



NCAC NEWS

*From
National Consumer Affairs Center of Japan*

Vol.24 No. 3

September 2012

* 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. Safety issues regarding home-use exercise equipment

**- Despite their purpose of making exercise easy, they have led to cases of injuries!
Read the instructions before using exercise equipment-**

Overview of Inquiries

Convenient home-use exercise equipment can be purchased from a variety of sources including TV shopping, the Internet and home centers.

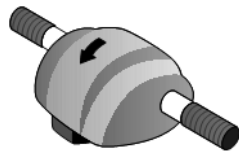
However, in the space of about five years since 2007, PIO-NET has received 290 instances of injuries and danger including serious complaints such as "I hit my eye against my rubber exercise equipment and my vision in that eye

has dropped." and "While using equipment which is designed to train the abdominal muscles through working against the resistance of a spring, I lost my balance due to the power and fell on my face and got injured." In some cases, the test results of those machines which had been requested for quality checking due to the injuries some people received have led to product improvement.

Typical home-use exercise equipment (Examples)



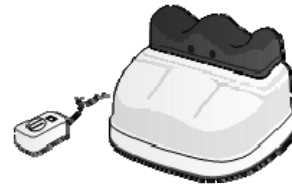
Stepper
(stepping type equipment)



Roller Slide



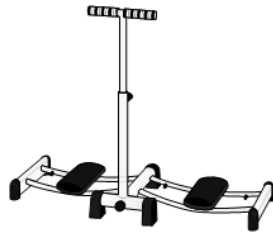
Electronic muscle
stimulator (EMS)



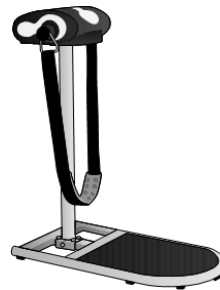
Swing exercise equipment



Treadmill



Leg spreading type
equipment

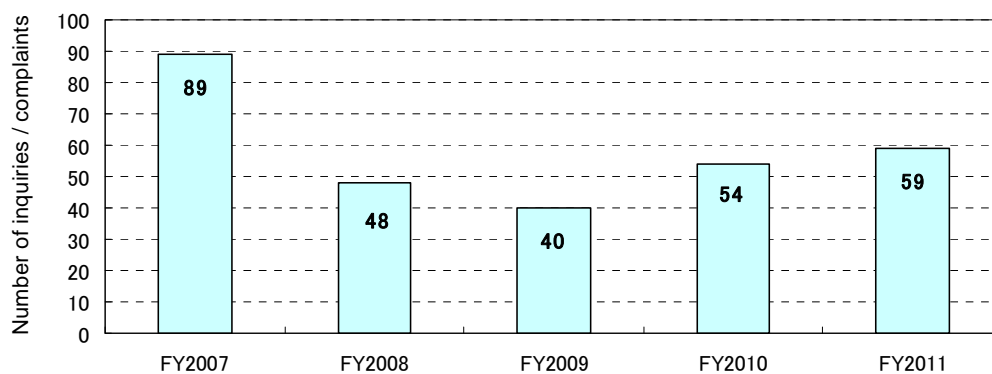


Vibration exercise
equipment



Exercise bike

<Graph 1> 1 Number of inquiries & complaints concerning injuries and danger regarding home-use exercise equipment



Example Cases of Inquiries & Complaints

Case 1: Equipment was used by someone who had a medical condition which made such exercise dangerous

I am under care for a condition of the spine and my doctor told me to do some stretching exercises. So I ordered the exercise equipment. Since they were offering it for half the price on TV if purchased within 30 minutes, I bought it without much thought.

