



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. Child accidents at indoor play facilities within commercial facilities

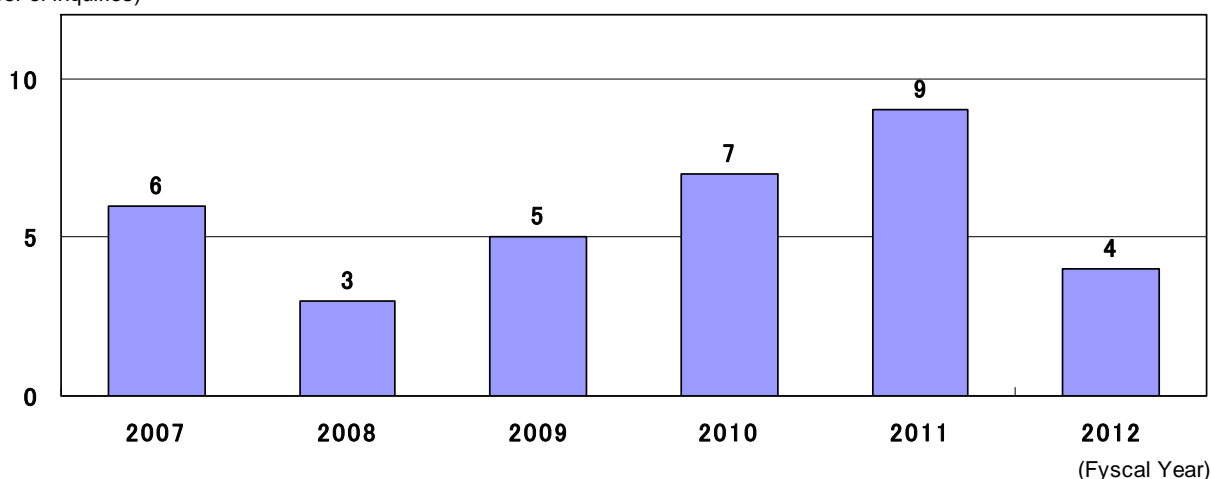
Inquiry and Complaint Background

Facilities installed with play equipment such as slides and plastic-ball pools ("indoor play facilities") are very popular within commercial facilities as places for children to use their bodies and play.

At the same, however, PIO-NET and the Medical Facilities Network have received information that accidents have occurred at indoor play facilities, including cases of broken bones and other injuries requiring prolonged treatment.

<Graph 1> Hazardous Incidents Reported to PIO-NET

(Number of inquiries)



(data registered through January 31, 2013)

Example Cases of Inquiries & Complaints

Case 1: Child suffers broken bone when his left elbow strikes a hard surface on a fee-charging trampoline in a children's play area

I let my child play on a fee-charging trampoline in the children's play area inside a commercial facility. It was a square 3x3-meter trampoline surrounded by a net. While my child was playing, his left elbow struck a hard surface at the edge of the trampoline. He was crying so hard that I called an ambulance and had him examined at the hospital. They told me his bone was broken and would require seven weeks to heal completely. The management company for the play area told me there was nothing wrong with the play equipment itself. Still, the equipment is for children ages 0-8 and, even though parents can go inside too, the entrance has no netting and is wide open. And nobody is watching after people go inside. To me this seems like a safety problem.

(PIO-NET, received August 2011, five-year-old boy)

Case 2: Child in a plastic-ball pool for children hits her forehead on the stairs and requires four stitches

My child was playing in a plastic-ball pool at a facility for use only by children under 120 cm inside a shopping center. When she jumped down into the pool, she hit her forehead on stairs that were hidden by the balls and required four stitches. When I contacted the play-equipment manufacturer they told me the play equipment was not dangerous. It's unconscionable for them to avoid the issue and say the equipment isn't dangerous when a child was actually injured and needed four stitches.

(PIO-NET, received June 2011, five-year-old girl)

Case 3: Child loses four front teeth playing on netted tunnel-like play equipment

I let my five-year-old son play at the fee-charging amusement park at a large-scale shopping center. He was playing on netted tunnel-like play equipment when I heard him suddenly crying. When I got to him I found his mouth filled with blood. I took him to a dentist and had his four front teeth removed because the dentist said they were loose. I am in contact with the operator about compensation but their response has been poor.

