



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. Safety of Anti-Pollen Glasses for Children

- How to Avoid Eye Injuries Caused by Collisions and Falls -

Product Testing Background

In contrast to normal glasses, anti-pollen glasses have a wider frame that extends to the face to prevent pollen from entering the wearer's eyes. NCAC learned that children wearing anti-pollen glasses can injure themselves above their eyes as a result of the anti-pollen frame when they fall down or collide with people or objects. Accordingly, it issued a consumer alert in February 2013 with "Beware Face Injuries from Anti-Pollen Glasses for Children"⁽¹⁾ and "Injury Above the Eyes Caused by Anti-Pollen Glasses for Children in Collision While Exercising"⁽²⁾

(1) http://www.kokusen.go.jp/news/data/n-20130221_2.html

(2) http://www.kokusen.go.jp/news/data/n-20130221_4.html

Brands Subjected to Testing (top row: curved type; bottom row: flat type)



Example Cases of Inquiries & Complaints

Case 1: I purchased anti-pollen glasses for my seven-year-old child who has pollen allergies. He fell while wearing them at school and suffered a cut above his eyebrows where glasses struck his face. At the hospital he required 12 stitches.
(PIO-NET, February 2013 incident, seven-year-old boy)

Case 2: During baseball practice, the child made a diving catch for a ball and hit his forehead on a sprinkler. The guard of the anti-pollen glasses he was wearing struck him near his right eyebrow, causing an eyelid injury that was 1 cm long and 4mm deep.
(Medical Facilities Network, April 2012 incident, nine-year-old boy)

Test Results

(1) Shape and materials

- 1) When the gap between the frame and forehead was investigated, curved-type glasses were found generally to have a smaller gap. There was contact between frame and forehead in some brands of curved-type glasses.
- 2) Most brands had frames made of hard plastic, though two brands used soft plastic.
- 3) The part of the frame that might touch the forehead in a fall was investigated to see whether it would be sharp enough to pose a danger. It was not shown to be so sharp as to pose a danger of cutting the skin on contact.

(2) Differences in safety in an impact as a result of frame materials

Anti-pollen glasses were investigated to see whether frame materials made any difference in safety when the frame struck the forehead in a collision or fall. Soft plastic was shown to reduce skin damage.

(3) Effect on field-of-vision

Anti-pollen glasses have frames with edges that extend to the face to prevent pollen from reaching the eyes. This design was investigated to see whether wearing such glasses negatively affected the wearer's field-of-vision. Curved-type glasses had less of an effect on field-of-vision than flat-type glasses.

(4) Labeling

- 1) Some brands had labels that claimed the glasses could be used during "sports" and/or "exercise."
- 2) There was one brand without any warning about impacts and falls. Additionally, there was only one brand with labeling that mentioned the potential for injury from the frame.

Video References:

High-resolution version http://www.kokusen.go.jp/douga/20130822_1_news/n-20130822_1_high.html

Low-resolution version http://www.kokusen.go.jp/douga/20130822_1_news/n-20130822_1_low.html

Advice for Consumers

- ① When engaging in sports or strenuous exercise, be sure their glasses are removed.
- ② When first using the glasses be sure adequate time is taken to adjust to changes in field-of-vision, and give reminders to pay greater attention to surroundings than usual when wearing them.

2. Beware Dead Batteries and Malfunctions in Crime-Prevention Buzzers! **- Test Buzzers at Home to Be Sure They Work When You Need Them -**

Product Testing Background

Crime-prevention buzzers are used in an emergency to make a loud warning noise that alerts nearby people of danger and prevents crime before it happens by surprising potential offenders. Many elementary schools issue (lend) them to children. Results published by NCAC in October 2008⁽¹⁾ revealed that high-quality buzzers certified by the Japan Crime Prevention Association⁽²⁾ could suffer malfunctions, including broken buzzers, upon impact when dropped. As a result, a consumer alert was issued and requests were made to industry organizations for revised standards, resulting in revision of Battery Association of Japan's standard (SBA) for crime-prevention buzzers.

