

**Request for Comments on the Section 301 Investigation Regarding
Vietnam's Identification as a Priority Foreign Country
[due July 2, 2026]**

1. Please provide information on other acts, policies, and practices of Vietnam related to the denial of adequate and effective protection of IP rights and the denial of fair and equitable market access to persons that rely on IP protection.

The U.S. toy industry is innovation- and brand-driven. Accordingly, it depends on robust IP protection to sustain its continued investment in safe, high-quality, U.S.-designed products. The Toy Association has consistently supported strong IP enforcement against counterfeit and infringing toys in the global market, and shares USTR's commitment to strengthening IP protection worldwide.

That said, The Toy Association's members have not identified Vietnam as a meaningful source of the intellectual property concerns USTR identifies in its Notice. The Toy Association is not aware of any meaningful pattern of counterfeit production, trademark or trade dress infringement, copyright piracy, or patent infringement in Vietnam that burdens or restricts the U.S. toy industry, nor have members reported issues in Vietnam tied to the five grounds identified in the Notice (online piracy, counterfeiting, border enforcement, unlicensed software use, or cable and satellite signal theft).

To the contrary, Vietnam has emerged in recent years as an important and growing diversification partner for the U.S. toy industry, including for companies that have invested in qualifying Vietnamese suppliers capable of upholding the industry's rigorous safety, quality, and ethical sourcing standards.

2. Please discuss whether the acts, policies, and practices of Vietnam are unreasonable or discriminatory.

The Toy Association is not positioned to speak to the experience of other industry sectors with respect to Vietnam's acts, policies, and practices related to intellectual property protection and enforcement. Within the U.S. toy industry, however, The Toy Association's members have not encountered acts, policies, or practices in Vietnam that they have identified as unreasonable or discriminatory in a manner that burdens or restricts the U.S. toy industry. Specifically, The Toy Association's members have not reported a meaningful pattern of counterfeit production, trademark or trade dress infringement, copyright piracy, or patent infringement in Vietnam, nor have they reported any of the issues tied to the five grounds identified in the Notice.

To the contrary, Vietnam has emerged as an important and growing diversification partner for the U.S. toy industry. Indeed, many of the Toy Association members that source from Vietnam also participate in Customs and Border Protection's ("CBP") Customs Trade Partnership Against Terrorism ("CTPAT") program. CTPAT participants must vet, audit, and certify their Vietnamese manufacturing partners against CBP's Minimum Security Criteria, which cover cybersecurity, personnel, and supply-chain integrity and, accordingly, address IP-related risks among other concerns.

3. Please discuss whether the acts, policies, and practices of Vietnam burden or restrict U.S. commerce, and if so, the nature and level of burden or restriction on U.S. commerce.

The Toy Association is not aware of any meaningful pattern of counterfeit production, trademark or trade dress infringement, copyright piracy, or patent infringement in Vietnam that burdens or restricts the U.S. toy industry. To the contrary, Vietnam has emerged in recent years as an important and growing diversification partner for the U.S. toy industry, supporting the industry's ongoing efforts to develop alternative sourcing relationships outside of China.

4. Please discuss whether the acts, policies, and practices of Vietnam are actionable under section 301(b) of the Trade Act, and what action, if any, should be taken, including tariff and non-tariff actions.

The Toy Association is not positioned to comment on whether Vietnam's acts, policies, and practices related to intellectual property protection and enforcement are actionable under Section 301(b) of the Trade Act. Nevertheless, The Toy Association respectfully urges USTR to carefully consider the consequences of broad tariff-based remedies on Vietnamese goods, including toys, as USTR considers what action, if any, to take in response to this investigation.

Additional Section 301 duties on Vietnamese toys would not be practicable or effective in obtaining the elimination of the acts, policies, and practices under investigation, for two reasons.

First, tariffs on imports of toys from Vietnam would not meaningfully address the IP-related practices that are the subject of this investigation, because The Toy Association is not aware of any significant pattern of counterfeit production, trademark infringement, copyright piracy, or patent infringement in Vietnam that burdens or restricts the U.S. toy industry.

Second, despite the importance of toys to American families and to the U.S. producers that make up The Toy Association's membership, toys are a relatively modest share of U.S. trade with Vietnam, and the leverage that tariffs on this consumer-goods sector could exert on Vietnam's IP policy decisions is correspondingly limited.

A more effective approach, and one consistent with the goals of this investigation, would be continued bilateral and multilateral engagement with Vietnam through the IP-focused channels Congress and USTR have specifically designed for that purpose. Targeted, rules-based engagement offers a more sustainable path to addressing the IP-related practices identified in the Notice than across-the-board tariffs on imports of toys from Vietnam.

To the extent that USTR determines that tariffs are an appropriate response, The Toy Association respectfully submits that USTR should exclude toys from their scope. Broad tariffs on Vietnamese toys would impose substantial costs that fall most heavily on American children and their families. Toy purchases are highly sensitive to price in a way that many other consumer goods are not, and additional duties translate directly into higher shelf prices. Those increases would fall most heavily on families with less discretionary income—precisely the families for whom affordable, developmentally beneficial play is most important—limiting accessibility for underserved and budget-conscious households and potentially leading parents to forgo purchases altogether, with corresponding reductions in children's access to the cognitive, social, and

physical developmental benefits that play provides. Higher prices on compliant, brand-name toys would also push consumers toward lower-cost alternatives, including unbranded, non-compliant, and counterfeit toys sold by illicit online sellers and shipped directly from third countries via e-commerce platforms—products that often do not meet U.S. toy safety standards and that are not principally sourced from Vietnam.

Broad tariffs on Vietnamese toys would also undermine the U.S. toy industry’s ongoing efforts to diversify supply chains away from China, which the Administration has actively encouraged. Vietnam is among a small set of countries—alongside Mexico, India, Indonesia, Thailand, Malaysia and, where it can be done competitively, the United States—to which the U.S. toy industry has actively expanded production, and it has emerged in recent years as an important and growing diversification partner. Since 2017, U.S. toy imports from China have fallen from 87 percent to approximately 76 percent, a shift that reflects, in part, the industry’s investment in Vietnamese and other non-China supplier networks. Imposing additional Section 301 duties on Vietnamese toys would penalize those investments and adversely affect the small- and medium-sized businesses that comprise 96 percent of The Toy Association’s membership and that have the least flexibility to absorb sudden cost increases or qualify new suppliers on short notice.

For these reasons, The Toy Association respectfully urges USTR to prioritize non-tariff responses to the practices identified in the Notice—including continued bilateral and multilateral engagement with Vietnam. To the extent USTR nevertheless determines that tariff measures are warranted, The Toy Association respectfully requests that USTR refrain from imposing additional duties on goods classified under the following HTS subheadings: 3213.00.00; 3213.10.00; 3213.90.00; 3407.00.20; 3407.00.40; 4901.99.00; 9503.00.00; 9504.40.00; 9504.90.40; 9504.90.60; 9504.90.90; 9505.90.40; 9505.90.60; and 9609.00.00.

5. Enter general comments or click “next” to proceed to upload attachments.

The Toy Association welcomes the opportunity to provide comments on Vietnam’s Acts, Policies, and Practices Related to Intellectual Property Protection and Enforcement. The U.S. toy industry is innovation- and brand-driven, depends on robust IP protection, and has consistently supported effective IP enforcement against counterfeit and infringing toys in the global market. As such, the Toy Association commends USTR for its continued focus on strengthening the protection and enforcement of intellectual property rights around the world.