

NCACNEWS

From National Consumer Affairs Center of Japan Vol.23 No.3 November 2011

* For further details regarding each topic introduced below, refer to the following URL which contains the actual text of the reports released (PDF files) (Japanese only): http://www.kokusen.go.jp/news/news.html

-Inside of this issue-

I. Consumer Affairs Climate: Consumer Inquiries Related to Great East Japan Earthquake

p1 1. National Overview

http://www.kokusen.go.jp/news/data/n-20110705 1.html

p2 2. "Special consultative hotline for scams related to the disaster"

http://www.kokusen.go.jp/news/data/n-20110721_5.html

p3 3. Advertisements and Solicitations that Exploit Fear of Radiation

http://www.kokusen.go.jp/news/data/n-20110721_1.html

II. National Consumer Affairs Center of Japan (NCAC) Activities

p4 1. Beware Private Detective Services Claiming to "Solve Consumer Problems"! http://www.kokusen.go.jp/news/data/n-20110609 1.html

 Troubling "Introduce a Friend" for Sales of Instructional DVDs on Investment Among College Students

http://www.kokusen.go.jp/news/data/n-20110721_3.html

p6 3. Harmful Bridal Esthetique Services!

http://www.kokusen.go.jp/news/data/n-20110707_1.html

4. Harm from Hydrolyzed Wheat Protein in "Cha no Shizuku" tea soap (for lot numbers sold prior to December 7, 2010)

http://www.kokusen.go.jp/news/data/n-20110714_1.html

* Major abbreviated names: ADR: Alternative Dispute Resolution

NCAC: National Consumer Affairs Center of Japan

PIO-NET: Practical Living Information Online Network System

I. Consumer Affairs Climate: Consumer Inquiries Related to Great East Japan Earthquake

1. National Overview

Local consumer centers throughout Japan received 17,093 disaster-related inquiries during the three months from the date of the Great East Japan Earthquake on March 11, 2011 through June 10, 2011. The number of inquiries was highest at the time of the disaster in March. Since April, inquiries have been declining. (See Graph 1-1.)

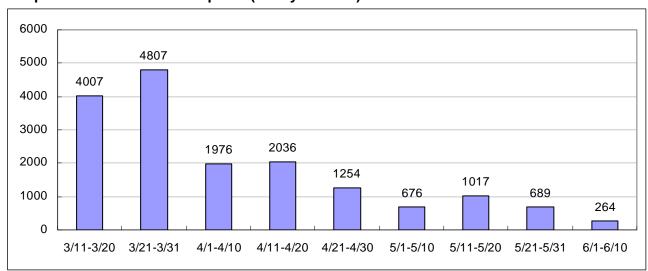
In the four affected prefectures (Iwate, Miyagi, Fukushima, and Ibaraki), inquiries were received regarding rental properties (e.g. rented apartments, homes, etc.), construction work (e.g. roof construction), and repair services (e.g. housing, automobiles, grave sites, etc.). Numerous inquiries regarding loans were also



received from people unable to repay debt because of decreased income, as were queries regarding government services such as "Disaster Victim Certification" procedures.

In the Kanto Region (excluding the four affected prefectures), there were many inquiries about spring water, vegetables, and green tea as a result of concerns over the impact of radiation from the nuclear plant on tap water and agricultural crops. Inquiries were also received regarding safety masks and radiation meters.

In Hokkaido and the Tohoku Region (excluding the four affected prefectures), there were many inquiries about gasoline and kerosene because of shortages. In other regions, many inquiries were received regarding construction work, as well as domestic tour packages.



<Graph 1-1> Disaster-related Inquiries (10-day intervals)

2. "Special consultative hotline for scams related to the disaster"

In order to support disaster-affected regions where consumer consultation cannot be conducted, the National Consumer Affairs Center of Japan (NCAC) launched its "Special consultative hotline for scams related to the disaster" on March 27, 2011. (As of July 29, the "Special consultative hotline for scams related to the disaster" has closed.)

During the three-month period from March 27 through June 26, the hotline received a total of 831 inquiries from the four affected prefectures (Iwate, Miyagi, Fukushima, and Ibaraki). (See Graph 2-2.)

The following are the main areas in which inquiries were received.