(PIO-NET, received January 2012, five-year-old boy)

Advice for Consumers

- ① When using indoor play facilities, always follow posted signs and use the facility or equipment properly as intended. Guardians should also do their best to keep an eye on their children at all times
- ② When an injury occurs on indoor play equipment, you should immediately notify the facility management about the accident.

2. Be Careful When Using Brush Trimmers ("Weed Eaters") **- Accidents Include Severed Fingers and Eye Injuries -**

Product Testing Background

Powered by gasoline or electric motors, brush trimmers spin metal blades or nylon cords at high speed to cut weeds and grass. As they can be easily purchased not only through agricultural equipment stores and home centers but also over the internet, brush trimmers have become widely popular gardening tool even among general consumers. As convenient as they may be, however, brush trimmers can cause terrible accidents if not used with care. In the five years between 2008-2012 (data registered as of April 15, 2013), PIO-NET has received 160 inquiries, including 11 injuries and 23 hazards, related to the safety, hygiene, quality, performance, and service quality of lawn-cutting equipment, including brush trimmers. Meanwhile, the Medical Facilities Network has received reports of 34 accidents caused by lawn-cutting equipment, including brush trimmers, between December 2010 and March 2013.

Example Cases of Inquiries & Complaints

Case 1: Accident caused by the blade while working

Two people were working together as a pair. One of the pair was operating the brush trimmer. The other was using a hoe to lift the grass to make it easier to cut when the blade on the brush trimmer jerked upward and struck his left index finger, creating a 4 cm gash along the back of his hand to the joint on his finger.

(occurred April, 2011; man in his seventies)

Case 2: Accident caused by flying debris

While working with a brush trimmer, a woman got something in her right eye. The pain was so severe she was taken by ambulance to the hospital. A piece of plant had lodged itself at nearly the center of her right eye. She underwent emergency surgery to remove the foreign object and had her cornea sutured.

(occurred May, 2012; woman in her sixties)

Case 3: Accident caused by tangled grass, etc. in the blade

While cutting grass, a man's glove got caught in the electric brush trimmer and pulled his hand in. The index finger on his left hand was severed as a result.

(occurred October, 2011; man in his seventies)

Test Results

(1) Reconstruction Testing

- 1) When using tipped saws or other metal blades, the brush trimmer itself can jerk upward when the right edge of the blade from the tip strikes the ground or an obstruction.
- 2) Depending on the point of impact, a plastic test object and aluminum can were capable of flying more than ten meters and striking a user's leg. When protective shield was removed, a greater amount of grass flew at the user.
- 3) When tangled grass was removed with the motor still running, the blades began to spin again as soon as the tangled grass was freed, causing potential hand injuries.
- 4) Without the shoulder strap in place, it is easy for the blades to strike the user's body if the user tumbles.

(2) Labeling Research

While all products had warning labels on the equipment, there were differences in the method and content of the labeling. Likewise, although all user manuals had warnings about protective clothing, kickback, etc., there were differences in the method of labeling.

(3) Accessories Research

There were brands without shoulder strap attachments and/or protective goggles.

Brands Subjected to Testing



Video References:

High-resolution version

http://www.kokusen.go.jp/douga/20130704_1_news/n-20130704_1_high.html

Low-resolution version

http://www.kokusen.go.jp/douga/20130704_1_news/n-20130704_1_low.html

Advice for Consumers

- ① Even when working for only short periods of time, prevent accidents by wearing proper protective gear (long sleeves, long pants, protective goggles, etc.) as described in the user manual.
- ② There are hazards specific to brush trimmers, including kickback and flying objects caused by the blades. Consumers should understand these hazards and use the equipment properly. Special care should be taken when using a brush trimmer for the first time. Carefully read the user manual and fully understand how to use the equipment and the hazards entailed. Also, never use the equipment in ways that were not intended, such as trimming tall branches.
- ③ Consider using nylon cutters, which do not kick back, if you are cutting soft grasses or working around structures.
- ④ Nearby people can be injured as a result of kickback and flying objects. Before starting, always check to be sure there are no people nearby. Also, avoid approaching people are operating such equipment. Before starting, take time to clear away small rocks, aluminum cans, and other obstructions that might fly out.
- ⑤ When tangled grass was removed by hand with the motor still running, the blades began to spin again as soon as the tangled grass was freed, causing potential hand injuries. While working, if the blades get tangled with grass, etc., always stop the motor and/or disconnect the battery or electrical plug so that there is no risk of the blades accidentally starting.
- ⑥ If you are not using a shoulder strap and happen to stumble, it is very easy for the blades to strike your body and cause you injury. Whenever working, always wear a shoulder strap that is properly adjusted to your height. Consider using a hand tool, such as a sickle, in areas of poor footing and steep slopes.

