

Dated: June 7, 2001.

**Wanda L. Cain,**

*Acting Deputy Director, Office of Protected Resources.*

[FR Doc. 01-15060 Filed 6-13-01; 8:45 am]

BILLING CODE 3510-22-S

## CONSUMER PRODUCT SAFETY COMMISSION

[CPSC Docket No. 01-C0008]

### Fisher-Price, Inc., a Corporation Provisional Acceptance of a Settlement Agreement and Order

**AGENCY:** Consumer Product Safety Commission.

**ACTION:** Notice.

**SUMMARY:** It is the policy of the Commission to publish settlements which it provisionally accepts under the Consumer Product Safety Act in the **Federal Register** in accordance with the terms of 16 CFR 1118.20(e). Published below is a provisionally-accepted Settlement Agreement with Fisher-Price, Inc., a corporation containing a civil penalty of \$1,100,000.

**DATES:** Any interested person may ask the Commission not to accept this agreement or otherwise comment on its contents by filing a written request with the Office of the Secretary by June 29, 2001.

**ADDRESSES:** Persons wishing to comment on this Settlement Agreement should send written comments to the Comment 01-C0008, Office of the Secretary, Consumer Product Safety Commission, Washington, DC 20207.

**FOR FURTHER INFORMATION CONTACT:** Roald G. Yelenik, Trial Attorney, Office of Compliance and Enforcement, Consumer Product Safety Commission, Washington, DC 20207; telephone (301) 504-0626, 1351.

**SUPPLEMENTARY INFORMATION:** The text of the Agreement and Order appears below.

Dated: June 7, 2001.

**Todd A. Stevenson,**

*Acting Secretary.*

### Settlement Agreement and Order

1. This Settlement Agreement, made by and between the staff ("the staff") of the U.S. Consumer Product Safety Commission (the "Commission") and Fisher-Price, Inc. ("Fisher-Price" or "Respondent"), a corporation, in accordance with 16 CFR 1118.20 of the Commission's Procedures for Investigations, Inspections, and Inquiries under the Consumer Product Safety Act ("CPSA"), is a settlement of the staff allegations set forth below.

### The Parties

2. The Commission is an independent federal regulatory agency responsible for the enforcement of the Consumer Product Safety Act, 15 U.S.C. 2051-2084.

3. Respondent is a corporation organized and existing under the laws of the State of Delaware with its principal corporate offices located in East Aurora, N.Y. Fisher-Price designs and distributes toys and juvenile products. In May 1994, the parent corporation of Fisher-Price acquired Kransco, the manufacturer of "Power Wheels" ride-on cars and trucks. Subsequently, Fisher-Price designed, marketed and distributed "Power Wheels" ride on cars and trucks.

### Staff Allegations

4. Between 1994 and October 1998, Fisher-Price distributed nationwide, and prior to that time, Kransco manufactured and sold nationwide, a total of approximately 10 million battery-powered Super 6 and 12-volt "Power Wheels" ride-on toy cars and trucks (the "vehicle(s)") in nearly 100 different models. These vehicles are intended for children two to seven years old.

5. The vehicles are "consumer product(s)" and Respondent is a "distributor" of "consumer product(s)," which were "distributed in commerce" as those terms are defined in sections 3(a)(1), (5), (11) and (12) of the CPSA, 15 U.S.C. 2052(a)(1), (5), (11) and (12).

6. The vehicles are defective because their electrical components can overheat, melt, short circuit, or otherwise fail and thereby cause fires. If this should occur, children and other consumers could suffer serious injuries or death. Additionally, wiring problems can prevent the vehicles from stopping, thereby creating the potential for collisions that could cause serious injury or death.

7. Between early 1995 and July 1998, Respondent received reports of more than 116 fires involving the vehicles and reports of more than 1,800 incidents of the vehicles' electrical components overheating, short-circuiting, melting or failing. This resulted in at least nine minor burn injuries to children, and up to \$300,000 in property damage to 22 houses and garages. Moreover, Fisher-Price was aware of at least 71 incidents involving the products' failure to stop, resulting in six minor injuries when the vehicles hit a car, truck, pole, window or fence.

