



national bulk vendors association

n e w s l e t t e r

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Special points of interest:

- House approves CPSC Modernization Act on December 19, 2007
- Is the FDA approved drug for lead effective?
- Advance Registration Form enclosed.
- Caesars Hotel Reservation Form enclosed.

H.R. 4040 Passes The House - Goes To Senate

The House of Representatives approved a revised Consumer Product Safety Modernization Act on December 19, 2007 by a 407 – 0 vote and the Bill now goes to the Senate. An appropriations bill

was passed the same day by the Congress and sent to the President for signature that will substantially enlarge and empower the Consumer Products Safety Commission. The appropriations

bill will allocate \$80 million for fiscal 2009, an increase of \$17 million over the prior year.

Here are some of the differences between the

(Continued on page 2)

Inside this issue:

Convention Dates – Time to Plan	4
Coupon Books To Continue	4
Email Address and Electronic Newsletters	4
Change In Number of Directors	5
Future Convention Dates	5

Can Excessive Lead Levels Be “Cured”

This is the question raised in the Health and Travel section of Wall Street Journal on December 18, 2007. In short, the answer may be "no" at least for moderate lead levels. Lead poisoning is hard to treat, prevent and even define. The Center for Disease Control says a level of 10 micrograms of lead or more per deciliter of blood is a level of concern. Various pediatricians and consumer groups have urged a lower level, a position supported by a recent New England Journal of Medicine article that concludes "there is no safe level for lead."

But does treatment work? According to the article:

"there is little evidence that treating low blood levels of lead poisoning makes a difference." The only FDA-approved drug for lead is Chemet, which has proved effective only in preventing life-threatening complications in children with very high blood levels—over 45 mg/dl. Some doctors treat lower lead levels with Chemet, but the risks of the drug for children with only "moderate" lead levels may outweigh the potential benefits of treatment since side effects of Chemet and other "chelating" drugs are fevers, rashes and drops in platelets and white blood cell counts.

There is no research to establish that cognitive

damage from lead poisoning can be reversed. According to a seminal 2002 study, Chemet did not significantly reduce lead levels of 741 toddlers with lead levels less than 45 mc/dl.



United Effort for Individual Security

H.R. 4040 Passes The House - Goes To Senate

(Continued from page 1)

House and Senate versions that will need to be resolved by conferences before passage can occur:

Issue	HR 4040, as passed by House	S. 2045
Definition of "children."	"Children" are defined as age 12 and younger. In the initial version, the age was under 7. Age 12 limit pushed by consumer and environmental groups, as well as pediatricians.	Any product intended for use by children under age 7.
Lead limits	<p>For all children's products, starts with the current lead standard of 600 ppm within 180 days after enactment</p> <p>then drops to 300 ppm 2 years after enactment</p> <p>then finally 100 ppm 4 years after enactment, unless the CPSC determines that the 100 ppm level is not feasible</p> <p>Within 180 days after enactment, the permitted lead level in paint is drastically reduced from the current .06 percent weight to .009 percent or .0009 milligrams per centimeter squared—for all children's products.</p>	<p>200 ppm for children's jewelry</p> <p>400 ppm for other children's products, other than paint</p> <p>90 ppm for paint</p>
Mandatory testing by independent labs.	Mandatory testing and certification by an accredited independent third party is required for every children's product.	Fairly similar. In both versions, testing by a Chinese government lab likely is not acceptable.
Tracking labels	Within 1 year from enactment, each manufacturer of a children's product, TO THE EXTENT FEASIBLE, must place distinguishing marks on the product and its packaging that will enable the manufacturer and the ultimate purchaser to ascertain the location and date of products of the product.	Similar, but the standard is "TO THE EXTENT PRACTICABLE" and the requirements appear to take effect only after issuance of a rulemaking by CPSC.

(Continued on Page 3)

H.R. 4040 Passes the House - Goes to Senate

(Continued from page 2)

Issue	HR 4040, as passed by House	S. 2045
Magnets	Magnets are not specifically covered the legislation, but reference is made to ASTM F-963-07 and the CPSC is directed to study the standard and report to Congress within 2 years regarding the feasibility of requiring manufacturers testing all toys to such standards.	ASTM F963 is deemed a consumer products safety rule within 60 days after enactment, at least as to magnets in toys. But this may not be applicable to magnets in jewelry since jewelry is not "toys."
CPSC budget	After the \$80 million budget for fiscal 2009, the Bill proposes \$90 million in fiscal 2010 and \$100 million in fiscal 2011, in addition to a \$20 million allocation for fiscal years 2009 through 2011 to renovate, repair, reconstruct and otherwise upgrade the CPSC testing facilities.	
Enforcement	State Attorneys General are empowered to enforce the new law by filing suit in a US District Court for injunctive relief.	Much broader enforcement rights since State AGs may also file suit in State courts and damages are not limited to injunctive relief—may also seek penalties and damages. This is a trial lawyer's dream.
Federal Preemption	Maintains current status quo in that CPSC is directed not to expand certain federal preemption provisions presently found in various Federal acts.	Greater rights to States by allowing CPSC standards to be preempted unless duties imposed by State would make compliance with federal law <i>impossible</i> . This will enable States to adopt almost any tougher standard.
Civil Penalties	Penalties to a manufacturer are capped at \$10 million	\$100 million cap
Criminal Penalties	Criminal penalties may include asset forfeiture. Notification of noncompliance with a CPSC enforced statute may not be used as basis for criminal prosecution.	Much tougher provision since requirement that action be "willful" and that officers and directors have notice of non-compliance before criminal penalties apply. No "intent" is required in order to seek criminal penalties.

