



**Address of Stephen Pasierb, President & CEO, The Toy Association (United States)
TJPA Celebration Night
China Toy & Juvenile Products Association / Dongguan Municipal People's Government
16 October 2019, Shanghai International Convention Center**

Good evening. Thank you for the warm welcome to Shanghai and the opportunity to share with you our mutual love of the toy and play community.

Please let me express my thanks and congratulations...

Foremost to the Management Board and staff of The China Toy & Juvenile Products Association.

A special note of appreciation to TJPA President, May Liang who is an extraordinary individual. She has maintained a strong global presence, demonstrated deep caring and leadership during her tenure as the President of the International Council of Toy Industries (ICTI), and today continues to serve on the board of ICTI Ethical Toy Program.

We in the United States are fortunate to have such a dynamic and productive relationship with TJPA and May Liang as its President.

My visit to the Expo show floor today was a wonderful experience. Congratulations to everyone associated with China Kids Expo and China Toy Expo – you are building one of the most exciting trade fairs in the world.

The toy industry is dynamic and contributes much to our economies and our societies. However, these are uncertain times for the business of toys also with significant political headwinds. On behalf of the United States Toy Association and our member companies, there are three thoughts I want to share with you this evening:

First, that we appreciate, respect and recognize the importance of our manufacturing partners and their workers in China;

Second, that our members believe trade wars and tariffs are the wrong approach. They bring uncertainty and unexpected negative impacts; and,

Finally, counterfeit toys, and those who make and facilitate sales of counterfeit products, pose a significant safety risk to children and therefore tarnish our entire industry.

We recognize the essential nature of our factory and manufacturing partners in China – over the past several decades, thousands of toy factories and millions of toy workers have helped to build a vibrant industry marked by quality products, a commitment to meeting and exceeding safety and regulatory standards, have added a spirit of innovation that has made products better, and demonstrated true collaboration and partnership.

Foremost, we support factories with programs to improve the welfare of their employees. Those following standards to support the rights and well-being of factory workers: Programs like the ICTI Ethical Toy Program and those that go far beyond a simple audit.

Unfortunately, against that backdrop of a successful long-term relationship – our making and selling toys together -- we see the negative effects of the trade war between the United States and China. These include...



- Uncertainty and an inability for companies to plan for the future
- A direct negative impact on toy factories, your revenue, your workers, and an increase in the amount of less expensive counterfeit toys on the market
- A direct negative impact on toy companies – with rising costs, risks for some of going out of business, or those seeking mergers and acquisitions to survive
- To be clear, we believe a tariff is nothing more than a tax on toys. A tax that is bad for families and bad for children and is being paid for by Chinese factories, American companies and American families.

Unquestionably, there are real issues in intellectual property protection, technology and beyond that exist between our nations that do deserve focus, attention and thoughtful, decisive actions... however for those of us in toys and children's products, we see a trade war as the wrong approach. At home, the U.S. Toy Association and our members have been continually advocating in Washington, DC with lawmakers and Administration officials and also aggressively pushing back against the threat of tariffs through America's media.

Finally, counterfeits and those who manufacture, distribute and sell counterfeits, knockoffs, fakes – or whatever they may be called – do not follow the rules that the rest of us must follow! I submit to you that ignoring regulatory guidelines, avoiding safety testing and putting violative products into the hands of children is more than wrongdoing. It's a violation of the basic rights of a child to be protected from harm.

Ecommerce sites far too often have fueled the spread of counterfeit, knockoff and rogue products being sold around the world. It's time for them to more fully accept their role putting low price and profits aside when the tradeoff is protecting the child.

Collectively, we must all work together to stop this. To stop those who place the health and safety of children at risk. Those who also risk the reputation and future of the toy industry here in China and in nations across the globe.

I call on – I implore -- all here at this wonderful dinner tonight to do whatever you can to stop rouge toy factories operating outside the accepted system and stop the sellers of products that violate copyrights, are not safety tested, may be harmful to the children that all of us exist to serve.

As I've said, China is a trusted and invaluable partner to the global toy community and to the United States, important as a trading partner and as a place to do business as your nation of families continues to be more prosperous.

We in this room tonight share many things in common. A love of children. An appreciation for the joy that toys bring to a child. Knowledge that play is an essential part of healthy childhood development. That parents want their children to be happy, safe and grow up healthy with bright futures. And, certainly, our own joy in working in the business of toys and juvenile products.

Therefore, we must place children first, demand that others do the same, and each of us make an absolute commitment to protecting children's safety at play.

It's not enough to respect and support toy factories and their workers.

Not enough to build a positive and productive business relationship over the course of decades.



It's not enough to fight against the harms of toy tariffs and trade wars.

All of that is rendered meaningless unless we can assure the safety and compliance of toy products in the hands of children. There are no exceptions.

Let me close by again expressing my deep gratitude to May Liang and TJPA for inviting me to Shanghai. And, to each of you for your fine and important work in the toy, licensing and juvenile products industries and for taking a moment to listen to my message tonight.

Xie Xie. Wǎn'ān.