 1993. Fisher-Price's purpose is to be the most trusted brand for parents and caregivers of babies, toddlers, and preschoolers.

At Mattel and Fisher-Price, our relationships with our people, consumers, business partners, and communities are built on their expectations that we will provide safe and quality products that meet the needs of children, parents, and caregivers. We take our heritage as a trusted partner to parents and families very seriously, and earn that trust by being true to our mission and purpose and operating with integrity. This requires that we act as a responsible corporate citizen, pursue social, economic, and environmental sustainability, and promote equity, diversity, and inclusion.

I joined the company in April of 2018 as Chairman and CEO and, since my first day, have always been impressed with the attention to detail and the emphasis on quality and safety. I am fully committed, personally, to ensuring that we continue to make quality products that are safe for babies and children, and I will continue to hold that as our highest priority above everything else.

On behalf of myself and everyone at Mattel, I want to convey my deep and sincere condolences to the parents and anyone affected by the heartbreaking tragedies we will discuss today. I am a father of four young children, and I can only imagine that there can be no more terrible loss than that of a child.

Product quality and safety are at the heart of everything we do. They are the reason I have welcomed the opportunity to speak to you today, to engage as an active partner with you in our collective goal to do everything we can together to help ensure the safety and well-being of babies and children.

We have always recognized that our responsibility for our products does not end once they go to market. We remain committed to continuously monitor, collect, and respond to safety data associated with each of our products to ensure the highest level of safety and quality.

Equally important, we never stop improving our safety policies and practices and establishing new ones. Over the last year and a half we made significant progress to strengthen our capabilities and have added respected leaders in quality, safety, and compliance, created the Medical and Scientific Safety Council, and launched the *Safe Start* education campaign for parents and caregivers.

In the remainder of my testimony, I would like to expand on these important points and provide additional information on each of the components in Mattel's comprehensive approach and process regarding consumer-product safety and our continuous efforts to improve our performance in this important area.

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As a general approach, we integrate product safety considerations into each step in the product development process, beginning with our initial product design and development, and continuing through assessment of consumer feedback and other reports regarding products already in the market, as well as through our regular communications with federal regulators at the Consumer Product Safety Commission (CPSC).

Mattel's consumer-product safety process includes the following essential elements:

- In developing products, Mattel complies with mandatory product-safety standards adopted by the CPSC, as well as voluntary consensus standards developed by ASTM International. Mattel participates in the development of consensus safety standards along with regulators, consumer advocates, and others.
- We maintain and adhere to internal standards (QSOPs or Quality Safety Operating Procedures) that track mandatory and voluntary standards, and often supplement standards or address situations that do not have an applicable standard.
- Mattel maintains a department of approximately 450 professionals focused on product safety and quality. Our internal experts include engineers, product safety specialists, compliance experts, test laboratory personnel, child development experts, and others involved in product development and manufacturing, adherence to federal requirements

and other standards, communications with the CPSC, and monitoring of safety incidents reported to us about our products.

- A safety committee of product-safety specialists, composed of engineers, designers, and others, assesses each new juvenile product before it goes to market. This safety committee looks at every detail, considering the materials we use, how the product may be used or misused, how the pieces fit, how the parts move, how the electronics function, and more. If the product-development team wishes to move forward with a new product, it must first address all of the safety committee's concerns.
- To ensure our safety-review process is thorough, Mattel operates eight accredited, state-of-the-art laboratories around the world to evaluate our toys for safety, quality, and durability. At these sites, our products go through rigorous testing to prove they can endure even the roughest play.
- In the case of Fisher-Price, we take extra precautions and test prototype products in the Fisher-Price Play Lab. At the Play Lab, Fisher-Price's researchers and product-development experts analyze play patterns with children and solicit feedback from parents. The Play Lab staff includes researchers with backgrounds and advanced degrees in child development and psychology who participate in the design and development of products. Researchers at the Play Lab conduct onsite testing, during which they observe children using and interacting with Fisher-Price products. They also conduct in-home testing with Fisher-Price employees and parents from the general public. In-home tests allow parents to use a product in a real-world environment for a period of time and then complete a detailed survey providing feedback regarding their use and experiences with the product. The Play Lab works with Fisher-Price's safety team to ensure the safety of products before launch.
- Mattel voluntarily submits all applicable juvenile products to independent laboratory testing under the JPMA Certification program. Certification testing is performed by an independent laboratory to verify that the product meets the highest standards for safety.
- After a product goes to market, we closely monitor reports from consumers and others that relate to the safety of our products, carefully logging and tracking contacts from consumers (such as calls to our customer-support line), flagging safety-related customer comments and forwarding them to the product-safety team for analysis. Mattel professionals often reach out directly to consumers to gather additional information about the incidents to assist in this process.
- A product-safety team convenes a weekly meeting to review safety incidents and examines both individual cases and aggregate data and trends. The weekly meeting includes representatives from various specialties within the company, including product safety, product quality, product development, and compliance. The team discusses the potential causes of incidents, considers product modifications that could prevent future incidents, and assesses the need for additional analysis and, when appropriate, potential corrective actions.

