



NCAC NEWS

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* 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>

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* Major abbreviated names: ADR: Alternative Dispute Resolution
NCAC: National Consumer Affairs Center of Japan
PIO-NET: Practical Living Information Online Network System

I. Injury/fatal accident

1. Importance of Flat-Panel TV Tipping Prevention Measures

Product Testing Background

With the exception of a few regions, analog TV broadcasting, which ended on July 24, 2011, has been replaced by digital broadcasting.

On March 11, 2011, the Great East Japan Earthquake occurred in the midst of this transition to digital broadcasting. In the five years prior to March 11, 2011, three inquiries were made to PIO-NET regarding televisions that had tipped over in earthquakes. Since March 12, 60 such inquiries have been made. In the majority of cases, damage to the screen or other parts has necessitated repairs. In some cases, reference was also made to dangers to small

children who were nearly flattened under the TVs. While businesses are not obligated to secure TVs to prevent tipping, more than half of the inquiries expressed their dissatisfaction that no preventative measures were taken or explanations provided.

Example Cases of Inquiries & Complaints

Case 1: A year ago I bought a TV at a discount electronics store and had them install it. In the earthquake, it fell over and broke. My friend's TV, which she had bought at a different discount store, didn't fall over because they had secured it for her. The discount store where I shopped mentioned nothing and didn't even ask me about it. (Inquiry from a woman in her 70s)

Case 2: When I purchased my flat-panel TV, I was told it would be directly delivered and installed by the manufacturer. When the manufacturer came to install it, they did not take any steps to secure the TV, much less explain anything to me, even though the TV had screw holes for securing it. They didn't even leave the operating instructions. When the TV fell over during the earthquake and broke, I contacted the store about repairs. The manufacturer later contacted me to say that it would cost an estimated 35000 yen to repair, even factoring in the earthquake. Even then, they couldn't say for certain what it would cost until they came to confirm the extent of the damage. I can't believe I have to pay over 80% of the original purchase price to repair the TV. (Inquiry from a woman in her 70s)

Case 3: My 42-inch TV fell over in the earthquake and the screen shattered. It also nearly flattened my little child. When I contacted the manufacturer by phone, I was asked if I hadn't been offered an anti-tipping belt. The operating instructions say the TV should be properly "secured with an anti-tipping strap." My issue is that I paid to have the TV installed and they didn't install it properly. I feel my TV fell not as a result of a natural disaster but as a result of human error because the installer didn't secure the TV. (Inquiry from a woman in her 60s)

Reconstruction Testing

We sought to confirm the effectiveness of anti-tipping recommendations found in TV operating instructions, as well as that of commercially available adhesive pads, by simulating earthquakes with intensities ranging from below shindo 5 to over shindo 6 to see how the TV was affected during and after the quake.

(1) No Anti-Tipping Protection

When no anti-tipping measures were taken, no major shaking of the TV was observed below shindo 5. Major shaking was observed at just over shindo 5, and all TVs tipped over and fell off their stands at just over shindo 6.

(2) Adhesive Pads

When adhesive pads were used, no major shaking was observed even above shindo 6, with the exception of the 50-inch flat panel. Below shindo 6, the 50-inch flat panel showed no major shaking; above shindo 6, although the TV still did not topple, the parts connecting the TV to the stand broke.

(3) Secured to TV Stand

When wood screws were used to secure the TV to its stand, no major shaking of the TV was observed below shindo 5. Major shaking was observed, however, between shindo 5 and shindo 6. Although the 50-inch flat panel shifted position at just below shindo 6, it did so backwards, suggesting that any risks are small. Above shindo 6, the 32-inch flat panel showed major shaking but did not shift or topple over; the 42-inch toppled over and fell off its stand because the screws securing it came loose; and the 50-inch fell forward to the ground when the turning neck of the stand broke.

(4) Strapped to Wall

When strapped to the wall, major shaking and shifting was observed at just over shindo 5. At just under shindo 6, the 42-inch and 50-inch flat panels toppled backwards and fell to the ground, though there was no risk of them falling forward. Above shindo 6, the 32-inch flat panel shifted.

Advice for Consumers

- ① Test results show that anti-tipping measures are effective and should always be used, especially in the case of large TVs, which can be very dangerous when they fall.
- ② When requesting retailer installation of your TV, be sure to discuss anti-tipping measures with them as well.