In the five years since that public announcement, PIO-NET has registered 37 subsequent inquiries (received since 2003, registered between September 23, 2008 ~ July 31, 2013) regarding "portable crime-prevention buzzers" (e.g. "Nine months ago I purchased a crime-prevention buzzer for my elementary-age daughter to use. After six months the buzzer stopped working").

- (1) "Can we protect our children? A series of malfunctions occurring in children's security buzzers"

(NCAC News, Vol. 20, No. 5, p. 6)

http://www.kokusen.go.jp/e-hello/data/ncac_news20_5.pdf

- (2) The Japan Crime Prevention Association became a public interest incorporated foundation in 2012.

Test Results

(1) Condition of crime-prevention buzzers used by elementary school children

More than half of buzzers used by elementary school children suffered from issues that prevented the buzzers from working, including dead batteries and broken connections. In some cases, batteries showed deterioration, such as leakage and/or bulging.

(2) Survey of actual crime-prevention buzzer usage

More than 70% of caretakers had never changed the batteries in the crime-prevention buzzer currently in use, while roughly 50% had never tested theirs to confirm whether the buzzer worked or not.

(3) Initial malfunctioning

Of the ten brands that were purchased for testing, none suffered from initial malfunctions at the time of purchase that prevented the buzzers from working.

(4) Volume level

All five devices of two brands that were tested had volume levels below the standard of 85dB(A) set by the Battery Association of Japan, Inc. for crime-prevention buzzers.

(5) Dropped impact test

Nine of the ten brands suffered some form of malfunction by the time the device was dropped six times from a height of 1m, including five brands in which the buzzers stopped working.

(6) Labeling

Nine of the ten brands had labeling that advised consumers to test their buzzers.

Brands Subjected to Testing



Video References:

High-resolution version

http://www.kokusen.go.jp/douga/20130905_1_news/n-20130905_1_high.html

Low-resolution video

http://www.kokusen.go.jp/douga/20130905_1_news/n-20130905_1_low.html

Advice for Consumers

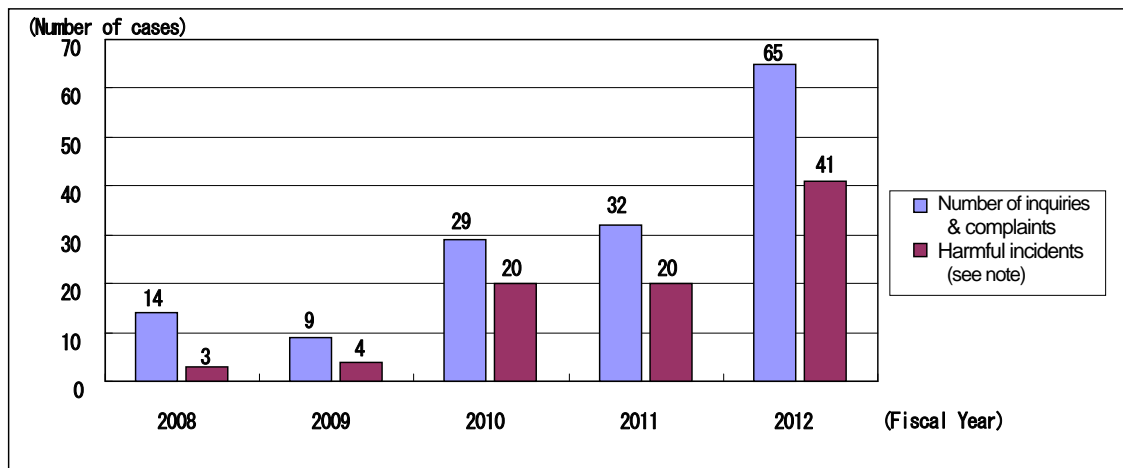
- ① At least once monthly, caretakers at home should check the operation of buzzers and regularly test and change the batteries.
- ② Teach children to handle buzzers carefully, including when in their bags, to avoid strong impacts when carrying them.

