December 2017

Welcome to the December edition of the Alston & Bird CPSC Recall Snapshot.

The CPSC made a rare appearance in *The New York Times* this month as President Trump's nominee to head the agency, Acting Chairman Ann Marie Buerkle, was criticized for being "too close to industry." It was claimed that Commissioner Buerkle has rarely voted in favor of a mandatory recall, a maximum fine, or a more stringent safety standard. The article also cited Acting Chairman Buerkle's hiring of Patricia Hanz, formerly assistant general counsel for Briggs & Stratton Corp. And Commissioner Buerkle herself has explained that she hopes the commission can do a better job of working with all stakeholders to advance the CPSC's mission. But she has defended this philosophy: "Not only do I think consensus standards are more effective, easier to change and to implement, but it's also what Congress had directed us to do in the statutes." It seems unlikely these views or her purported ties with businesses will prevent her confirmation as the CPSC's next chairman.

Acting Chairman Buerkle's nomination to serve as the chairman comes at a time when product recalls have continued to rise. Be on the lookout next month for our yearly *CPSC Recall Snapshot Year in Review* for a summary of the number of recalls and the number of recalled products over the last few years. In the meantime, a report by Allianz Global Corporate & Specialty (AGCS), <u>Product Recall: Managing the Impact of the New Risk Landscape</u>, explains that while recall frequency changes year-by-year and industry-by-industry, there has been an overall increase over time. The AGCS report, which analyzes product recalls worldwide, stated that product recall losses are a major contributor to product-related risk, one of the biggest hazards facing businesses today. AGSC also reported that the main cause of recall claims is that the product is defective, followed by the product being contaminated. The average cost of a recall event is \$1.65 million, rising to more than \$9.4 million per event in the two most impacted industries, automotive and food and beverage. To say the least, product recalls continue to be an area for concern for manufacturers and importers in the U.S.

Click <u>here</u> to subscribe to the *Snapshot*. For additional information or questions about CPSC issues, please email me at: <u>jenifer.keenan@alston.com</u>.

Sincerely,

Jenifer Keenan, Esq.

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Editor

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Voluntary Recalls Announced by the CPSC in November 2017

NUMBER OF RECALLS BY PRODUCT CATEGORY

Miscellaneous – 9 Child/Infant – 7 Housewares – 3 Sporting Goods – 3

Furniture – 2 Construction Materials – 1 Yard Equipment – 1

PRODUCT	PRODUCT CATEGORY	ALLEGED HAZARD	REPORTED INJURIES	NUMBER OF PRODUCTS
Charging Station Press Release	Miscellaneous	Impact Hazard	0	118
Hoverboard <u>Press Release</u>	Miscellaneous	Fire/Explosion Hazard	0	1,000
Hoverboard Press Release	Miscellaneous	Fire/Explosion Hazard	0	100
Hoverboard <u>Press Release</u>	Miscellaneous	Fire/Explosion Hazard	0	8,700
Hoverboard Press Release	Miscellaneous	Fire/Explosion Hazard	0	900
Hoverboard <u>Press Release</u>	Miscellaneous	Fire/Explosion Hazard	0	1,800
Hoverboard <u>Press Release</u>	Miscellaneous	Fire/Explosion Hazard	0	700
Hoverboard <u>Press Release</u>	Miscellaneous	Fire/Explosion Hazard	0	700

PRODUCT	PRODUCT CATEGORY	ALLEGED HAZARD	REPORTED INJURIES	NUMBER OF PRODUCTS
Fireworks <u>Press Release</u>	Miscellaneous	Burn/Explosion Hazard	0	1,700
Clay Craft Kits <u>Press Release</u>	Child/Infant	Mold Hazard	0	6,000
Quilted Jacket <u>Press Release</u>	Child/Infant	Choking Hazard	0	38,000 U.S. 5,000 Can.
Pain Relieving Cream <u>Press Release</u>	Child/Infant	Poison Hazard	0	56,000
Poncho <u>Press Release</u>	Child/Infant	Strangulation Hazard	0	1,300
Pajamas <u>Press Release</u>	Child/Infant	Burn Hazard	0	4,100
Sleepwear <u>Press Release</u>	Child/Infant	Burn Hazard	0	3,100
Sleepwear <u>Press Release</u>	Child/Infant	Burn Hazard	0	2,300
Bourbon Glass <u>Press Release</u>	Housewares	Laceration Hazard	0	229,000
Fire Extinguisher Press Release	Housewares	Failure/Impact Hazard	17	37.8 million U.S. 2.7 million Can. 6,730 Mex.
Light Fixture <u>Press Release</u>	Housewares	Impact Hazard	0	4,000
Crossbow <u>Press Release</u>	Sporting Goods	Injury Hazard	0	17,000
Bicycle <u>Press Release</u>	Sporting Goods	Fall Hazard	0	1,050 U.S. 1,750 Can.
Carabiner <u>Press Release</u>	Sporting Goods	Injury/Death Hazard	0	1,900
Foot Warmer Press Release	Furniture	Burn Hazard	1	11,900

PRODUCT	PRODUCT CATEGORY	ALLEGED HAZARD	REPORTED INJURIES	NUMBER OF PRODUCTS
Chest and Drawers <u>Press Release</u>	Furniture	Tip-Over/ Entrapment Hazard	152	17.3 million
Off-Highway Vehicle <u>Press Release</u>	Vehicle	Fire Hazard	0	3,300 U.S. 124 Can.
Utility Vehicle Press Release	Vehicle	Injury Hazard	0	26,900
Decking <u>Press Release</u>	Construction Materials	Fall/Injury Hazard	1	37,500
Lawn Mower Press Release	Yard Equipment	Laceration Hazard	0	500

The CPSC did not announce any civil penalties in November 2017.

Alston & Bird helps companies navigate the CPSC's complex regulations—from testing, to labeling, to recalls—and everything in between. We also help companies monitor and respond to complaints submitted to the CPSC's consumer complaint database, www.SaferProducts.gov. For additional information or questions about recalls, the SaferProducts.gov database or other CPSC issues, please email jenifer.keenan@alston.com or visit the firm's website at www.alston.com.

<u>Jenifer Keenan, Esq.</u> – Editor <u>Brad Strickland, Esq.</u> – Assistant Editor

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