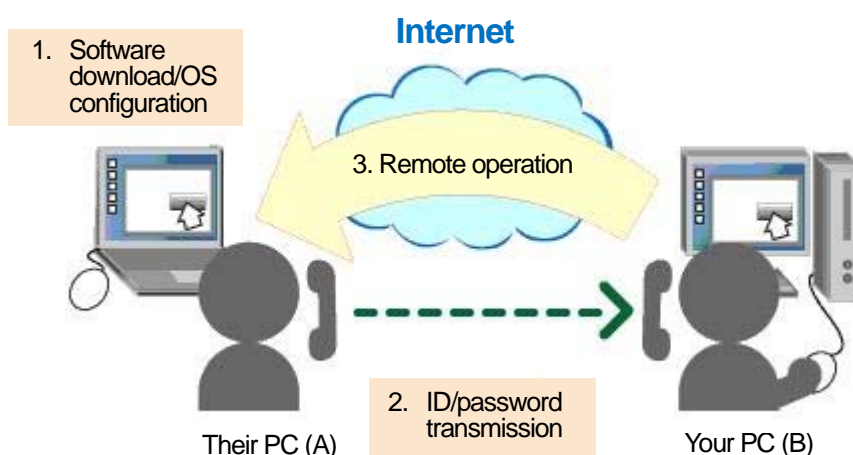
II. Property damage

1. Newsflash! Beware Trouble with "Remote Operation" During Sales Calls from Providers

Overview of Inquiries

Multiple reports have been received recently of problems regarding provider contracts in which consumers are solicited over the phone and told to follow the caller's instructions on their computers. Without fully understanding the situation, these consumers allow the caller to operate their computer remotely, only to discover later that the caller has enrolled them in a provider contract to which they never agreed. Troubling cases such as these are hard to resolve because it is difficult after the fact to verify what was agreed to between the consumer and the operator.

PC Remote Operation (Example)



1. Remote operation features provided by the computer's operating system (OS) or free software for remote operation is downloaded.
2. ID/password necessary for remote operation is transmitted to the other party.
3. Once the other party enters your ID/password, they can now control your computer from their computer.

Example Cases of Inquiries & Complaints

Case 1: Contract entered into without consent through remote operation

I received a sales call on the phone telling me I could lower my costs by switching providers, so I decided to switch. I was told the switch between providers would be handled through remote operation of my computer. On the agreed-upon day I received a phone call from the business operator I had previously spoken with. I started my computer as instructed and remember counting out some numbers from the homepage as directed. Other than that I did nothing. Several days later I received a sealed postcard from a provider I didn't recognize. When I reviewed it, I discovered that my monthly charges were even higher than before and that I had been enrolled in a video delivery service and remote services that I hadn't requested. I want to cancel. (Inquiry from a woman in her 60s)

Case 2: Inadequate explanation draws minor into a contract

We received a sales call about a provider contract. My mother was the one who answered the call, but she doesn't understand computers. So she gave the call to my grandfather. But my grandfather didn't understand what the caller was talking about, so I took the call (I'm a high school student). The contract was not explained to either my mother

or my grandfather. When I got on the phone, the caller explained that their lines had reached our area and that we could be registered via remote operation. It would lower our monthly charges by several hundred, he told me. He identified himself as belonging to a major telecommunications company so I figured it was alright. He asked me my age and I told that I was a high-school student. Next I used our computer to do what he instructed me to, then waited. It wasn't long before he was remotely operating our computer and the registration was complete. When the documents arrived days later we saw that we were signed up for a plan that was 2000 yen more expensive than before. We decided to cancel but on the provider's website it said that a termination fee would be charged. They never said anything about that. This is unreasonable. (Inquiry from a man in his teens)

Advice for Consumers

- ① Never enter a contract by allowing a sales caller to remotely operate your computer.
- ② Enter a contract only once you fully understand what it entails. If you do not need something, just refuse.
- ③ In case of trouble, consult your local consumer center.