3. Information Provided About Scented Fabric Softener

Overview of Inquiries

Fabric softeners claim to keep clothes feeling soft and to soften damaged fabrics. Until ten-odd years ago, mainstream fabric softeners were lightly scented to reduce odors associated with indoor line-drying and perspiration. In the years leading up to 2010, in response to a boom in strongly scented overseas fabric softeners, today's broad range of aromatic products became widespread.

<Graph 1> Inquiries related to "scented fabric softeners" by fiscal year



Note: "Harmful incidents" refers to inquiries/complaints in which consumers suffered bodily injury and/or illness (harm) in connection with a product, service, or facility.

Sample Cases of Inquiries & Complaints

Case 1: Fabric softener used by the person making the inquiry: After using a fabric softener, I couldn't stop coughing and was prescribed multiple medications by a doctor

After using a fabric softener and hanging our clothes out to dry, the smell was so strong that my wife and I both started coughing. After wiping my face with a towel on which we had used the fabric softener, I couldn't suppress my coughing. When I contacted the manufacturer, I was told to see a doctor and bring the fabric softener with me, so I did. Both of us showed only a weak allergic response, so the cause was undetermined. As a result we were prescribed multiple medications. (Inquiry from a man in his 30s)

Case 2: Fabric softener used by someone other than the person making the inquiry: The smell of my neighbor's laundry is so strong that it gives me headaches and makes me nauseous

The smell of my neighbor's laundry is so strong that it gives me headaches and makes me nauseous, so much so that I can't open my window or run my fan. I suspect it is their scented fabric softener. We've never been examined by a doctor, but all three of my family members are suffering the same symptoms. None of us has ever before been diagnosed with allergies to any particular substance. (Inquiry from a woman in her 40s)

Advice for Consumers

- ① If you are sensitive to smells, be sure to check the product label for information on the strength of its scent before selecting a product.
- ② Be aware that a scent you like may be unpleasant to other people.

II. Property damage

1. Highest Ever Number of Inquiries & Complaints! Trouble from Secondary Damage in Undeveloped Land Schemes on the Rise Again

- Don't Buy into Sales Pitches like "Someone wants to buy it" and "It will sell at a high price" -

Overview of Inquiries

Consumers who in the past were victims of undeveloped land schemes⁽¹⁾ are meeting with trouble from secondary damage. Told that their property will sell at a high price, these consumers enter into agreements for surveyor services or are led to purchase new land and charged for the costs. The number of such inquiries and complaints has reached their highest level ever.

NCAC issued a consumer alert in July 2006 regarding the trouble from secondary damage in undeveloped land schemes,⁽²⁾ after which the number of inquiries and complaints declined briefly. Since 2010, however, the number has been on the rise again.

Elderly persons are an extremely large percentage of those affected by such trouble. In recent cases, new techniques are being seen. These include, for instance, the sending of "certificates of purchase" to the consumer's home to earn their trust, and sales pitches that claim "foreigners are buying up the land so it is sure to rise in value."