① Housing and rental property-related inquiries:

"My landlord won't repair my apartment"

"I've signed a construction agreement with a contractor, but they keep delaying the work"

"I was billed an exorbitant cost just for having a blue tarp put over my roof" etc.

② Online content-related problems:

Sites that charge fees for e-mail exchange

Sites solicit point purchase to provide the victim assistance

Sites that claim "now is the time to win" and exploit the disaster to advertise pachinko game strategies

etc.

3 Inquiries regarding internet sales of radiation meters:

"Delivery was late"

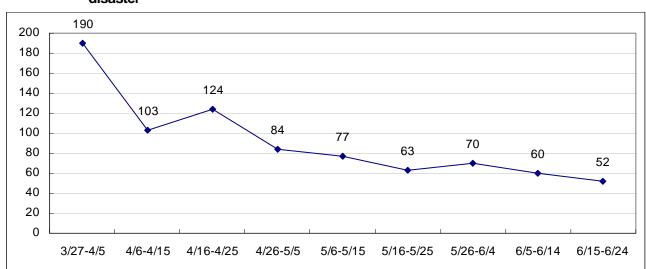
"I've tried to contact the seller but they cannot be reached"



"The seller is unwilling to accept a return even though the device appears to be broken," and other such inquiries have been received from people who purchased radiation meters over the internet.

(4) Inquiries regarding businesses wanting to buy precious metals or the like:

Multiple inquiries were received regarding supposed businesses wanting to buy precious metals or the like. Marketters claim they were "in short supply as a result of the disaster" and "would be used to help disaster victims." Some of these inquiries were also concerned about abuses of personal information, as some consumers had provided personal information without receiving any documentation indicating the name of business.



<Graph 1-2> Number of inquiries received by "Special consultative hotline for scams related to the disaster"

3. Advertisements and Solicitations that Exploit Fear of Radiation

Following the nuclear accident, the number of "radiation"-related inquiries during the three months from March 11 to June 10, 2011 was 2,140. A total of 1,114 inquiries were received during the first month, but a high number of inquiries continued to be received in the second and third months (509 and 517, respectively). From consumer concern over radiation, there have been numerous food and drink-related inquiries regarding spring water, tap water, vegetables, green tea, and the like. From the second month on, many inquiries additionally asked about water filters, health foods, safety masks, radiation meters, and so on. Advertisements and solicitations for such products claimed "to be effective against internal bodily exposure to radiation," "to fully remove radioactive substances," "to have been used in the nuclear accident at Chernobyl," and so on.

The following are the main issues of concern.

- ① Businesses selling such filters and health foods claim they "prevent internal bodily exposure to radiation," "remove radioactive substances," and so on, but many of them do not provide data to support such claims.
- When people have hastily ordered products through the internet from concerns over radiation, they have often encountered problems in which "the product never arrived even though it was paid for it," "the seller could not be reached," and so on. Cases included those in which products were purchased from overseas sites that could not be contacted when a problem arose, as well as those in which consumers entered personal and/or credit card information at an online store believed to be engaged in phishing.
- ③ In some cases, salesperson have fraudulently claimed to be "from city government" to reassure the elderly and gain entry to their homes. Through conversation, he/she instills a fear of radiation that causes the elderly person to hastily buy an expensive product.



II. National Consumer Affairs Center of Japan (NCAC) Activities

1. Beware Private Detective Services Claiming to "Solve Consumer Problems"!

Overview of Inquiries

Since enforcement of the "Act on Regulation of Private Detective Services" in June 2007, the total number of inquires regarding problems with private detectives had been decreasing. However, inquiries regarding private detectives claiming to "will <u>solve consumer problems</u>" have been increasing. Since 2006, the total number of such inquiries has reached 923. (See Graph 2-1.)

These inquiries have the following characteristics.

- Problems are occurring on average across all age groups
- By market method, most of them are mail order or online (350 cases, or 44%). Other methods include sales offices (192 cases, or 24%), telemarketing sales (184 cases, or 23%), and door-to-door sales (69 cases, or 9%).
- The average fee is approximately 540,000 yen. In 90% of cases, paid full in cash.