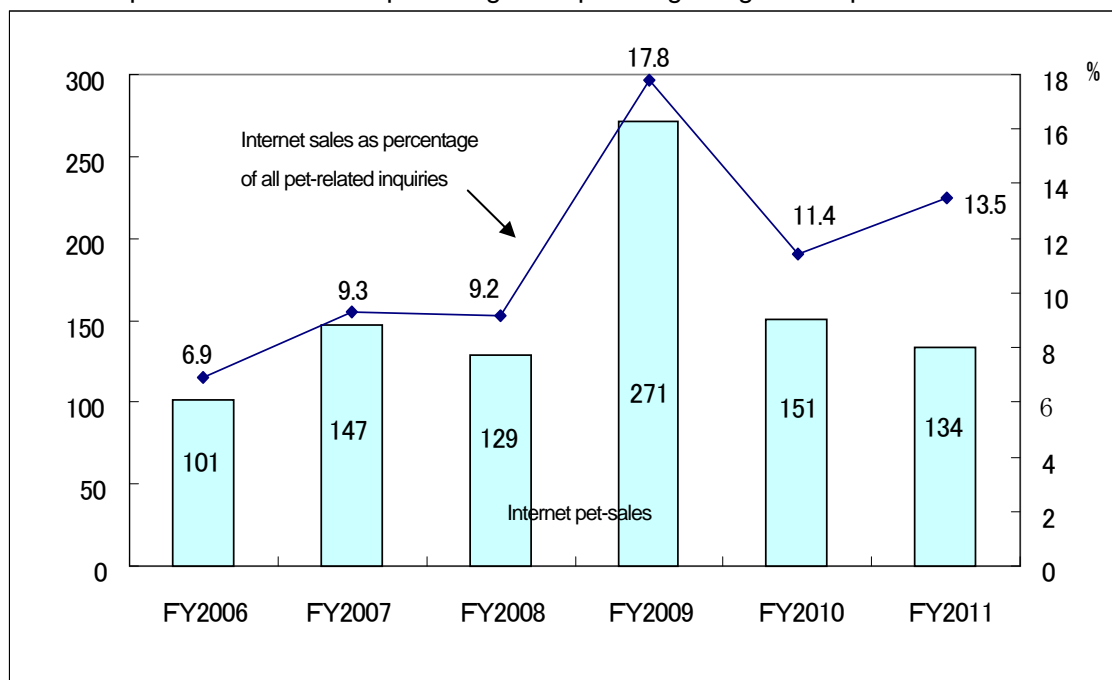
II. Property damage

1. Problems Related to Internet Pet Sales

Overview of Inquiries

Persons involved in the sale of pets are “animal handling business operators” under the Act on Welfare and Management of Animals and are obligated, since June 2006, to register with the local government and, with respect to a sale (contract), provide prior written explanation regarding the characteristics and condition of animals, and to receive signed acknowledgment from the consumer. This increased regulation of animal handling business operators has caused problems related to store-bought pets to decline somewhat. At the same time, the rapid rise of internet sales has created an easy means of buying pets and we now see a gradual increase in the number of problems related to internet pet sales, whether through internet resellers or auctions. (See Graph 1)

<Graph 1> Number and percentage of inquiries regarding internet pet-sales



Example Cases of Inquiries & Complaints

Case 1: I purchased a puppy for roughly 300,000 yen from a distant seller who shipped the dog by air. The night it arrived, the puppy was suffering from diarrhea so I took her to the vet. Following a brief recovery, her condition again worsened and she underwent emergency treatment. The next morning she was still sick, so I took her to another vet, where she was hospitalized. When I contacted the vendor, I was told to return the puppy by air, but she was so weak I couldn't bring myself to put her on another plane, so I told him no. The vet told me there was nothing more they could do. I brought her home yesterday, and this morning she died. The vet told me the puppy was no doubt weak to begin with, and the flight probably exacerbated her condition.

The vendor has said they would refund the sale price, but I want them to cover the 50,000 yen I spend on treatment

for the puppy at three different facilities. I also want them to cover the funeral costs. (Inquiry from a woman in her 20s)

Case 2: I bought a Chihuahua over the Internet and several days later transferred payment of 40,000 yen. I had been promised the dog would be shipped in ten days, but I still haven't received it. When I e-mail the vendor, the message returns undelivered. What should I do? (Inquiry from a woman in her 40s)

Case 3: I bought a Shiba Inu for 70,000 yen from a breeder I found on the Internet. We had agreed he would send me the dog's pedigree in four to five months, but I still haven't received it. I've tried contacting the breeder by e-mail and phone numerous times, but have received no reply. The dog has long hair for a Shiba Inu and I am often asked by people if the dog really is a Shiba Inu. That's why I really want to check the pedigree. (Inquiry from a man in his 60s)