After using it once, my back started to hurt. When I had a look at the user manual, it said persons with back problems must consult their doctor before using this equipment. However, this was never mentioned on the TV advert. I want to return the product and get my money back. (Inquiry from a man in his 70s)

Case 2: Equipment was purchased for exercise, but caused back pain

I purchased a horse-riding type exercise equipment because I wasn't getting enough exercise. I had heard it would be good for my health if I used it for 15 minutes every morning and evening, but after starting using it, I developed back pain within half a year. After stopping using it for a period of time until my back healed, I started using it again, which made my back hurt again. (Inquiry from a woman in her 60s)

Advice for Consumers

- ① Understand that exercise equipment puts a strain on your body and consider your needs carefully before making a decision about purchasing any equipment. You should also check your medical history and consider any current health conditions to determine if any products are safe for you to use.
- ② Follow instructions written in a user manual and the like.
- ③ Exercise in a way that is appropriate for your physical capabilities and health conditions at the time. Do not overexert yourself. You should also stop exercising immediately if you feel any pain or discomfort.
- ④ After using the equipment, loosen your body muscles by stretching, etc. There have been cases where children have played with the equipment while it was not being used and got injured, therefore it is important to think of a safe place to store any equipment at the time of your purchase.
- ⑤ You may have to make inquiries about the equipment and how to use it so make sure you keep the necessary documentation such as user manuals, etc.

2. Warnings regarding the use of infant neck float rings

Product Testing Background

A case has been brought to PIO-NET involving an infant who suffered a respiratory arrest and had to be taken to hospital after being in water wearing a baby swim ring that is worn around the neck. (referred to hereafter as "neck float rings") In addition, two cases where infants have drowned while wearing neck float rings have been brought to the Japan Pediatric Society and one such case was reported to the Tokyo Fire Department. Thus, a total of four such cases have been confirmed. In response to this, product testing of a prominent neck float ring product was conducted and the details retail outlets displayed on their websites were investigated as an attempt to see whether the use of such products can be dangerous.

Accident Cases

Case 1 : A parent was bathing with their baby (4 months old) and their other young child. The baby with a neck float ring in the water was left unattended momentarily when the parent turned away to look after the other child. The parent looked back at the baby that his face had gone pale and his lips had turned purple and he had stopped breathing. After administering first aid, the colour of the baby's face returned to normal and he began breathing again. Consequently, an ambulance was called. (Occurred on June 2, 2012)

Test Results

- (1) When the neck float ring was inflated with plenty of air, the face did not usually sink in the water nor did the ring slip off, but under certain conditions, the chin would sink into the hole of the ring.

- (2) When the neck float ring did not contain much air, there were times when the ring would sink easily. Furthermore, when the buckles were not secured, the nose and mouth would sometimes enter the water and the ring would slip off.
- (3) Among the websites of the businesses that sell these products on the Internet, there were some that described the efficacy of this product to be useful for the guardian to be able to shampoo their hair while taking a bath with their infant.

Advice for Consumers

- ① When using infant neck float rings, first make sure that the ring is inflated with plenty of air, that air is not leaking from the product, the bands are properly fastened and the chin is properly positioned.
- ② Looking at the cases, there are incidents of drowning that have occurred when the parent was bathing with the infant and turned their attention away for two or three minutes to wash their hair or look after the other children. The product is recognized as a convenient product when bathing, however it must never be used in situations where the infant is left unattended such as times when the parent is washing their hair or washing the other children.

II. Property damage

1. Don't be rushed into signing a contract! Think twice before agreeing to costly surgery! **Be aware of problems that come with cosmetic medicine sales talk!** **-Based on the results of the Cosmetic Medicine and Contract Trouble 110 Session-**

Overview of Inquiries

Local consumer centers across Japan have received many complaints that raise questions over the sales methods and advertising of cosmetic medical services. (medical services performed to enhance the beauty of the patient including cosmetic hair removal, liposuction, double eyelid surgery, foreskin surgery, cosmetic dentistry and hair transplants) In July 2010, this center called attention to safety issues regarding this and requested the relevant authorities to issue warnings, but there appears to be no decrease in the amount of troubles involving cosmetic medicine.