<Gaph 2-1> Number of private detective-related inquiries

Upper bar: Total number of private detective-related inquiries

Lower bar: Number of inquiries regarding private detectives claiming to solve consumer problems

Sample Cases of Inquiries & Complaints

Case 1: I had previously been defrauded through a purchase of unlisted stocks. One day, I got a call from a private detective who claimed that he could get my money back though it cost me. I wanted my money back so I paid him about 200,000 yen. Later on, he told me he would need to conduct further research to get the money back and needed an additional 150,000 yen. When I went to the bank to transfer the money, I was stopped by the bank staff and a police officer from making the transfer. (Inquiry from a woman in her 80s)

Case 2: I found myself in trouble because a dating site had charged me a large sum of money, so I looked up a private detective on the internet. The website said "Don't give up if you've been defrauded! Let us work with you to find a solution!" When I contacted them, I was told they could get my money back from the company. I then paid the private detective 100,000 yen and signed a contract. When I started to get nervous about the contract and asked to cancel it, I was told it couldn't be canceled because they had already initiated research and negotiations. (Inquiry from a woman in her 40s)



Advice for consumers

Do not enter in to an agreement with an unknown agency, even if they offer to "solve consumer problems". Do not buy into advertisements offering to easily solve problems.

Recognize "a legally licensed private detective" does not mean he/she has authority to execute "refund requests" and "contract cancellation negotiations."

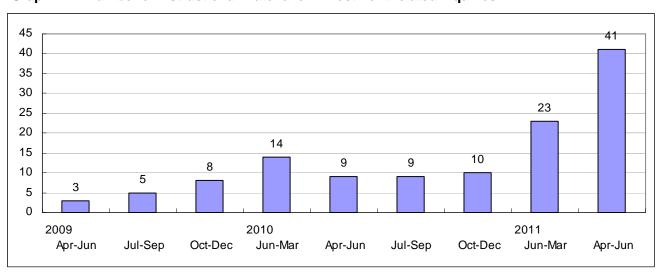
2. Troubling "Introduce a Friend" for Sales of Instructional DVDs on Investment Among College Students

Overview of Inquiries

Inquiries regarding instructional materials on investment are growing rapidly. (See Graph 2-2). Inquiries are predominantly from male college students in the southern Kanto area. "I was invited by a friend to attend an investment seminar, where I bought this expensive instructional DVD on investment at their recommendation. I was told that if I later introduced the DVD to a friend, I would receive a commission," they explain.

The cost of the DVD is paid with money borrowed through private student loans. In many cases, the seller have suggested students lie when borrowing the money; they are told by the seller, for instance, to say the money will be used to commute to a different vocational school or that the student has a stable source of income.

It is reasonable to think that this problem may grow rapidly in the future among high-school students and students working part-time.



<Graph 2-2> Number of instructional material on investment-related inquiries

Sample Cases of Inquiries & Complaints

Case: A friend from high school phoned me to meet at a cafe, saying he had "something very worthwhile to talk about." At the cafe, he was accompanied by an acquaintance who told me I could earn huge profits through futures trading if I used the investment methods on this DVD. I didn't really understand what was on the DVD, but between my curiosity about investing and the fact I was hearing about it from a friend, I trusted them and bought the DVD for about 600.000 yen. Because I didn't have enough money on hand, I got a private student loan to pay the difference. Then, once the agreement was signed, the acquaintance told me I could get 100,000 yen rebate if I introduced the DVD to someone else. I was very shock to know the reason why I'd been invited by my friend. What's more, I haven't earned a profit as described. I don't trust them and want to cancel the contract. Repaying my private student loan is making life very hard. (Inquiry from a man in his 20s)



Advice for consumers

Do not readily believe it when someone tells you that you can "earn big profits," even when that person is a friend or senior

Decline an offer when you do not understand the product's content or how investment schemes are

Do not follow others' advice and take out a loan. Private student loans generally have high interest rates and are hard for students without a stable income to repay

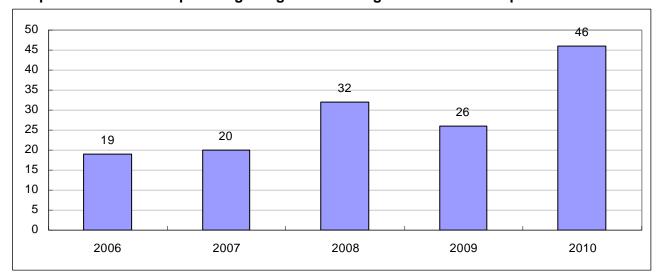
Do not lie about your income and employment, even if it is a friend or mentor encouraging you to do so