Mattel believes that close cooperation and collaboration with the CPSC significantly contributes to product safety, and we have a track record of transparently sharing information with the CPSC. Since 2007, Mattel has provided weekly data to the CPSC on all reports of injuries potentially associated with our products that meet certain criteria, including fatalities and serious injuries. Through this program, Mattel has provided reams of data to the CPSC. In addition to these weekly reports, Mattel also has a practice of conveying to the CPSC within one business day of receipt any reports of fatalities reportedly associated with our products.

Considering our robust processes and systems, we are confident that all of our products are safe when used as intended, in accordance with the warnings and instructions. Product recalls, albeit unfortunate, are also an important component of our product-safety process. Despite our comprehensive product-development process, we sometimes learn new facts about a product after it is already on the market. We will not hesitate to recall a product when we determine that a recall is in consumers' best interests.

As I commented earlier, we stand steadfast in our commitment to continuously improve our product-safety processes, and we recently strengthened our capabilities in furtherance of that commitment:

- Mattel established a new, senior-level executive position – a Senior Vice President, Global Quality, Product Safety, and Regulatory Compliance. Joseph Vinhais, a veteran of quality assurance and compliance in a highly regulated industry, serves in this role. This new position oversees Mattel's entire product-safety efforts, including collaboration with the CPSC.
- Mattel launched a Medical and Scientific Safety Council, which plays an important role in our efforts. The Council, composed of leading experts in pediatric health and safety from some of the country's top medical establishments and universities, provides professional opinions, advice, and recommendations related to product safety and product development, informing our work and helping promote safe practices.
- Fisher-Price launched our *Safe Start* educational campaign. The campaign features key safety tips and a video series in which experts in baby and child health and development provide critical information to parents and caregivers on an array of topics – including the safe use of products, appropriate environments for sleep, and the proper use of safety restraints.
- Our first *Safe Start* video focuses on safe environments for babies' sleep, the critical importance of closely adhering to product instructions and safety labels, the proper use of safety restraints in babies' and children's products, and the importance of moving babies from products not designed for sleep to products that are intended for sleep. We will expand this educational campaign to cover additional safety topics, and we sincerely hope that it will result in parents and caregivers safely using products manufactured by all companies, not just Mattel and Fisher-Price.

I hope you find this summary of our safety efforts helpful. My colleague, Chuck Scothorn, Senior Vice President, General Manager, and Global Head of Infant and Preschool at

Fisher-Price, is here with me today. Chuck is a 30-year industry veteran, two decades of that with Fisher-Price. He is one of the most experienced leaders in the toy industry working on products for babies, toddlers, and preschoolers. Chuck will provide you with more of the details surrounding the development of the Rock 'n Play and our decision to recall it, as well as our decision to recall the 4-in-1 Rock 'n Glide Soother and the 2-in-1 Soothe 'n Play Glider.

Thank you for the opportunity to speak with you about Mattel's and Fisher-Price's extensive efforts to promote consumer product safety. I am happy to answer your questions.