Details of the "Cosmetic Medicine and Contract Trouble 110 Session"

Period: January 23 (Mon) to January 27 (Fri), 2012

Details: The Cosmetic Medicine and Contract Trouble 110 Session took place at the National Consumer Affairs Center of Japan as an attempt to gather information.

Results: Of the 93 responses received, 84 respondents were able to give information that has been compiled under the following headings. (The responses of members of the public who did not answer or provide relevant information or could not remember have been omitted.)

• What media was used to get information when selecting a clinic?

The clinic's website was the most commonly used source of information with around 30% of respondents saying they used such websites. The second and third most common means were magazine advertisements and free papers at 20% and just over 10% respectively.

• Who carried out the medical consultation and treatment?

The consultation was carried out by a doctor in most cases (around 80%) but there were three respective instances when nurses, counselors and clerical staff, etc. carried out consultations. Respondents who provided this information said that they did not meet a doctor at the time of the contract agreement but the doctor only

turned up just before the surgery.

• Explanations about the surgery

There were many inquiries claiming that there was no explanation given about the side effects/varying degrees of success of procedures, nor any mention of refunds/cancellation of agreement for surgery.

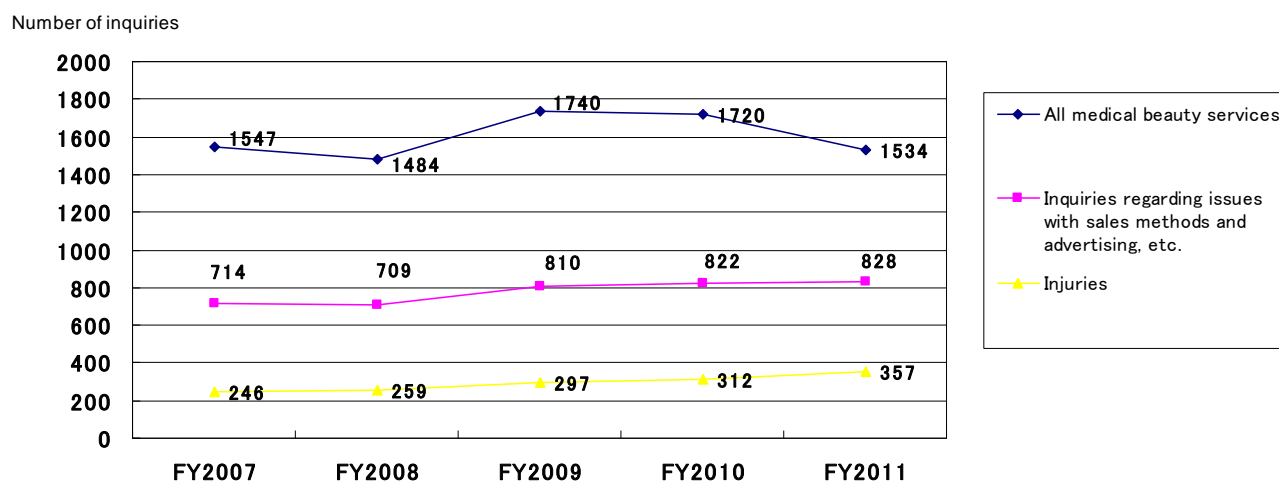
• Patients' attitudes when going to the clinic

The most common motive that more than half of the respondents had was to receive the surgery they desired when going to the clinic, whereas as many as around 40% only wanted a consultation and advice and did not have a keen interest in surgery.

• Dates of consent and surgery

The majority of respondents which was around 60% said that they gave consent for their surgery and went through the procedure on the same day and more than 80% of respondents gave their consent on their first visit for surgery at a later date.