Advice for Consumers

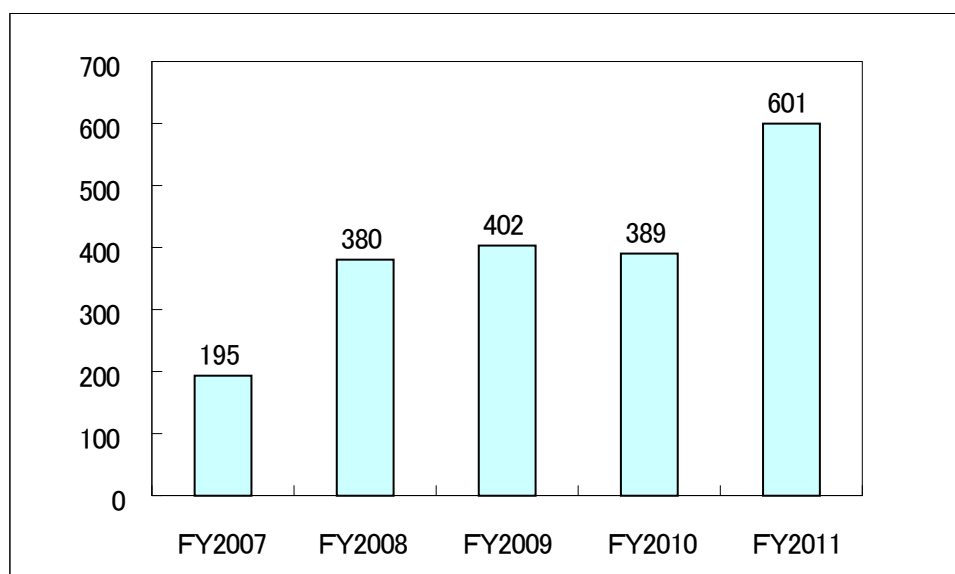
- ① Agreements over the Internet carry risks, so be careful when entering into them.
- ② Do not base your purchase decision solely on information from the Internet. Do your own checking as well.
- ③ Do business with a reputable operator.
- ④ Never forget that pets are living creatures, so you should never buy one on a whim.
- ⑤ In case of trouble, consult your nearest local consumer center immediately.

2. When Purchasing Good-luck Bracelets or Rosaries, Beware Sellers that Subsequently Pressure You to Buy Related Products that Allegedly "Protect from Spirits" or "Increase Luck."

Overview of Inquiries

"Based on a magazine ad, I bought a good-luck bracelet with a 90-day money-back guarantee. When I called the seller to get a refund because it didn't work, I was told to send a picture of myself. After receiving the photo, the seller told me that their assessment of the image revealed that I was fated to commit suicide. I then entered into subsequent sales agreements for prayers and spirit stones because I was told it would increase my luck." Cases such as this, in which people who have bought good-luck bracelets and rosaries by mail are subsequently pressured by unethical sellers to buy related products, have been increasing. (See Graph 2)

<Graph 2> Number of inquiries regarding good-luck bracelets and rosaries



Example Cases of Inquiries & Complaints

Case 1: Based on a magazine ad, I ordered a "wish-granting miracle bracelet" by phone. When the item arrived, the enclosed instructions said to call the seller because the bracelet would not work if it were improperly used, and so I called. After I answered their questions about my troubles, they told me I was possessed by a spirit and needed an exorcism. They also said the exorcism needed to be done in Tibet, but if I couldn't go myself, a renowned master could go in my place. And so I sent 1,300,000 yen by registered mail to cover the cost. Because the most money that a person can send by registered mail is 500,000 yen, I had been advised to say the package was full of documents that made it thick. After sending the money, I received another call saying the three of the five masters had passed out during the exorcism. They said another exorcism was needed because the spirit possessing me was so strong, and for that they needed an additional 1,100,000 yen. When I went to the bank to withdraw the money, bank officials thought it strange and advised me to contact the police. I now realize that I was deceived and want to cancel the full amount. (Inquiry from a woman in her 70s)

Case 2: Based on a magazine ad, I bought a 15,000-yen good-luck bracelet. The bracelet arrived several days after I transferred funds to the designated account. When I called the seller to ask how to use the bracelet, I was told they would offer a prayer for me if I sent them my picture and wish. As I used the bracelet, I didn't notice any effect. Because the magazine ad said they would refund my money within three days if the bracelet did not work, I called the seller to say the bracelet wasn't working. We agreed that an expert counselor would discuss the issue with me in a few days. The counselor told me that I was possessed by a malevolent spirit and recommended a 500,000-yen good-luck bracelet. I refused, saying I didn't have such money, but was told that they would not accept return of the first bracelet for a refund if I didn't buy the 500,000-yen bracelet. When I insisted on returning the first bracelet, they said I could return it but they would not refund my money. In a very aggressive tone that frightened me, they also said they were going to send me the 500,000-yen bracelet anyway and that I should play the lottery and pay them after I won. I just want them to refund my money for the first bracelet as promised. (Inquiry from a woman in her 50s)