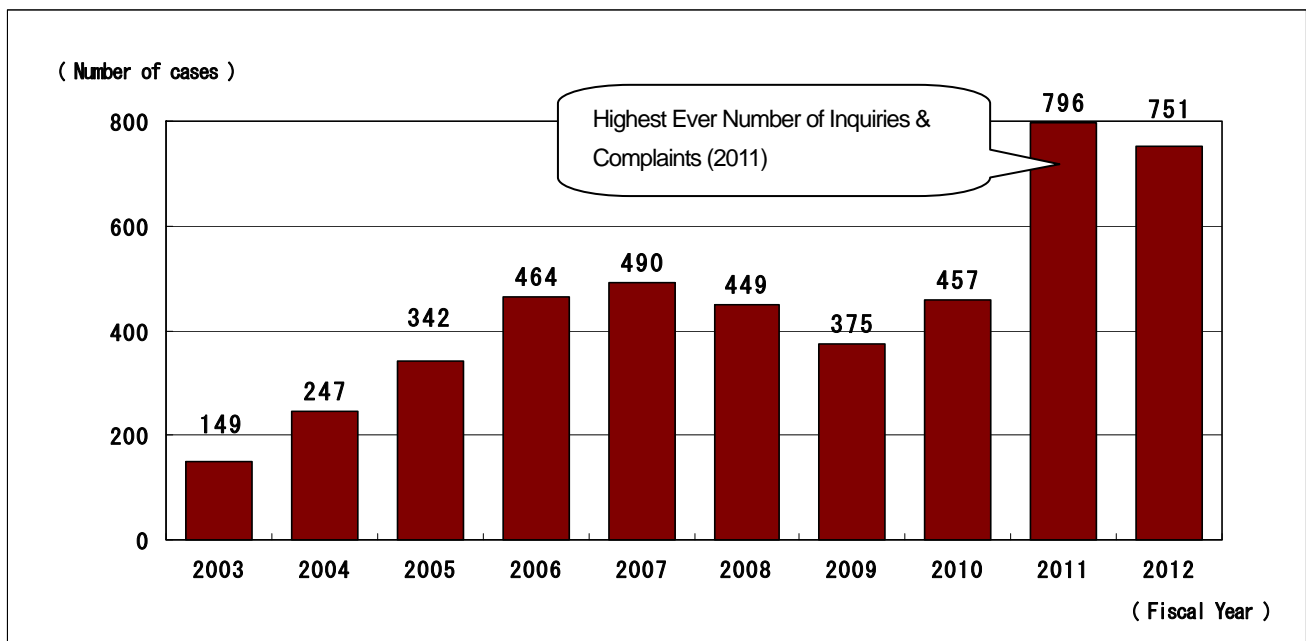
(1) Undeveloped land schemes (gen'ya shoho) are when undeveloped forestland and fields are sold on the basis of fraudulent claims of increasing value, even though the land has little or no prospect of increasing in value in the future. They became a social problem in the 1970s and 1980s.

(2) NCAC NEWS, Vol. 18, No. 3, p. 5 (http://www.kokusen.go.jp/e-hello/data/ncac_news18_3.pdf)

NCAC also issued a consumer alert in December 2011 on "Mimamori Fresh Info."

(See http://www.kokusen.go.jp/mimamori/mj_mailmag/mj-shinsen126.html)(Japanese only)

< Graph 2 > Number of inquiries & complaints by fiscal year (since 2003)



Example Cases of Inquiries & Complaints

Case 1: They sent me a "certificate of purchase" so I believed them. I paid them to clear the land, but cannot reach them since

Roughly 40 years ago I bought forestland in Hokkaido for around 700,000 yen. About one month ago, I received a phone call saying that someone was interested in buying the land, and asking me to sell it for 120,000 yen per tsubo. When I received the prospective buyer's "certificate of purchase" and "certificate of seal impression," I believed them and transferred around 200,000 yen to an individual account as payment to have the land cleared of the trees that were growing on it. After that I was told they would "build a road," and so I made more than five transfers for a total of 4,200,000 yen. When I call now, I cannot reach the company. What should I do? (Contract signatory: man in his 80s)

Case 2: When they told me that foreigners were buying up the land so it was sure to rise in value, I signed a management survey agreement.

I bought land 30 years ago and did nothing with it. I'd been approached many times by companies wanting to buy it, but always declined when I learned it would cost money to clear the land and so forth. If I'd been told it would cost money this time I'd have declined again, but instead I was told it wouldn't cost any money, so we talked for two hours. He told me that foreigners were buying up the land so it was sure to rise in value, and that most other property owners in the area were signing agreements. I was told they would buy it from me for 4,000,000 yen without any costs, but when I signed the agreement I was charged a management survey fee. I was to transfer funds the next day, but I contacted the company before making the transfer to tell them I wanted to exercise "cooling off." They told me I couldn't cancel because the paperwork was already being processed. I want to exercise cooling off.

