



Playskool Travel-Lite Crib (Part C)

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Description

Part C of the Playskool Travel-Lite Crib case considers the numerous issues surrounding the succession of the company to Sanfred Koltun's son Thomas and details Travel-Lite deaths that occurred during and after the recall. The case ends with Thomas Koltun facing a major lawsuit, public relations challenges, maneuverings by Hasbro to separate itself from the product's liabilities, and the possibility that Travel-Lites are still in use by the public.

Body

In the early 1990s, Thomas Koltun was being groomed to take over Kolcraft Enterprises, his father's Chicago-based company. A manufacturer of juvenile products, Kolcraft had been started by Thomas' grandfather in 1942, and had grown to become the seventh largest company in the industry, with several hundred employees and annual revenues above \$30 million. E. Marla Felcher, *It's No Accident: How Corporations Sell Dangerous Baby Products*, Common Courage Press, 2001, p. 83. After completing his MBA at the Kellogg School of Management at Northwestern University, Thomas had worked for three years in New York as a product manager with Colgate-Palmolive. He joined Kolcraft in 1990 as director of marketing, and in 1994 was named vice president of marketing.

When Koltun joined the company, his father Sanfred, CEO of Kolcraft, had recently entered into a licensing agreement with Rhode Island-based Hasbro, which would

allow Kolcraft the use of Hasbro's Playskool brand name. Under the agreement, Kolcraft would manufacture and distribute mattresses, playpens, car seats, and a new product, a portable crib, which came to be called the Playskool Travel-Lite.

Kolcraft had initially been optimistic about the crib, introduced in January 1990. The company believed that the well-known Playskool name would bring consumer attention to the product. They also believed that the portability of the crib — it could fit into the trunk of a car — would provide a useful solution in various situations parents could encounter. But the crib did not sell well, and by April 1992, when it stopped shipping, only about 11,600 of the cribs, models 77101 and 77103, had been sold.

In March 1993, the Travel-Lite was recalled by the Consumer Product Safety Commission (CPSC). Three infants had been strangled in the cribs when its top rails collapsed, and the agency determined that the crib posed "a substantial risk of injury to children as defined by section 15 (a) of the Federal Hazardous Substances Act (FHSA), 15 U.S.C. § 2064 (a)." Linda Ginzel, as independent administrator of the estate of Daniel Keysar, deceased, and on behalf of Boaz Keysar, Ely Keysar, and Linda Ginzel, next of kin, plaintiff, v. Kolcraft Enterprises, Inc., a Delaware Corporation, and Hasbro, Inc., a Rhode Island Corporation, defendants, #98L7063, Circuit Court of Cook County, County Department, Law Division. From appendix, tab 7. Kolcraft conducted a recall by sending posters to pediatricians and retailers, and the CPSC issued press releases to the media. The company offered a \$60 bounty to consumers who returned the cribs, which had been sold at retail usually for \$89.

Thomas Koltun had assisted with the company's trade catalog presentation of the Travel-Lite in 1991, but had otherwise not been much involved in its marketing or licensing. He believed that the failure of the Travel-Lite in the marketplace arose from strong competition from other manufacturers' cribs, which were several pounds lighter. Regardless, by the time the decision came to stop making the Travel-Lite, he was already looking past the product toward the company's future. "I was involved somewhat," he put it simply. "The product wasn't selling, so it was time to move on to another product." Deposition of Thomas Koltun, 5/31/2000, p. 8.

Further Travel-Lite History

On July 12, 1995, while the recall of the Travel-Lite was still active, a ten-month-old boy in Indianapolis was strangled in the “V” of his collapsed Travel-Lite. He was the fourth known victim of the crib. By June 1996, of the 11,600 sold, 2,736 Travel-Lites could be accounted for. Noting that the returns had stopped, and that there had been no recent injury or death reports, the CPSC closed its case. The status of 76 percent of the cribs remained unknown. Mitch Lipka, “Deaths of six babies expose fatal flaws of system,” Sun-Sentinel, South Florida, November 28-30, 1999.

Kids In Danger — And a Lawsuit

In mid-1995, a Travel-Lite crib found its way into a childcare home in Chicago—the third owner of that particular Travel-Lite. The provider set up, used, and took down the crib each day she was open for business, from the time she received it until May 1998. During naptime on May 12, 1998, 16-month-old Danny Keysar was found unconscious in the “V” of his Travel-Lite. He was rushed to the emergency room but could not be revived. He was the fifth reported death in a Travel-Lite.

Danny Keysar was the son of Linda Ginzel and Boaz Keysar, both professors at the University of Chicago. At first, Danny’s death seemed to his parents to be a freak accident, a cruel tragedy with no explanation. But through news reports and the investigations of friends, Ginzel and Keysar learned that four children had previously been killed in Travel-Lite cribs. They also learned that the crib had been recalled five years earlier.

Ginzel and Keysar felt they had to take action, and created a nonprofit organization, Kids In Danger (KID), whose mission would be to promote the development of safer children’s products, advocate for legislative and regulatory strategy for children’s product safety, and educate the public, especially parents and caregivers, about dangerous children’s products. The organization started a Web site, www.KidsInDanger.org, and their efforts to bring the tragedy into the open resulted in substantial press attention.

On May 14, 1998, Thomas Koltun — now president of Kolcraft — drafted his company’s public response to the death of Danny Keysar, noting that he was “deeply saddened” by the tragedy. Kolcraft, he wrote, had “always been concerned with the safety of children.” T. Koltun, p. 56.

Later that month, Koltun received a phone call from Malcolm Denniss, Deposition of Malcolm Denniss, 8/27/1999, pp. 45-47. a Hasbro executive who has been called the company's "safety czar." Though the licensing agreement was no longer in effect, Kolcraft and Hasbro still communicated on matters related to the Travel-Lite. Denniss inquired about Kolcraft's activities in relation to the recent events, and Koltun described the press release he was drafting, with help from a public relations firm. Koltun agreed that he would keep Denniss informed of Kolcraft's actions. Denniss, pp. 47-48.

On June 18, 1998 — the same day the CPSC issued a press release headlined, "CPSC Urges Search for Previously Recalled Portable Cribs and Play Yards" — Linda Ginzel and Boaz Keysar filed suit against Kolcraft and Hasbro, seeking damages for their negligence in bringing the Travel-Lite to market. The suit alleged that not only was the product unreasonably dangerous, but that Kolcraft and Hasbro had failed to properly warn the public about its danger. Hasbro was also responsible, Ginzel and Keysar contended, because by receiving licensing fees and allowing its Playskool brand name to be used prominently on the product, it was, to the public, the "apparent manufacturer" of the product. Case materials from #98L7063.

News of the lawsuit was featured on the Reuters and UPI newswires, and received national press coverage. The *Chicago Tribune* ran a short feature story, including a photo of the Travel-Lite that had killed Danny Keysar, shown in the collapsed position by Dan Webb, one of the plaintiff's co-counsels and a former U.S. attorney. Jon Bigness, "Suit filed over faulty playpen," *Chicago Tribune*, June 19, 1998.

Hasbro filed a motion to have itself removed from the lawsuit, contending that the responsibility was solely Kolcraft's, and referred calls regarding the Travel-Lite case to Kolcraft. Mitch Lipka, *ibid*.

On August 19, 1998, a ten-month-old New Jersey boy was found dead, strangled in the "V" of his Travel-Lite. He was the sixth victim.

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