



ALSTON & BIRD

CPSC Recall Snapshot

A MONTHLY REVIEW OF CONSUMER PRODUCT RECALLS
AND CIVIL PENALTIES ANNOUNCED BY THE CPSC

THE YEAR IN REVIEW OF CONSUMER PRODUCTS AND CIVIL PENALTIES ANNOUNCED BY THE CPSC IN 2015

Welcome to the Alston & Bird 2015 *CPSC Recall Snapshot Year in Review*.

2015 saw a significant increase in activity at the CPSC. Although the number and product-type for recalls in 2015 were substantially similar to those in 2014, the amount of civil penalties increased dramatically. This is the second year in a row that the amount of civil penalties nearly doubled from the previous year. Civil penalties have increased from \$6,012,500 in 2013, to \$12,175,000 in 2014, and finally to a staggering \$21,400,000 in 2015. And in 2015, the average civil penalty was a whopping \$2.675 million. The increased monetary amount of penalties, however, only tells half the story. In addition to requiring payment of a monetary penalty, the CPSC continued its policy of requiring companies to enact extensive compliance programs that have:

- Written standards and policies
- Robust methods for monitoring safety issues
- A mechanism for confidential employee reporting of compliance issues
- Training on compliance-related policies
- A senior manager responsible for compliance
- Board oversight of compliance
- Retention of all compliance-related records for at least five years.

The CPSC was also more aggressive on the litigation front as well. The CPSC, in conjunction with the Department of Justice, brought two suits against companies for failure to timely report alleged safety hazards with their products and two suits against companies that allegedly imported children's products that violate several children's products safety regulations. The companies that were the subject of these last two suits have been enjoined from importing products into the U.S. until they can certify in writing that they have enacted all of the compliance program elements noted above and obtain approval from the CPSC to resume importing children's products into the U.S.

Will the CPSC seek even larger civil penalties in 2016? Will their willingness to litigate wane? Only time will tell. But before wondering where the CPSC will head in 2016, you should review our *CPSC Snapshot Year in Review* to get the complete picture of what the CPSC did in 2015.

Click [here](#) to subscribe to the *Snapshot*. For additional information or questions about CPSC issues, please email me at jenifer.keenan@alston.com.

Sincerely,

Jenifer Keenan, Esq.
Editor



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CPSC Recall Snapshot

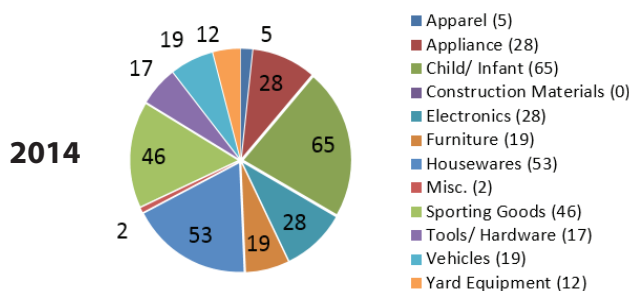
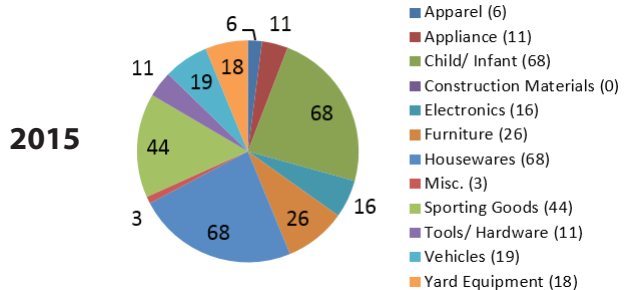
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THE YEAR IN REVIEW OF CONSUMER PRODUCTS AND CIVIL PENALTIES ANNOUNCED BY THE CPSC IN 2015

NUMBER OF RECALLS BY PRODUCT CATEGORY IN 2015

MONTH	Apparel	Appliance	Child/ Infant	Construction Materials	Electronics	Furniture	Housewares	Misc.	Sporting Goods	Tools/ Hardware	Vehicles	Yard Equipment	Monthly Total
Jan	0	1	2	0	0	2	3	0	3	1	0	0	12
Feb	0	0	3	0	0	0	2	0	0	0	1	0	6
March	0	1	9	0	0	1	6	0	4	1	0	1	23
April	1	0	7	0	3	2	3	0	3	0	1	3	23
May	1	0	5	0	0	3	8	0	4	4	0	1	26
June	1	1	5	0	2	3	3	0	4	0	3	1	23
July	0	1	4	0	2	3	12	1	4	0	3	3	33
Aug	1	2	8	0	1	3	1	0	7	2	1	2	28
Sept	1	0	9	0	4	4	9	0	5	1	1	1	35
Oct	0	2	9	0	2	2	3	0	6	1	2	0	27
Nov	1	1	4	0	1	1	11	1	1	0	2	4	27
Dec	0	2	3	0	1	2	7	1	3	1	5	2	27
TOTAL	6	11	68	0	16	26	68	3	44	11	19	18	2015 Total 290

