

Toy Companies Sued for Importing Defective Products

Article By:

Mintz

Last week, the U.S. Department of Justice (“DOJ”) [filed suit](#) in federal court against four California companies and six individuals for importing products that violate the Federal Hazardous Substances Act (“FHSA”) and the Consumer Product Safety Act (“CPSA”). The individuals and companies — **Toy Distribution, Inc., S&J Merchandise, Inc., BLJ Apparel, Inc. and All Season Sales, Inc.** — are accused of importing children’s products, such as dolls, toy musical instruments and toy cars, with high levels of lead, banned plasticizers known as phthalates, and small parts. This development comes as no surprise to those of us in the product safety industry. The DOJ, and CPSC, with the full cooperation of U.S. Customs and Border Protection (CBP), have intensified their efforts in recent years to identify violative products at U.S. ports of entry and hold repeat and/or egregious offenders accountable.

According to the government, the lawsuit was filed after the CPSC determined through an investigation that the named companies were importing and selling tainted products. The Complaint alleges that:

- since 2008, 61 of 66 product samples taken from Toy Distribution Inc.’s import shipments were in violation of CPSC regulations;
- since 2010, 17 of 18 product samples taken from S&J Merchandise’s import shipments were in violation;
- since 2012, 4 of 4 product samples taken from BLJ Apparel, Inc.’s import shipments were in violation; and
- since 2013, 12 of 12 product samples taken from All Season Sales, Inc. were in violation.

The individuals sued along with the company co-defendants were the owners and/or managers of the businesses. The DOJ has asked the Court to issue an injunction enjoining the six individuals and four companies from importing and selling their products. Three of the companies, S&J Merchandise, BLJ Apparel, Inc. and All Season Sales, Inc., as well as two of the individual defendants, have agreed to settle the litigation and be bound by a consent decree that enjoins them from committing further violations of the FHSA and CPSA. The litigation against the other defendants will continue.

This enforcement action should serve as a reminder to all of us that the CPSC and CBP continue to increase their screening of imports of consumer goods at the ports – particularly children’s products. At the end of last year, the CPSC reported that it had identified 680 shipments containing violative or

defective products totaling 6.1 million units in the first half of 2013. This number should continue to increase. The President's budget for FY 2015 supports the CPSC's effort to expand its import surveillance program nationally and proposes that an import surveillance user fee be enacted to offset the cost of the program.

Additionally, companies must make sure before import and distribution that their products comply with federal (and any applicable state) product safety laws and regulations, including the lead substrate limit for children's products (100 ppm), lead paint limit in children's products and household furniture (90 ppm), ban on certain phthalates in children's toys and child care articles, and ban on small parts for products intended for children under 3 years of age.

©1994-2025 Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C. All Rights Reserved.

National Law Review, Volume IV, Number 65

Source URL: <https://natlawreview.com/article/toy-companies-sued-importing-defective-products>