< Graph 2 > Number of inquiries regarding cosmetic medical services



Example Cases of Inquiries & Complaints

Case 1 : Cancellation of liposuction refused after being forcefully pressured to agree to surgery

I found a clinic on the Internet that was accepting monitors to receive liposuction in the buttocks and thighs for a reduced fee and I made a reservation. The clinic recommended me to have a consultation so I went to the clinic. When I told the director of the clinic that I had received liposuction at another clinic in the past, I was told I could not be a monitor and I was pressured to sign a contract, which if I signed on the day, it would get me a procedure that normally costs 940,000 yen for a fee of 770,000 yen. I was urged to agree to the surgery while still being left naked from the waist down and although I said I could not decide today, a female member of staff who had come in to replace the director pressured me into making a quick decision. I relented and paid 50,000 yen and booked surgery for more than two weeks later. Two days later I tried to cancel my surgery but was refused by the clinic and I was ordered to pay the full sum with the threat that the clinic's lawyer would send me a certified invoice for their request if I did not pay. (Inquiry from a woman in her 30s)

Case 2 : Minor forced to sign an expensive credit contract for paraphimosis treatment

I saw on a clinic's homepage that the basic fee for foreskin surgery is 100,000 to 200,000 yen so I booked an

appointment for a consultation and went to the clinic. The doctor told me I have paraphimosis. He also urged me to sign a credit contract saying that surgery would not be covered by my health insurance. I was told I would be injected with hyaluronic acid to ease the pain and that if I agreed to surgery while still being a minor, I would not be charged interest, so the normal fee of more than 1 million yen would be reduced to 850,000 yen. I agreed to a credit arrangement and underwent surgery. My parents later told me that while surgery is expensive, paraphimosis examinations are carried out in urology departments of normal hospitals. (Inquiry from a teenage boy)

Case 3 : After receiving age spot removal surgery, an area of my face many times the size of the spots became red
I booked an appointment and went to a clinic I knew about through an acquaintance with the intention of just having a consultation. I was recommended treatment and told that the treatment of age spots is very simple and I ended up receiving this treatment on the same day. At the time, I told the doctor I had an important meeting in 6 days and he reassured me, telling me there was no need to worry. I had 3 troublesome areas but I was also recommended to have my other, less defined age spots treated at the same time and so I received laser treatment in over 10 places. After the treatment, an area many times the size of my age spots became red and my face was bandaged. I was told by the person in charge of the clinic that such internal bleeding is difficult to get rid of and that it would take some time to heal. (Inquiry from a woman in her 60s)

Advice for Consumers

- ① Do not rely solely on information found on websites and in advertisements. Only make a decision to go to a clinic after you have gathered sufficient information by yourself.
- ② Do not consent to surgery until you are fully satisfied by the explanation given at the clinic. Be especially careful about agreeing to "same day surgery".
- ③ Be aware that once you have consented to surgery, it will be difficult to get your money back without any penalties.
- ④ If you run into problems, consult your local consumer center. Do not suffer in silence, ask for help early on.

2. Problems with investment trusts are increasing annually

- Investors need to reevaluate the risk of losing their principal, prevent problems and stop them escalating -