Unlike the Rule proposed by the CPSC about a year ago to formalize the 600 ppm standard for lead, HR 4040 is not

(Continued on page 5)

Convention Dates - Time To Plan

This is our first call for the 2008 convention at the Caesar's Palace from April 17 – 19, 2008. Time to send in your registrations, book your rooms and make travel plans.

Attached is our Advance Registration Form. The rates are the same as last year.

The fee for a Member (and family – over 18) registration is \$100 per person. This rate is for members who have paid their dues and are in good standing. If your dues are not current, you will need to register as a Non-Member. A Member



registration is good for entry to all functions.

The fee for a Non-Member is \$150.00 person. This registration includes 3-day attendance to the convention floor, admittance to workshops, bull session and exhibitor-sponsored party, but excludes Saturday morning video presentation, the General Meeting of members and the Association Saturday night banquet.

Payment for Advance Registrations or On-Site Registrations is by cash or check only. Credit cards are not

accepted. Advance Registrations received in the Association office by March 23, 2008 will be accepted. After that date you will need to register at the convention. We encourage everyone to take advantage of the Advance Registration as your badges will be ready and waiting for you at the convention and you will avoid the long lines.

Also enclosed is the Hotel Reservation Form.

The room rate for the “run of the house” rooms are \$183 per night for both single or double occupancy,

(Continued on page 5)

Coupon Books To Continue

The coupon book program for 2006 and 2007 was appreciated by the operators and the participating suppliers, and will continue in 2008 with little change.

The plan for 2008 is again to distribute the coupon books at the convention, but only to members in good standing. Since the NBVA switched to a calendar year, rather than a fiscal year, dues invoices are

now mailed in early January and must be paid by March 15th to remain a member in good standing. Members in good standing will be given the discount coupon books at the convention if they attend. If they do not attend, the coupon books will be



mailed to them after the convention. If dues are not paid by the convention date, the member will cease being a member in good standing, will not receive the coupon book, any membership newsletters, mailing lists or other benefits.

Email Address and Electronic Newsletters

We are encouraging our members to furnish us their email addresses so they can receive electronically our newsletters and important update information in a timely manner. We sent a special lead update newsletter in September and



December and, if you didn't receive it, we either didn't have your email address or the one we have for you is no longer current. So please, if you didn't receive these

electronic lead updates, please email us at nbva@muchshelist.com with your name and current email address. If you currently do not have an email account with an internet provider, there are internet providers you can sign up with for free email accounts, such as Yahoo or Google.

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(Continued from page 3)

limited to toy jewelry, but applies to all "children's products" that will cover products designed or intended primarily for children 12 years of age or younger.

The main concerns for our industry are the "tracking and branding" requirements imposed on all children's products, TO THE

EXTENT FEASIBLE. We are working closely with our lobbyists at Winston & Strawn in Washington to have language inserted into the Congressional Record as "legislative history" that will refer to us (directly or indirectly) as an industry for which the tracking and branding is not feasible.

We will watch closely as HR 4040 is

considered by the Senate, especially for the "tracking and branding" exemptions and the broadened powers of the States Attorneys General to enforce the law in each state. Other industry groups will focus mainly the expanded State enforcement rights and the rights of the CPSC to announce dangerous products without consultation and approved language by the manufacturers.

Convention Dates - Time To Plan

(Continued from page 4)

plus tax. For those interested in suite prices, here are the rates:

Petite	\$285
Deluxe	\$550
Double Bay	\$750
Royal	\$850
King	\$2,500

Reservations can be made directly to the Room Reservations Department. The direct phone number is **(702) 731-7222** or **(800) 634-6661**. Make sure to identify yourself as a member of the NBVA in order to receive the negotiated group rate. Reservations require a

one night deposit, plus tax, by check or credit card for each room reserved. Cancellations received up to 72 hours prior to arrival will receive a refund of the deposit. Cancellations within 72 hours prior to arrival and "no shows" will be charged one night's room rate and tax.

The cut-off date for accepting room reservations is **March 14, 2008**. Any requests after that date may be accepted by the hotel on a space available basis at the then prevailing rate. Based on past experience, **these rooms will all sell out and latecomers will be forced to pay a much higher rate.**

Check-in time is 3:00 p.m. on Monday through Thursday and 5:00 p.m. on Friday through Sunday. Check-out time is 12:00 noon. Guests checking out after 12:00 noon may incur late charges.

Caesar's Palace is located at 3570 Las Vegas Boulevard South, Las Vegas, Nevada 89109. The phone numbers for reservations are (702) 731-7222 or (800) 634-6661. The fax number there for room reservations is (702) 731-7172.

Don't get caught without a room at an attractive price. The Association has guaranteed a minimum number of room nights, so please try to stay at the Caesar's Palace.

Change In Number Of Directors

We advised in our Fall Newsletter that the Executive Committee has proposed to reduce the number of Directors from 39 to 15. In our next Newsletter, we will provide the

proposed language that will be presented to the Board of Directors to accomplish the reduction. The proposed change to the Constitution and By-Laws will also include the

right to censure or remove a member that does not comply with toy safety standards.

Future Convention Dates

In 2009, we are scheduled for April 23, 2009 – April 25, 2009 at Caesars Palace Hotel in Las Vegas, Nevada. This is the last year of our long term contracts. By the end of 2008, we must decide to co-locate with another trade association, renew at Caesar's Palace or find a new convention facility to accommodate our needs.