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## Toys 'R' Us, Mattel Phase Out Cadmium Batteries

By JANE SPENCER February 19, 2008; Page B4

HONG KONG -- Two of the largest U.S. toy companies, Toys "R" Us Inc. and <u>Mattel</u> Inc., said they will phase out nickel-cadmium batteries, a technology associated with widespread environmental contamination and health problems in China.

The move comes as toy makers are scrambling to rid their products of toxins, after a wave of recalls last year triggered panic about the safety of Chinese-made toys. The bans on cadmium batteries are a sign the industry's safety concerns are beginning to extend to workers in China, where the vast majority of the world's toys are made.

Cadmium batteries, commonly found in remote-control toys, pose no health risks to children who play with the toys. But the batteries have been a target of environmentalists and workersrights groups, because they contain cadmium, a toxic heavy metal that can cause kidney failure, lung cancer and bone disease.

Hundreds of factory workers in China have been exposed to unsafe levels of cadmium, and runoff from China's cadmium-battery factories has polluted the soil and water. The health and environmental consequences of nickel-cadmium batteries were the subject of a page-one article in The Wall Street Journal last month.

The Toys "R" Us announcement is part of a wave of new safety initiatives the company is taking as it aims to reassure parents about the safety of its products. In addition to the battery phaseout, the company announced stricter rules on lead content in toy-surface coatings and tighter rules on phthalates, a vinyl additive.

U.S. toy makers and retailers are racing to get ahead of proposed legislation that could tighten toy-industry regulation after last year's recalls.

There are cleaner alternatives to nickel-cadmium batteries, including nickel-metal hydride batteries. But nickel-cadmium batteries are still used in the U.S. because they are the cheapest ones available.

Mattel said over the weekend that it is no longer using nickel-cadmium batteries in its new products, and consumers will see the change when the company's fall products are released. Retailer Toys "R" Us announced last week that it would prohibit the use of cadmium batteries in all toys made exclusively for Toys "R" Us, and would complete the phaseout by year end. The company didn't say it would ban toys made by other companies that use the batteries.

Last month, the Journal profiled Wang Fengping, a 45-year-old Chinese engineer who is suffering from severe kidney failure after working for years in a factory that produced nickel-cadmium batteries for companies including Toys "R" Us, Mattel and Wal-Mart Stores Inc.

The company at which she worked, GP Batteries International Ltd., a Singapore-listed unit of Hong Kong-listed Gold Peak Industries (Holdings) Ltd., ceased production of nickel-cadmium batteries in 2004.

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