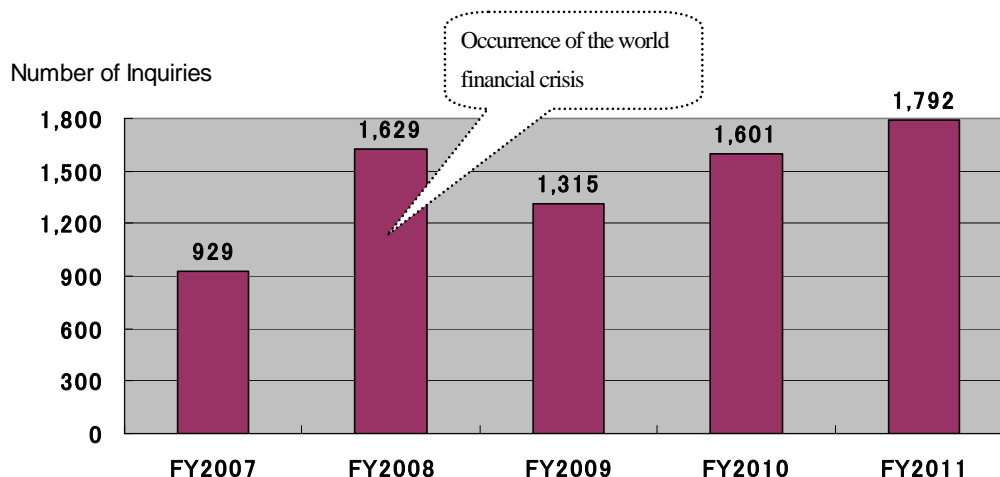
Overview of Inquiries

In January 2009, the National Consumer Affairs Center of Japan issued warnings regarding so-called "Knock-in" type investment trust transactions. However, the number of inquiries about trust funds to local consumer centers across Japan has continued to rise since then and there were over 1,700 cases in 2011.

Many of the inquiries revolve around contractual issues and the cancellation of contracts and sales methods. There is a particularly large number of complaints about the cancellation of contracts and insufficient explanations about how there is no guarantee on the investor's initial principal, etc. Inquiries about trust funds are also notable for the fact that many of the people who sign contracts are aged over 60 and the average investment contract is for more than 10 million yen.

On the other hand, in February 2012, the Financial Services Agency revised the guidelines on trust funds and it is expected that this will put an end to the rise in consumers' troubles, but the size of the market for trust funds is extremely large and the number of cases of troubled consumers is extremely high.

<Graph 3> Changes in the number of inquiries about trust funds by year



Example Cases of Inquiries & Complaints

Case 1 : Persuaded to choose a "knock-in type" trust fund transaction after being told that there was a guarantee on my principal

Five years ago I wanted to make a fixed-term deposit. So I went to the bank where I was introduced to trust funds as something that would offer a greater interest rate than fixed-term deposits while offering a guarantee on the principal. Having thought that a trust fund would be good if my principal was guaranteed, I made a contract to invest 9 million yen. Some years later when the share price fell, I was contacted by the person in charge and I asked about the guarantee on my principal but it was explained to me that the guarantee on any principle becomes void if the share price falls below a certain value. I was not told about this when I made the contract and I would not have joined any scheme if I had been told that there was a chance of losing my initial investment. I lost money and feel I deserve compensation. (Inquiry from a man in his 80s)

Case 2 : An elderly person with dementia signed a contract without understanding the system and wants to cancel the contract

My mother who has been diagnosed with dementia and requires care signed a contract for an investment trust fund with a securities company. She entered the contract with an investment of about 6 million yen but her investment now stands at around 2 million. She has misplaced the contract documents and can not remember when she agreed to invest her money. She does not understand how her investment works and wants to cancel her contract. (Inquiry from a woman in her 80s)

Case 3 : I signed the contract as the salesman suggested and my requests for cancellation have been refused

I have bought and sold shares for some time, but four years ago I had a visit from a person in charge of a securities company and was recommended to sell my shares to purchase a trust fund. I signed the contract as I was advised without receiving a clear explanation. After that the value of my assets gradually diminished. I have said to the company that I am too old to invest in such a scheme and asked to be released from the contract, only to be told to wait because the interest would pick up after seven years. I told the person that I didn't know what the state of my health would be in seven years but I am not allowed to cancel my investment on the grounds that my children will take over my investment. I want to cancel the contract as soon as possible. (Inquiry from a woman in her 80s)

Advice for Consumers

① Make no mistake in understanding the fact that there is no guarantee on your principal and fully check the details of the explanation given by the salesman.

- ② Do not sign a contract if you do not fully understand the risks and the system or you cannot appropriately measure the risks involved in such a scheme.
- ③ Only sign contracts with a level of risk that you can afford.
- ④ You should check the conditions regarding cancellation in advance before signing anything.
- ⑤ If you run into problems, consult your local consumer center.