8. Despite being aware of the information set forth in paragraphs 6 and 7 above, Fisher-Price did not

provide a written report to the Commission until March 1997, when it partially responded to the Commission staff's February 1997 request for a Full Report. However, Respondent did not fully comply with the staff's investigational requests until July 1998.

9. Although Respondent had obtained sufficient information to reasonably support the conclusion that these vehicles contained defects which could create a substantial product hazard, or created an unreasonable risk of serious injury or death, it failed to report such information to the Commission as required by section 15(b) of the CPSA. By failing to report, Fisher-Price violated section 19(a)(4) of the CPSA, 15 U.S.C. 2068(a)(4).

10. Respondent committed this failure to report to the Commission "knowingly", as the term "knowingly" is defined in section 20(d) of the CPSA, 15 U.S.C. 2069(d), and Respondent is subject to civil penalties under section 20 of the CPSA.

### Response of Fisher-Price

11. Respondent denies that the vehicles contain defects which could create a substantial product hazard pursuant to section 15(a) of the CPSA, 15 U.S.C. 2064(a).

12. Respondent denies that it violated the reporting requirements of section 15(b) of the CPSA, 15 U.S.C. 2064(b).

13. Respondent denies that the information available to it reasonably supported the conclusion that the vehicles contained a defect which could create a substantial product hazard or created an unreasonable risk of serious injury or death, and, therefore, no report was required under section 15(b) of the CPSA, 15 U.S.C. 2064(b).

14. Notwithstanding its denial that the vehicles contain a defect which could create a substantial product hazard, and notwithstanding its denial that the vehicles create an unreasonable risk of serious injury or death, Respondent, nevertheless, cooperated with the staff in recalling the products.

15. Respondent agrees to this Settlement Agreement and Order solely to avoid incurring additional legal costs and it does not constitute nor is it evidence of an admission of any fault, any liability, any violation of any law, or any wrongdoing by Respondent.

16. Respondent enters into this Agreement solely to settle the allegations of the staff that a civil penalty is appropriate.

### Agreement of the Parties

17. The Commission has jurisdiction over this matter and over Fisher-Price under the CPSA, 15 U.S.C. 2051-2084.

18. Respondent agrees to pay to the order of the U.S. Treasury a civil penalty in the amount of one million, one hundred thousand dollars (\$1,100,000), in settlement of this matter. The first payment in the amount of \$366,666.66 shall be made within twenty (20) calendar days of receiving service of the final Settlement Agreement and Order. The second payment in the amount of \$366,666.67 shall be made within six months of the date the first payment is due. A final payment in the amount of \$366,666.68 shall be made within one calendar year of the date the first payment is due. If Fisher-Price fails to make a payment on schedule, the unpaid balance of the entire civil penalty shall be due and payable, and interest on the outstanding balance shall accrue and be paid at the federal legal rate of interest under the provisions of 28 U.S.C. 1961 (a) and (b) from the date payment was due.

19. This Settlement Agreement and Order is entered into for settlement purposes only and does not constitute findings by the Commission or an admission of any fault, any liability, any violation of any law, or any wrongdoing by Respondent.

20. Fisher-Price knowingly, voluntarily and completely waives any rights it may have in the above captioned case (i) to the issuance of a Complaint in this matter; (ii) to an administrative or judicial hearing with respect to the staff's allegations cited herein; (iii) to judicial review or other challenge or contest of the validity of the Settlement Agreement or the Commission's Order; (iv) to a determination by the Commission as to whether a violation of Section 15(b) of the CPSA, has occurred; (v) to a statement of findings of fact and conclusions of law with regard to the staff's allegations; and (vi) to any claims under the Equal Access to Justice Act.

21. Upon provisional acceptance of this Settlement Agreement and Order by the Commission, the Commission shall place this Settlement Agreement and Order on the public record and shall publish it in the **Federal Register** in accordance with the procedure set forth in 16 CFR 1118.20(e). If the Commission does not receive any written requests not to accept the Settlement Agreement and Order within 15 days, the Settlement Agreement and Order shall be deemed finally accepted on the 16th day after the date it is published in the **Federal Register**, in accordance with 16 CFR 1118.20(f).