2. Complaints Soaring Even with Low Fares **- Problems Regarding LCC and Other Budget Airlines -**

Overview of Inquiries

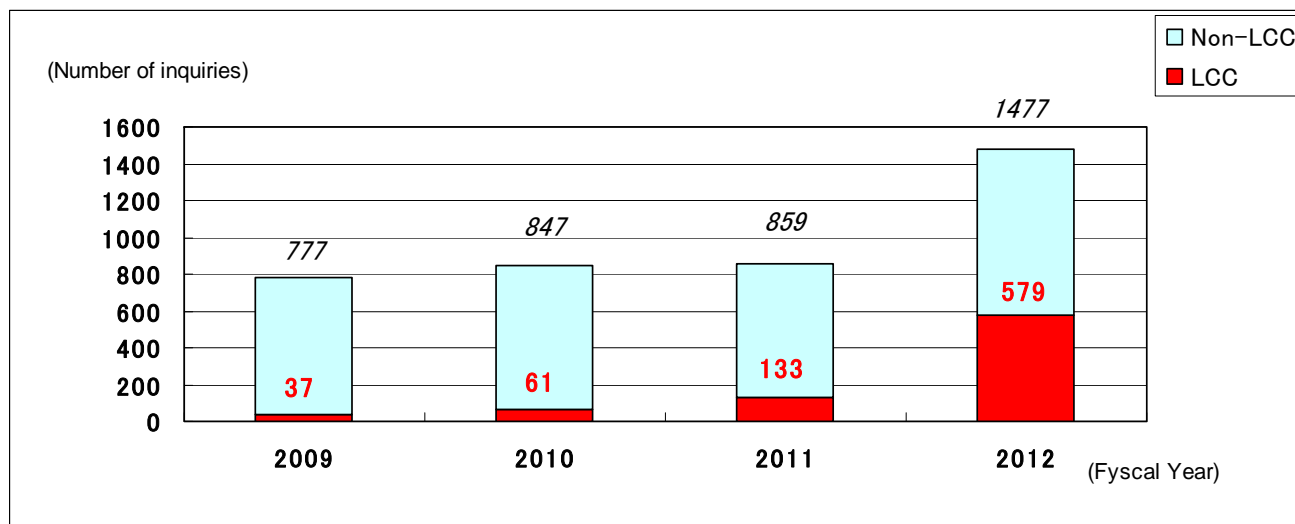
It has been one year since the official launch of "low-cost carriers" (LCC) and other such budget airlines.¹ Unlike conventional airlines,² LCCs compete on cheap airfares made possible by limiting the number and type of planes they use and by providing services "a la carte" and charging for each.

In step with the expansion/increase in LCC airline routes and number of flights, local consumer centers nationwide (PIO-NET) have received various inquiries, and numerous reports have also been received via the "Consumer Trouble Mailbox."³ While many inquiries can be considered the result of inadequate preparation and explanation to consumers on the part of the industry, some inquiries have also been the result of inadequate consumer understanding of the differences in service between LCC and conventional airlines and a lack of familiarity with the new system.

In particular, because LCC ticket reservations and purchases are made online, troubles have arisen around issues such as "hard-to-understand displays," "system operation," and "responses when trouble arises." There has also been noticeable trouble related to customer support, presumably due to labor-saving policies.

- 1 Refers to conventional airlines, often called "full-service carriers" (FSC), that provide familiar fares, fees, and services.
- 2 By "low-cost carriers" (LCC) and other budget airlines, this public announcement refers to domestic airline carriers whose business, compared to conventional airlines, is centered on cheap airfares, high deployment ratios dependent on vessel concentration and operational efficiencies, and a la carte in-flight/on-the-ground services and streamlined customer service (so called "no frills service"). This definition is based on the publication "Trends in the Airline Industry" (July 19, 2012) by the Ministry of Land, Infrastructure, Transport and Tourism.
- 3 An information collection system created by the NCAC on its website in April 2002 to understand harm to consumers in a timely fashion and prevent similar kinds of harm to consumers from recurring (http://www.kokusen.go.jp/t_box/t_box.html).