3. Harmful Bridal Esthetique Services!

Overview of Inquiries

One in four beauty salon users have received a bridal esthetique services (see note), while year by year the number of inquiries regarding the harm/dangers of bridal beauty treatments has been growing. (See Graph 2-3.) SEMCO weddings are one of life's most special occasions, anxiety and dissatisfaction among people making such inquiries is strong.

Note: Bridal esthetique services refer to beauty salon treatments specifically for a person's wedding. There are both long-term pre-wedding options (one year, six months, three months, etc.) and short-term pre-wedding options (one month, one week, one day).



<Graph 2-3> Number of inquiries regarding the harm/dangers of bridal esthetique services

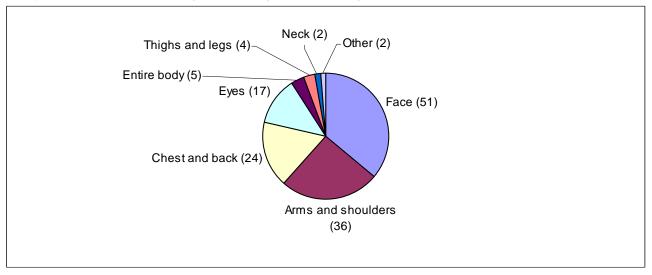
Overview of Harm

① Harmed areas of the body (Graph 2-4)

About half of injury was to the face, followed by arms and shoulders and other areas visible when wearing a wedding dress. For "chest and back" areas, many of them are due to back shaving. For "eyes," the majority were due to eyelash treatments and eyelash permanents.



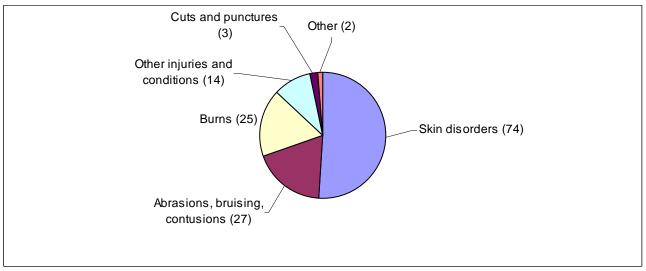
<Graph 2-4> Areas of the Body Harmed by Bridal Beauty Treatments



② Kinds of Harm Suffered (Graph 2-5)

"Skin disorders" such as pealing, rashes, itching were most common problem, representing more than 50% of all cases.

<Graph 2-5> Types of Harm Caused by Bridal Beauty Treatments



Sample Cases of Inquiries & Complaints

Case 1: We were going to have a wedding photo shoot, so I underwent a slimming treatment at an esthetique salon, but it resulted in the painful inflammation of both my upper arms. I had planned on wearing a sleeveless wedding dress, but now there is a chance I won't be able to. The salon told me it would refund all my money for the treatment and pay the cancellation fee for the photo shoot. It has still been a big mental shock because we had been planning the photo shoot for such a long time. (Inquiry from a woman in her 20s)

Case 2: We had scheduled to take pictures ahead of our wedding ceremony, so I underwent a beauty facial and hair-removal treatment. At the time of the facial, I told them my skin was sensitive on account of atopic reaction. The photo shoot was scheduled for the day after the treatment, but we couldn't take the pictures because my skin was pealing. And the fresh flowers we had ordered went to waste. I want the salon to refund the money I paid for the treatment and reimburse the cost of the flowers. (Inquiry from a woman in her 20s)

Advice for consumers

- ① A noticeable number of problem cases have resulted from treatments received within a week of a wedding ceremony or photo shoot. In order to avoid the risk to the day of your wedding, you should better not to have bridal esthetique services immediately prior to your wedding ceremony, especially if you are someone who does not have much experience with esthetique salon services. It is also best to refrain from undergoing multiple treatments in a short period if you have never done so before.
- ② The following are some steps you can take to avoid the occurrence of skin disorders when using a beauty service.
 - Recognize the possibility that problems can result from a treatment.
 - Do a patch skin test before you use any cosmetics, etc. that will be used in the treatment. However, the patch test should be performed no more than two weeks ahead of time (if performed more than two weeks ahead of time, antibodies can result that may cause a skin disorder during the treatment even though the original patch test results were negative).
 - If you have atopic reaction, acne, or other skin conditions, consult with a physician before undergoing any treatments.
- ③ If you experience an abnormal reaction from a treatment, immediately stop the treatment and consult with a physician.