Advice for consumers

- ① Understand that you cannot change your fortune simply by paying money.
- ② Do not enter into a sudden agreement because you are caught off-guard by a telemarketing call. If you are not interested in buying something, just refuse.
- ③ If you are still within the cooling-off period, or you never received required legal disclosures or the item does not function properly, then begin cooling-off procedures.
- ④ When a seller uses upsetting methods to sell you subsequent products or does not agree to canceling the agreement, contact your local consumer center immediately.
- ⑤ If you ever feel frightened during a sales call, also contact the police.

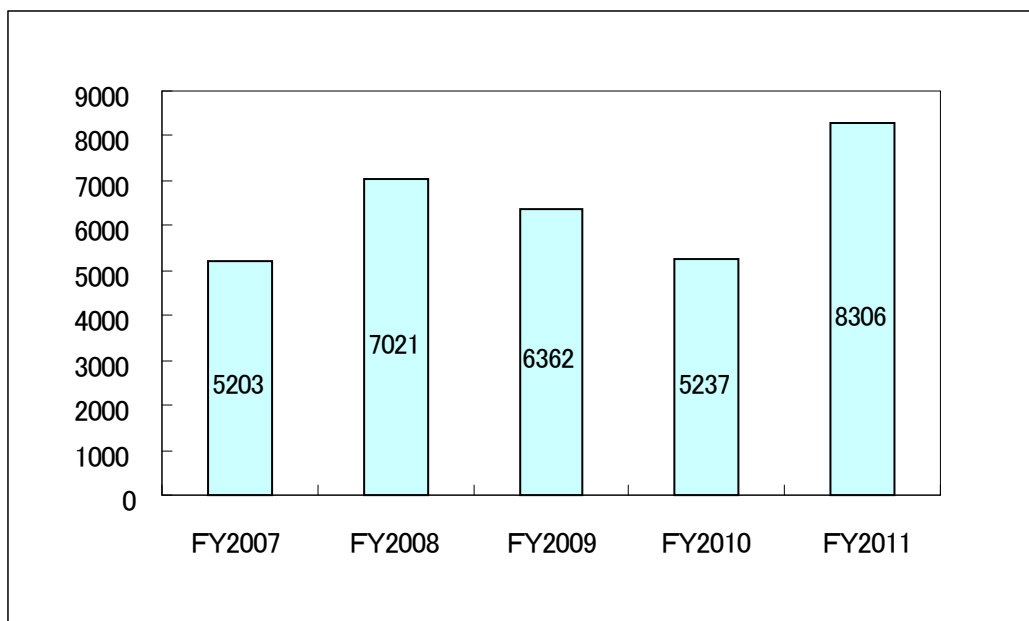
3. Beware Fraudulent DM Saying You Have Won Prize Money : Analysis of DM from Local Consumer Centers Nationwide

Overview of Inquiries

In recent years, there has been a change in the content of foreign direct mailings (DM) that tell people they have won a big prize in a foreign lottery and get them to pay a registration fee to receive their supposed winnings. Whereas in the past such DMs claimed that a person had won a foreign lottery, more recent DMs tell people they are "prize money winners" or need to "get qualified to receive prize money." The source of the prize money is unidentified and people are led to pay a "registration fee" or some other charge to receive the money. It is an extremely deceptive practice in which the DMs provide no clear address or contact information for the sender organization and do not indicate when or where the prize drawing is held.

Data compiled on inquiries received regarding both the usual "foreign lotteries" and recent foreign "prize money winnings" had shown a slight decline in inquiries received by local consumer centers in recent years. In 2011, however, the number of such inquiries doubled over the past year. (See Graph 3.)