(Contract signatory: man in his 60s)

Advice for Consumers

- ① Don't buy into sales pitches like "someone wants to buy it" and "it will sell at a high price."
- ② Clearly refuse strange sales pitches. If they don't listen and continue to make their sales pitch, just hang up.
- ③ When considering an agreement, be sure to thoroughly verify the following points and decline the agreement if anything seems strange.
 - (1) Contact the local municipality where the land located to ask if the evidence and background information used by the company in its explanation is factually accurate and whether there have been any changes in the status of surrounding land.
 - (2) Request that the company provide written documentation with concrete evidence of its claims that the land will sell, and that describes the terms of the agreement and their services.
 - (3) Whenever possible, verify the current conditions of the property with your own or family-member eyes, and verify the property's registration information.
- ④ In case of trouble or if something seems strange, consult your local consumer center.
- ⑤ It is also important that family members and close friends/neighbors look out for elderly people on a regular basis.

2. It's Not Free?! "Lucky Winner" Sales Tactic for Water Dispensers

- Reality is Water Delivery Service! Cancellation Fee Charged If Service is Canceled in the First Year-

Overview of Inquiries

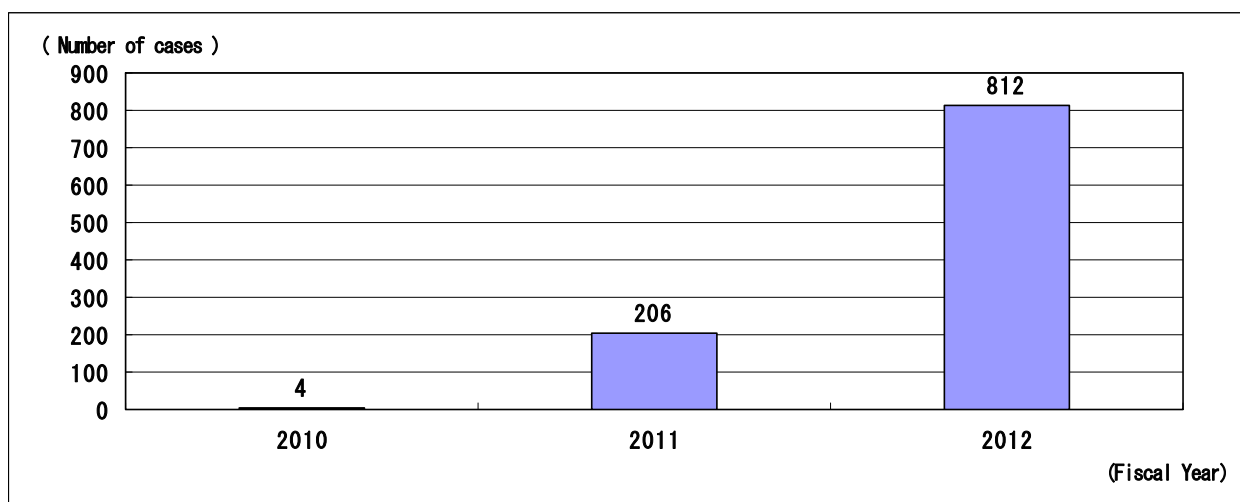
Inquiries such as the following have been on the rise: "A raffle was being held in a corner of the supermarket and I was invited to draw a ticket. I was so excited when I won the second-prize — a 'free rental' of a water dispenser — that I immediately signed up. Then, when I got home and read the documentation I had received, I discovered I would be charged separately for bottled water delivery. I also learned that I would be charged an expensive pickup fee for the water dispenser if I canceled within the first year." The dispenser rental is free, but in actuality the agreement is for a water delivery service. The complaints stem from the lack of explanation given about the fact that a pickup fee for the dispenser will be charged if the agreement is canceled in the first year. In some cases consumers are pressured to sign the agreement immediately as "lucky winners" without being given enough time to think it over, while other consumers are so excited at their good fortune that they sign the agreement when asked, without fully understanding it.

Inquiries regarding water dispensers ⁽¹⁾ and this kind of "lucky winner" sales tactic⁽²⁾ have been increasing year on year.

- (1) Cold and hot water-dispensing appliances that are specially paired with bottled mineral water to provide hot and cold water on demand.
- (2) Sales tactic that lures consumers into paying money by emphasizing their special status as "lucky winners,"

"premium prize winners," "exclusive winners," etc.

