

**Statement by Mattel, Inc. to the
House Ways and Means Committee Supporting
the Duty Suspension Bill for
Certain Bags for Toys (H.R. 4455)**

June 22, 2012

This statement is submitted by Mattel, Inc. in connection with the Ways and Means Committee's request for public comment regarding certain miscellaneous tariff measures introduced in the House of Representatives during the 112th Congress. Mattel wishes to express its strong support for H.R. 4455, introduced by Rep. Brian Higgins (NY) on April 19, which would extend the existing duty suspension on certain bags for toys.

Headquartered in El Segundo, California, Mattel is the world's largest toy company with 2011 sales of \$6.3 billion in over 150 countries. Mattel has 28,000 employees worldwide, with the crucial U.S. component of that workforce including 5,500 employees.

At the urging of the U.S. toy industry, the U.S. government agreed to eliminate U.S. tariffs on all toys as part of a multilateral "zero-for-zero" sectoral agreement in the Uruguay Round of WTO trade negotiations. However, for various technical reasons, U.S. Customs and Border Protection has classified certain toy-related articles of significant interest to Mattel and other U.S. toy companies in dutiable non-toy HTS subheadings. The subject containers for toys are one such article, and H.R. 4455 would correct that anomaly by providing the duty-free status these articles normally would have as toys.

The existing duty suspension provision (HTS 9902.01.78) that would be extended by H.R. 4455 was narrowly drafted to ensure that only toy-related articles qualify for the duty suspension. It covers bags of a type classified under HTS 4202.92.45, typically clear plastic backpacks or tote bags, for carrying or holding toys. Significantly, the provision requires that the bags be imported and sold with the toys already in the bag.

This duty suspension provision on toy bags has been in effect since first enacted by Congress in 2004. There has been no opposition to the provision.