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Dr. Ricardo Cortés Alcalá General Director for Promotion of Health <u>ricardo.cortes@salud.gob.mx</u>

Dr. Georgina Rodriguez Elizondo Vice Minister for Health Promotion and Prevention georgina.rodrigueze@salud.gob.mx

Dear General Director and Vice Minister:

I am writing on behalf of the U.S. toy industry, The Toy Association, and our over 1000 member companies including LEGO, Mattel and others in response to the Federal Government of Mexico directive to halt non-essential manufacturing. We understand and share your government's goal to protect the health and safety of Mexico's workers. Without compromising the overall objective of public health and safety, I ask that the Government of Mexico consider limited flexibility for some toy manufacturers that can assure worker safety. A month-long manufacturing shutdown will have a significant, devastating impact on toy companies that operate facilities or partner with suppliers based in Mexico. I know these concerns are shared by our partner organizations Asociación Mexicana de la Industria del Juguete A.C. and the Canadian Toy Association. Together we are committed to protecting worker safety.

The toy industry has had the privilege of playing its part throughout this unprecedented crisis to bring joy, entertainment and education to children in Mexico, the United States and Canada. Toys and games are incredibly important during the shutdown. With schools in North America closed to help combat the COVID-19 pandemic, and an estimated 1.5 billion children affected by school closures, 1 toy businesses are essential to keep kids learning. Toys are the tools of play and play activities foster kids' learning and teach them valuable cognitive, creative, physical, emotional, social, and communications skills. Toys ignite kids' imaginations, curiosity, and critical thinking and are the building blocks for a healthy childhood. During this tumultuous time, toys provide an increasingly invaluable role in enhancing home learning.

Toys also help alleviate the stress felt by families navigating uncertain and frightening circumstances. The American Academy of Pediatrics clinical report, 'The Power of Play,' recommends play for children to buffer toxic stress, build parental relationships and improve executive functioning. Physical play includes many essential health benefits. Physical play not only promotes healthy weight and cardiovascular fitness but also can enhance the immune, endocrine, and cardiovascular systems. It can also decrease stress, fatigue, injury, and depression. More than ever, it is essential that toys remain available and accessible to families.

This need has driven a significant spike in toy sales over the past month as parents prepared to the new home-schooling reality. In the United States, toy sales in the last week of March have gone up 4000% year-over-year on Amazon while in store sales on Walmart were up 100%. According to the NPD Group, in the United States, Total toy sales in the U.S. grew by 26% in the week ending March 21, with the fastest-growing categories being games/puzzles (+228%), driven by

¹ 1.5 billion children around globe affected by school closure. What countries are doing to keep kids learning during pandemic https://www.washingtonpost.com/education/2020/03/26/nearly-14-billion-children-around-globe-are-out-school-heres-what-countries-are-doing-keep-kids-learning-during-pandemic/

² Sales Of Board Games, Crafts, Puzzles Soar As America Stays Home https://www-forbes-com/sites/joanverdon/2020/04/01/sales-of-board-games-crafts-puzzles-soar-as-america-stays-home/amp/



family board/action, card, and children's games; building sets (+76%); and arts and crafts (+70%), primarily craft kits and reusable compounds. With warmer weather emerging, sales of outdoor and sports toys grew by 20%."³

As background, The Toy Association represents the U.S. toy industry, consisting of more than 1,100 businesses – including toy designers, inventors, manufacturers, importers, retailers, and testing laboratories – that operate and sell toys internationally, including in Mexico. Our members are committed to ensuring children across the globe have access to toys that promote healthy, intellectually stimulating play. Toward that end, the Toy Association works with peer organizations worldwide, including in Mexico, to advocate for best business practices in the toy sector while ensuring product and consumer safety. The toy industry is truly global, and promoting international trade, especially by reducing unnecessary barriers to trade, advances the interests of consumers and businesses worldwide.

During this shutdown, I encourage you to consider flexibility in your policy to help keep the doors open for toy manufacturers to continue operating and providing kids and families around the world with the tools of play and learning. Please exempt toy manufacturers from any mandatory shutdowns. These factories have the ability, and you have our commitment, to safeguard our employees and demonstrate best practices of prevention during these trying times. As an example, I have attached a document provided by LEGO Group detailing the measures they have taken to ensure the safety of their workers.

Lastly, many member companies have the capacity and desire to support the shortage of medical supplies available in the country. The LEGO Group for examples is capable of using their plastic molding expertise to produce medical supplies like masks and goggles and has offered to begin to produce these supplies, while also running their current production to ensure that operations remain financially sustainable.

Thank you for your consideration. Please feel free to reach out to Rebecca Mond, rmond@toyassociation.org if you have any questions.

Respectfully,

Steve Pasierb President & CEO The Toy Association

Cc: Asociación Mexicana de la Industria del Juguete A.C.

³ At a Time of Social Distancing, U.S. Families Turn to Activity-Based Toys, Books, and Art Supplies for the Home, According to NPD https://www.npd.com/wps/portal/npd/us/news/press-releases/2020/at-a-time-of-social-distancing-us-families-turn-to-activity-based-toys-books-and-art-supplies-for-the-home-according-to-npd/