3. Newsflash! Be on your guard against new methods of "online skill marketing "
-High risk of an increase in victims of both genders and all ages-

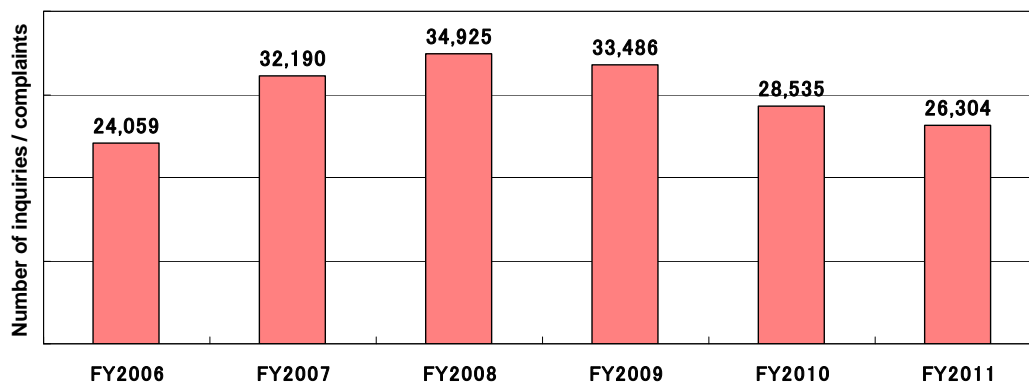
Overview of Inquiries

For the last several years, the National Consumer Affairs Center and local consumer centers have received many serious inquiries about websites that use skill marketing techniques, through which people have been tricked into paying large amounts of money to earn points to be used on the website. Up until now, the center has publicly criticized the business practices of such websites and held phone-in support sessions and other events for victims, but in order to stop the number of victims growing, the center has cooperated with related bodies and implemented a campaign to eradicate fraudulent skill marketing websites from May 22 to June 29.

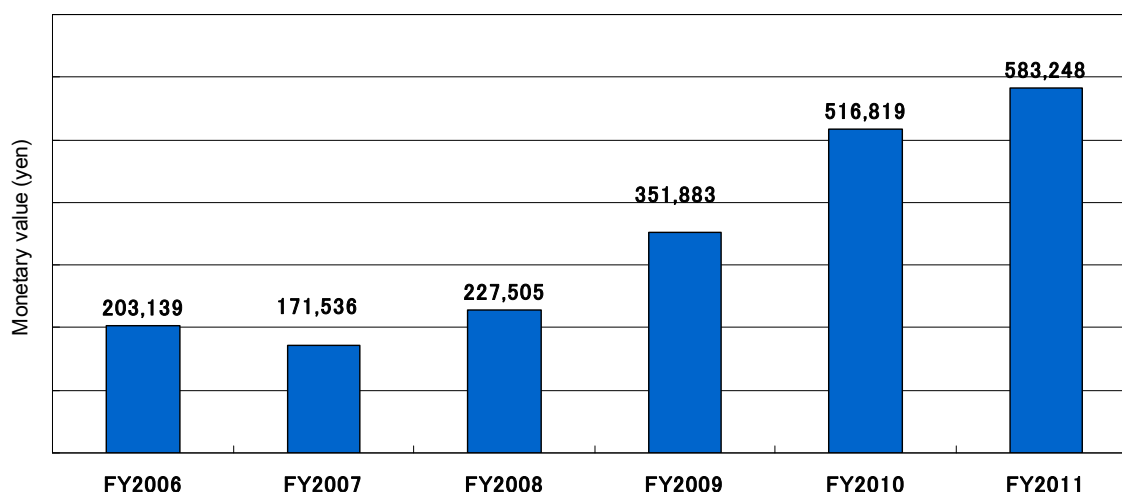
A typical method of online skill marketing about which the center has issued warnings involves luring consumers to a website by sending sudden unsolicited bulk emails and using other free SNS sites. Their aim is to make customers purchase points every time they exchange mails with people who are actually skills pretending to be fellow consumers.