<Graph 3> Number of inquiries regarding DMs for foreign lotteries and "prize money winnings" from abroad



Example Cases of Inquiries & Complaints

Case 1: I frequently receive foreign lottery DMs from various countries, even though I have no recollection of ever registering for any of them. Thinking I might get some prize money, I sent several thousand yen in fixed-value postal money orders to various agencies. To date, I have never received any prize money. Instead, I now receive so many foreign lottery DMs that it's a real problem. I'd like to know how to get them to stop. (Inquiry from a woman in her 60s)

Case 2: I receive so many invitations to join foreign lotteries and "winner" announcements that it's become a real problem. I had made a point of not looking at them but was tempted by the large prize money and found myself taking a closer look at them. The cost to join, 2,000 yen, was not much so I faxed them my credit card information. The real problem is that I haven't heard anything from them since and I'm being charged monthly for what I thought was a one-time payment. I've already been charged five times for a total of 10,000 yen. What should I do next? (Inquiry from a man in his 80s)

Case 3: I received a DM from a foreign company telling me I had won a 10,000,000-yen sweepstakes but that I needed to register quickly. The sweepstakes was part of an advertising campaign for a newly announced line of high-end jewelry. In addition to the 10,000,000-yen prize, I was also told I could purchase a one-carat diamond necklace for 1,000 yen. The DM included a Graduate Gemologist's certification and lifetime warranty, and included a self-addressed envelope with an address in Australia. It sounds too good to be true, but can I trust it? (Inquiry from a woman in her 70s)

Advice for consumers

- ① Never register! Consumers might even face legal prosecution.
- ② Do not give businesses your credit card number or personal information.
- ③ You should feel free to dispose of any DMs you receive.
- ④ In case of trouble, consult a local consumer center immediately.

4. Automobile Sales-related Problems on the Rise : Automobile Shortages after Great East Japan Earthquake Contribute to Aggressive Buying and Cancellation Problems

Overview of Inquiries

Consumer inquiries regarding automobiles have shown little change over time, with slight increases or decreases from year to year.

In that context, there was a significant change this year to the automotive environment, namely, the shortage of new automobiles as a result of damage from the March 11 Great East Japan Earthquake. The disaster, which struck the production facilities of automobile and automotive parts producers in the Tohoku Region, had a severe impact on new automobile production.

A rise in used car demand as a result of shortages in new cars has contributed to a growing number of consumer inquiries regarding automobile sales (car buying services), including aggressive buying tactics and related cancellation/cancellation fee problems. They also include problems involving the buying of water-damaged cars and radiation levels in sold vehicles.

Example Cases of Inquiries & Complaints

Case 1: When I entered my car's information on a website for a free estimate, I got calls from numerous businesses wanting to buy it, and then happened to have someone come by to appraise the car. In front of my home, he offered me 650,000 yen right on the street. He was very pushy when I hesitated, so I told him I'd sell it for 700,000 yen. He said he'd buy it and so I signed and stamped the papers inside the car. Later on, when I contacted my wife, who lives apart from me, I was asked not to sell the car, and so I contacted the agent and told him I was canceling the agreement. He said it couldn't be canceled and that he'd already found a buyer who'd paid earnest money. This was all in one day and I still had the car, so I couldn't believe he'd found a buyer. The contract does say the agreement cannot be canceled, but is there really no way to cancel it? (Inquiry from a man in his 30s)

Case 2: Yesterday I went to a car buyer shop and had my car appraised for free. I told them that I'd just completed mandatory vehicle inspection that month and also replaced two tires, but I was told the car had no value. As I went to leave, they said they'd buy the car for 50,000 yen, even though it had no value, and so I signed a contract. Today the price didn't seem fair to me, so I decided to cancel the agreement. Although the reverse side of the contract says that a cancellation penalty of 100,000 yen will be paid for purchases under 1,000,000 yen, that was not explained to me at the time. When I asked the business what the basis of the 100,000-yen cancellation fee was, they told me it was for the cost of paperwork. I just can't believe that. (Man in his 60s)

Case 3: I called a business intending to have them appraise my car. The next day an agent came to my house and initially told me it was worth zero yen. After making several phone calls, he took the car away, having told me he would check at the repair shop to see what repairs would cost. When he took the car, I said I would make a decision to sell or keep the car only after I learned the price. But then I got a call telling me they had already sold it for 100,000 yen, and when the agent came to my home he brought a completed purchase agreement. I told him I wanted to talk with my parents before deciding, but he wouldn't listen and kept pressuring me, saying that everything was already agreed to with the buyer and there would be problems if I didn't sign. He wore me out and I ended up signing. The next day I went to their shop with a friend, but they wouldn't even tell me where the car was. (Inquiry from a woman in her 20s)

Advice for consumers

- ① Take time to cool down before signing a contract, rather than signing on the spot.
- ② If you provide personal information to an appraisal site, you will be contacted to sell your car.
- ③ It is not necessarily true that you must pay the cancellation fee indicated in the agreement. Before paying, demand they provide a breakdown and rational basis for the charges.

- ④ It is very risky to hand over your vehicle and documentation before receiving payment.
- ⑤ In general, once an agreement is reached, vehicle defect is not grounds for canceling the agreement or reducing the price.
- ⑥ In case of trouble, consult your nearest local consumer center immediately.