4. Harm from Hydrolyzed Wheat Protein in "Cha no Shizuku" tea soap (for lot numbers sold prior to December 7, 2010)

Overview of Inquiries

On May 20, 2011, Yuka Co., Ltd. issued a notice that consumers should stop to use its "Cha no Shizuku" tea soap (for lot numbers sold prior to December 7, 2010). The company will offer exchanges or refunds for the product.

As result of using this soap, some number of people who had never before experienced allergies have developed sudden allergic reactions to wheat. While it is well-known that people can be allergic to wheat in foods, no consumer would ever imagine that a face soap could produce an allergy to orally consumed wheat.

While the company has already taken steps to recall the product, the number of units sold is extremely large and there are users who are beyond the ability of the company to reach directly.





Overview of Harm

640 inquiries have been received regarding "Cha no Shizuku" tea soap. Including 247 injuries.

Most of them have been skin disorders (165 cases), but there have also been 28 cases of respiratory disorder. Harmed areas of the body include the face (121 cases), the body as a whole (51 cases), eyes (22 cases), and respiratory tract (22 cases).

Many cases involve light allergic reactions, including rashes, eczema, itchy or inflamed eyes, etc. Anaphylaxis (see note) has resulted in many cases when the entire body or respiratory tract has been affected.

The severity of harm in terms of the duration of rehabilitation has ranged, in order of frequency, from "more than one month" (61 cases), to "under one week" (52 cases) and "one to two weeks" (19).

Note: An allergic reaction that results in the sudden onset of multiple symptoms, including ailments of the skin (hives, etc.), digestive system (abdominal pain, vomiting, etc.), and respiratory system (wheezing, shortness of breath, etc.).

Sample Cases of Inquiries & Complaints

Case 1: I bought the soap in bulk by mail-order a year and three months ago and have been using every morning and night ever since. When I was driving in February of 2011, my entire body suddenly became itchy, my throat swelled, and my head grew light. I had to stop the car, call an ambulance, and be taken to a hospital. After two more anaphylactic incidents, I did some tests and learned that it was an exercise-induced allergy that results from eating foods that contain wheat. I eliminated all wheat from my diet, but kept using the soap. When I read a news article in May, it occurred to me that I had the same condition. The hospital has diagnosed me with an allergy as a result of the soap. (Inquiry from a woman in her 30s)

Case 2: In June 2010, I had to be taken by ambulance to a hospital when my entire body became itchy after eating. I broke out in hives, and passed out at work. My blood pressure had dropped to half of normal, to a life-threatening level, I was told. I was diagnosed with exercise-induced allergic reaction to wheat. I had never had any problems eating foods with wheat. When I received the voluntary recall postcard from the company was when I first understood that my allergy was caused by the wheat in the soap. I have used the soap continuously for four years, and have now quit work in order to recuperate. (Inquiry from a woman in her 30s)

Advice for consumers

- ① Until recently, it was not realized that a food allergy could develop as a result of an allergic reaction to food-based proteins that are used in soap and cosmetics. There are no trends among users that indicate that certain groups of people may be more susceptible to this health ailment. It can happen to anyone.
- ② If you ever feel itchy or develop a rash on your skin, eyes, or body as a result of using a soap or cosmetic, you should promptly consult with a dermatologist or allergist.
- ③ A wheat allergy can show many symptoms, including itchiness and inflammation of the eyes and face. In severe cases, symptoms may also include abdominal pain, diarrhea, low blood pressure, or difficulty breathing. Symptoms do not necessarily occur immediately after eating wheat. They may occur only after exercising after you have eaten wheat products. Symptoms vary between people and can be life-threatening. It is important to carefully observe and treat the condition.