However, during the campaign, the center received inquiries about new methods. Skill marketers now lure consumers to their websites by using popular communication applications that have spread through the increased use of smart phones. Consumers are now also faced with the danger of staff posing as multiple fellow consumers who urge users to play games against each other for money and other prizes. Moreover, another method has emerged whereby consumers are attracted by a cheap rate such as 100 yen for a certain number of days, but the price soon switches to a higher fixed rate without people realizing. These practices are described as shrewd tricks through which a large amount of damage can be caused over a short period of time by further lowering consumers' level of caution and tapping into their sense of rivalry and passion for gambling.

<Graph 4> The national number of inquiries regarding online dating agencies
 (Online skill marketing is commonly found within online dating agencies)



<Graph 5>Changes in the average amount paid for contracts



Example Cases of Inquiries & Complaints

Case 1 : Lured to a skill site through a communication application

On my smart phone, I use a communication application that allows free calls and messaging. One day, I got a message from someone through this application requesting I contact them. I thought that whoever sent the message must be who knows either my mobile number or the ID that was issued to me when I registered with the application, so I replied to the message. I then got a reply from the person saying that they were a manager for celebrities and that they wanted me to give advice to the celebrities they managed. I was told that a website to handle the exchange of emails between us would be set up until full contact details are exchanged. I thought it was a bit strange, but it was free so I exchanged a number of emails with the celebrities several times on the linked website. However, I found out at a certain point that exchanging emails required points which had to be purchased. Naturally, I decided to quit but then I got a phone call through the application from someone who claimed to be a secretary or an advisor for a production company. The person said that they appreciated what I was doing but they also needed a payment in advance and I would receive something in return later. I got a number of phone calls all saying the same kind of thing. Believing what the person was saying, I paid and continued to send emails but I never received anything back. I ended up spending a total of around 300,000 yen. I believe that I was deceived and want my money back.

(Inquiry from a woman in her 50s)

Case 2 : Invited to purchase team points and take part in battle games

In the past I was lured by spam emails from an unknown source into joining an online dating site where I exchanged emails with a number of people. One day I got an email from the site saying I'd been selected to take part in battle games which were played through purchasing points. The contest would take place using a team system and it was somehow decided that I compete by forming a team with someone I'd been emailing. I was told that the team that purchases the most points wins. On beating another team, you can get a large amount of money as a prize and get holiday tickets. I was also told that even if I lost, 70% of the money I used to purchase points would come back to me and that the remaining points could be used to exchange emails with people on the site.

I thought it sounded good because I wouldn't lose anything and I might win a large amount of prize money so I took part by first purchasing 20,000 yen worth of points. However, matches always ended in a draw without a winner or loser ever being decided. There were repeated battles that were drawn out over a long time, but then there were mostly battles where it looked like my team would soon win which always made me think that it was going to be my turn to win. As a result, I ended up purchasing a total of around 200,000 yen worth of points. I wanted to quit, but my

teammate asked me not to give up and claimed that I could not leave him because he had already put down tens of millions of yen to buy points. On top of this, I received an email from the site warning me that if I didn't purchase points by 3 pm on the same day, it would be understood that I had withdrawn from the competition and my partner would not get their money back. I couldn't quit when I thought about how it would leave my teammate in the lurch. My family says I've been conned. I just don't know what to do.

(Inquiry from a man in his 70s)

Advice for consumers

- ① Never respond to an email or message from someone you do not know. We receive a particularly large number of cases involving people being lured to skill sites via communication applications using messaging and call functions due to increasing smart phone ownership. It is therefore extremely important that you check the settings for the registration of your friends on any networks and set your applications to the most appropriate settings for you.
- ② Be on your guard against tricks that lure you in by offering prizes and also be wary of scams such as battle games in which you compete to purchase the most points. You should also be cautious about other tricks that also exploit a sense of comradeship and invoke a sense of rivalry and passion for gambling.
- ③ In order to avoid any trouble that may arise after registering, fully check everything that is displayed on the site, etc.
- ④ If you face problems or feel unsure, keep hold of the records of payments and other documents, consult your nearest consumer center and seek legal advice or contact the police.