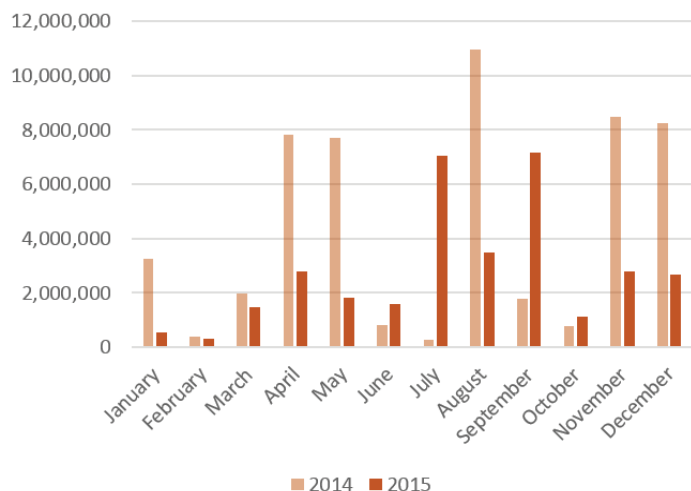
COMPARISON OF THE NUMBER OF RECALLS BY PRODUCT CATEGORY BETWEEN 2014 & 2015



CHANGE BY PRODUCT CATEGORY FROM 2014

Category	Change
Apparel	1
Appliance	-17
Child/Infant	3
Construction Materials	0
Electronics	-11
Furniture	7
Housewares	15
Misc.	1
Sporting Goods	-2
Tools/ Hardware	-6
Vehicles	0
Yard Equipment	6
ALL CATEGORIES	-3

NUMBER OF PRODUCTS RECALLED IN 2014 & 2015



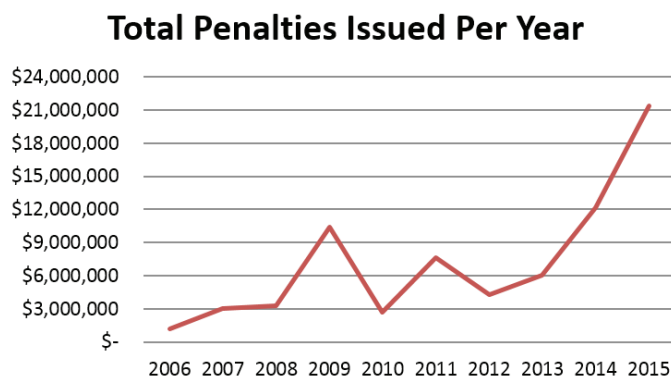
NUMBER OF PRODUCTS RECALLED IN 2014 & 2015

Month	2014	2015
January	3,252,464	520,035
February	399,294	295,320
March	1,981,464	1,481,710
April	7,812,375	2,767,630
May	7,694,864	1,809,700
June	800,606	1,596,699
July	253,922	7,048,970
August	10,980,240	3,471,081
September	1,778,579	7,166,635
October	775,605	1,125,873
November	8,473,210	2,787,836
December	8,242,988	2,672,029
TOTAL	52,445,611	30,739,413

MONTHLY CIVIL PENALTIES IN 2015

Month	Civil Penalty
January	\$ 2,600,000
February	3,500,000
March	0
April	1,575,000
May	3,400,000
June	0
July	1,825,000
August	3,000,000
September	3,500,000
October	0
November	2,000,000
December	0
TOTAL	\$21,400,000

CIVIL PENALTIES PER YEAR



COMPARISON OF CIVIL PENALTIES IN 2014 & 2015

2014	2015	Change from 2014 to 2015
\$ 12,175,000	\$ 21,400,000	+ \$ 9,225,000

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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 new consumer complaint database, www.SaferProducts.gov. For additional information or questions about recalls, the SaferProducts.gov database or other CPSC issues, please email jennifer.keenan@alston.com or visit the firm’s website at www.alston.com.

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