<Graph 2> Inquiries related to airline services and LCC-specific inquiries



(Italicized figures indicate the number of "airline service"-related inquiries registered as of May 31, 2013)

Example Cases of Inquiries & Complaints

Case 1: Mistaken choices easily made due to default settings on the reservation screen

I made a reservation online. After the purchase screen, I entered the wrong number on the credit card payment screen. When I returned to the first screen to reenter my information, "have baggage" on the first screen was selected again, even though I earlier selected "not needed" for checked hand-baggage. As a result I was charged a fee for something I didn't need. Although checked hand-baggage is an option, the default setting for a fixed number makes it easy to make a mistake. I would like them to improve the system so that I make my choice and then confirm it at the end. (Inquiry from a man in his 50s)

Case 2: Mandatory costs besides the fare should be clearly displayed

LCCs promote their low fares, but in reality there are various fees that get applied to the fare in the course of making a reservation. At the very least, out of these the mandatory costs that everyone has to pay should be displayed in advance as a minimum total.

Even though low fares get displayed, fees are used to make up the difference. I feel an issue needs to be made of the high portion of fees relative to the low cost of the fare. (Consumer Trouble Mailbox, man in his 30s)

Case 3: Conditions not in the contract had to be met to get a refund when canceling a flight after the airline changed the scheduled time

I reserved and paid for a flight I intended to use for a business meeting. Afterwards I was contacted and told that the flight time had been changed. When I checked the new schedule, I saw I wouldn't make my meeting. But when I asked for a refund I was told that the change was within three hours of the originally scheduled flight, so there would be no refund. My flight could only be rescheduled for another one early in the morning or late at night. If I still insisted on a refund, then they would need me to send written evidence that the meeting was being held. Neither of these conditions was anywhere in the contract (Consumer Trouble Mailbox, man in his 50s)

Advice for Consumers

- ① Before making a reservation, check how the contract and guidelines differ from those of conventional airlines.
- ② Verify mandatory costs in addition to the airfare.
- ③ Compare other modes of transportation within the context of your overall travel needs.
- ④ Leave for the airport with plenty of time to spare.
- ⑤ If trouble occurs, consult with your local consumer center.

3. Beware Schemes Over the Phone that Suddenly Tell You "Your Name Has Been Used to Buy Corporate Bonds"

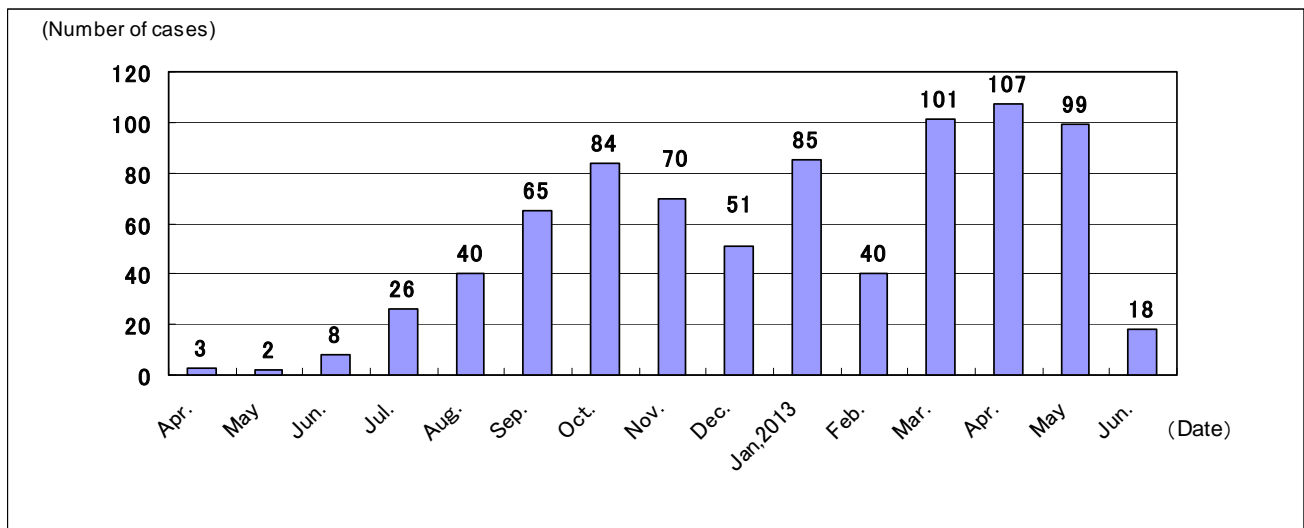
- Deceptive High-Pressure Sales Tactics Trick Nervous Consumers Out of Their Money-

Overview of Inquiries

A new deceptive sales scheme is on the rise to trick nervous consumers out of their money by telling them over the phone that their names have been used to "buy corporate bonds."