22. This Settlement Agreement and Order becomes effective after its final acceptance by the Commission and service upon Respondent.

23. Upon final acceptance of this Settlement Agreement by the Commission, the Commission may publicize the terms of the Settlement Agreement and Order.

24. Respondent agrees to the entry of the attached Order, which is incorporated herein by reference, and agrees to be bound by its terms.

25. This Settlement Agreement and Order is being upon Fisher-Price, its parent, its parent's subsidiaries and each of their successors or assigns with respect to Power Wheels.

26. This Settlement Agreement and Order releases Fisher-Price, its parent and its parent's subsidiaries and each of their successors and assigns, from any liability to the Commission under section 20 of the CPSA for a civil penalty arising from the allegations in paragraphs 4 through 10.

27. Nothing in this Settlement Agreement and Order shall be construed to preclude the Commission from pursuing corrective action or other relief not described above.

28. If, after the effective date hereof, any provision of this Settlement Agreement and Order is held to be illegal, invalid, or unenforceable under present or future laws effective during the terms of the Settlement Agreement and Order, such provision shall be fully severable. The rest of the Settlement agreement and Order shall remain in full effect, unless the Commission and Fisher-Price determine that severing the provision materially impacts the purpose of the Settlement Agreement and Order.

29. This Settlement Agreement and Order shall not be waived, changed, amended, modified, or otherwise altered, except in writing executed by the party against whom such amendment, modification, alteration, or waiver is sought to be enforced, and approved by the Commission.

30. This Settlement Agreement may be used in interpreting the Order. Agreements, understandings, representations, or interpretations made outside of this Settlement Agreement and Order may not be used to vary or to contradict its terms.

Dated: May 29, 2001.

Fisher-Price, Inc.

Neil Friedman,

*President & Chief Executive Officer.*

The Consumer Product Safety Commission

Alan H. Schoem,

*Assistant Executive Director, Office of Compliance.*

Eric L. Stone,

*Legal Division, Office of Compliance.*

Dated: May 30, 2001.

Ronald G. Yelenk,

*Trial Attorney, Legal Division, Office of Compliance.*

#### Order

Upon consideration of the Settlement Agreement between Respondent Fisher-Price, Inc., a corporation, and the staff of the Consumer Product Safety Commission, and the Commission having jurisdiction over the subject matter and over Fisher-Price, Inc., and it appearing the Settlement Agreement is in the public interest, it is

*Ordered*, that the Settlement Agreement be, and hereby is, accepted, and it is

*Further Ordered*, that Fisher-Price, Inc. shall pay to the order of the U.S. Treasury a civil penalty in the amount of one million, one hundred thousand dollars (\$1,100,000), payable as follows: \$366,666.66 within twenty (20) calendar days after service of this Final Order upon Fisher-Price, Inc.; \$366.66.67 within six months of the date the first payment is due; and \$366,666.68 within one calendar year of the date the first payment is due.

Upon failing to make a payment on schedule, the unpaid balance of the entire civil penalty shall be due and payable, and interest on the outstanding balance shall accrue and be paid at the federal legal rate of interest under the provisions of 28 U.S.C. 1961 (a) and (b) from the date payment was due.

Provisionally accepted and Provisional Order issued on the 7th day of June, 2001.

By Order of the Commission.

Todd A. Stevenson,

*Consumer Product Safety Commission.*

[FR Doc. 01-14927 Filed 6-13-01; 8:45 am]

**BILLING CODE 6355-01-M**

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## DEPARTMENT OF DEFENSE

### Office of the Secretary

#### Submission for OMB Review; Comment Request

**ACTION:** Notice.

The Department of Defense has submitted to OMB for clearance, the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

*Title, Form, and OMB Number:* Military Critical Technical Data Agreement; DD Form 2345; OMB Number 0704-0207.

*Type of Request:* Extension.

*Number of Respondents:* 6,000.

*Responses per Respondent:* 1.

*Annual Responses:* 6,000.

*Average Burden per Response:* 20 Minutes.