

**Statement by Mattel, Inc. to the
Senate Finance Committee Supporting
the Duty Suspension Bill for
Certain Bags for Toys (S. 2236)**

December 4, 2009

This statement is submitted by Mattel, Inc. in connection with the Finance Committee's November 2, 2009 request for public comment regarding certain miscellaneous tariff measures introduced in the Senate during the 111th Congress. Mattel wishes to express its strong support for S. 2236, introduced by Sen. Dianne Feinstein on October 29, 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 2008 sales of \$5.9 billion in over 150 countries. Mattel has 30,000 employees worldwide, with the crucial U.S. component of that workforce including 6,000 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 S. 2236 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 S. 2236 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 backpack- or lunchbox-type 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.

We appreciate this opportunity to share Mattel's views with the Finance Committee. Please feel free to contact us if Committee staff have any questions regarding our position on this bill.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'C. Murat', written in a cursive style.

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