Using this new scheme, a caller will suddenly tell the consumer that their name was used to buy corporate bonds and then direct the nervous consumer to take steps to cancel the order. Next, as the caller and consumer continue the discussion, the caller will try to trick the consumer out of their money by telling them that a cancellation fee is required. Some cases also involve scare tactics, with the caller describing the purchase as "insider trading" and indicating that the consumer may even be "charged with a crime."

<Graph 3> Inquiries regarding deceptive high-pressure sales tactics that tell consumers over the phone that their names were used to buy corporate bonds (2012~)



Total 799

(Data registered as of June 30, 2013. The number of cases was specially investigated for this report.)

Example Cases of Inquiries & Complaints

Case 1: I received a call telling me that securities had been bought using my name and that I should cancel the order myself

A week ago I received a call from unknown securities firm asking if I'd received papers or securities from Company A. When I told them I had not and that I wasn't interested in any securities, they hung up. Then today I got another call from the same securities firm telling me that they had purchased 10,000,000 yen of Company A's securities in my name. Surprised, I told them it was unacceptable to do something like that without asking me, but was told that, as the person legally responsible, I would have to cancel the order the myself. I immediately called Company A to cancel it, but was told they wouldn't know until tomorrow if would go through. Worried, I called the securities firm again and they pressured me by saying the cancellation would be void if I spoke with anyone else. That scared me so I told them I was calling the consumer center and hung up. What should I do next?(consumer, woman in her 60s)

Case 2: I received a call telling me my name had been used to purchase corporate bonds. When I tried to cancel the order, I was told a cancellation fee was required

I got a call from a company (Company B) identifying itself as a trust company. They said they wanted me to purchase

corporate bonds for a company (Company A) that dealt in regenerative medical devices. They offered to send me a pamphlet but I told them I was interested.

A few days later I got another call from Company B, this time telling they had bought 10,000,000 yen of Company A's bonds in my name. When I said that was unacceptable, they told me to call Company A to cancel, so I did. But Company A told me there was a cancellation fee of 5,000,000 yen. When I mentioned this to Company B, they told me that the Financial Services Agency was investigating the transaction for insider trading. He asked how much money I had available and told me not to speak to the police or my husband about it because it would go to court. I then put together 3,000,000 yen which I hand delivered to an employee of Company B at a nearby train station.

The next day I got a call from Company A telling me that the Financial Services Agency had issued a directive to pay an additional 4,000,000 yen, so I had no choice but to speak to my husband. He said it was a scam and we decided to speak about it to the police. (consumer, woman in her 70s)

Case 3: I received a call telling me that my name had been used to purchase unlisted stocks. When I tried to cancel the order, I was told I might be prosecuted.

Four days ago I got a call from a securities firm telling me that some person had used my name to purchase 10,000,000 yen in unlisted stocks from some business. Later on I got a call from the issuer of the unlisted stocks confirming that 10,000,000 yen had been transferred. I had no recollection of any of this and couldn't understand it. After thinking about it for a day, I indicated to the issuer that I wanted to cancel the contract because something was not right about it. I was told they would process the return of 10,000,000 yen to my account, so I gave them my account number when they asked for it. After that I was told that they verified my account with the Financial Services Agency about canceling the contract but there was a problem with the account. Unless I increased the account balance by 3,000,000 yen they wouldn't be able to transfer the funds. When I told them I couldn't increase the balance by 3,000,000 yen, they told me that the police would get involved and I might be prosecuted, so ultimately I got together the 3,000,000 yen. Later on, because it happened to be a weekend day and I couldn't transfer the money to the account, they came to my home to collect it in cash. When I gave it to him, he told me that I would be arrested by the police if I told anyone, so I even kept it secret from my husband. But my behavior was strange so my husband asked me about it. When I explained what happened, he said I'd been tricked. I want my money back.

(consumer, woman in her 60s)

Advice for Consumers

- ① Any strange phone call telling you that your name was used to "buy corporate bonds" is a fraud. Pay no attention and hang up immediately.
- ② Even if you end up speaking with the business operator, never pay them any money.
- ③ Consult immediately with your local consumer center and police.
- ④ It is always important for family members and other close people to keep a helpful eye on senior citizens.