<Graph 3> Number of inquiries & complaints by fiscal year



Example Cases of Inquiries & Complaints

Case 1: Example in which the agreement was not fully explained

I went shopping at a convenience store with my child. As we exited the store, someone invited me to draw a ticket from a raffle they were conducting as part of a marketing campaign. My child really wanted to draw the ticket, so I let him and we won the second-prize water dispenser. Usually there was an annual membership and rental fee, but I wouldn't be charged for either, I was told. Many people I know use water dispensers, and I thought it would be convenient for making my child's milk since it dispensed hot water, so I decided to accept the offer. The staff explained enough for me to decide what water and how many bottles I wanted, but my child was getting impatient so the staff didn't explain anything more, except that it would be cash-on-delivery.

Some time later the dispenser and water arrived. When I checked the agreement, I was surprised to see that the water would be delivered every 20 days. I had assumed this company would be like the ones I had heard about from people I know who place their orders for water whenever they need it. I thought about canceling but the agreement says I'll be charged a 5,000 yen pickup charge for the dispenser if I cancel within the first year. I don't recall the staff explaining anything about cancellation fees or frequency of delivery. The dispenser hasn't been installed and the water is still sealed, so I want an unconditional cancellation.

(Inquiry from a woman in her 20s)

Case 2: Example in which consumer was warned not to cancel

As I was leaving a super sento yesterday, I was invited to draw a ticket from a raffle box. When I did, I won second prize. They told me I would receive a water dispenser free of rental charges for life, and recommended their least expensive plan. I signed the agreement, which included delivery of two 12 litre bottles every 20 days, and gave them my credit card number because they said payment would be by credit card. As I was leaving, I got nervous when the staff warned me against immediately canceling or contacting the sento. According to him, he was just a part-timer so nobody would recognize his name, and the sento was unaffiliated with his company.

After I got home, I read the Disclosures Statement and learned that I would be charged a 5,000 yen pickup fee for the dispenser if I canceled within the first year. I'd like to cancel. What should I do?

(Inquiry from a woman in her 40s)

Advice for Consumers

- ① Despite the words "lucky winner" and "free," be aware that in actuality the agreement is for a water delivery service.
- ② Be careful when entering into an agreement, and listen attentively to the explanation before signing
- ③ Depending upon the location and circumstances, there may be a cooling off period
- ④ If the issue cannot be resolved, consult your local consumer center

III. Other

1. Fiscal 2012 Summary of Consumer Issues Received Through PIO-NET

Overview

The following is an overview of consumer inquiries received at consumer centers nationwide and registered with PIO-NET in 2012 (registered with PIO-NET as of May 31, 2013).

Main Characteristics

(1) About 850,000 inquiries received

A total of 852,649 inquiries were received in 2012, continuing the decline in inquiries since 2004. At the same time, while inquiries for fictitious billing have continued to decline since their peak in 2004, they showed a near double increase in 2012 at roughly 40,000 inquiries.

(2) Percentage of inquiries from people 70 and older grew as the age of contract signatories continued to rise

- A look at contract signatories by percentage shows that the percentage of inquiries by people 70 and older, now at 18.9%, has continued to grow.
- In 2012, the total percentage of people 60 and older was a full one-third, or 33%, of all inquiries. This is 2.5 times the year 2003 total (roughly 13%) of inquiries by people 60 and older.
- As society has continued to age, so too has the number of inquiries from older people continued to increase as well.

(3) The current situation regarding inquiries, sorted by product and service type

1) Products and services with notable increases in inquiries

① Digital contents and other; general products

In 2012, the greatest increase in inquiries came under "digital contents and other." Many inquiries pertained to billing (fictitious billing) for the use of internet sites that consumers had no recollection of using. Such inquiries showed an increase over last year. There was also an increase in the number of inquiries for online gaming.

② Health foods

In 2012, there was a sudden rise in the delivery of unsolicited health foods mainly to elderly persons. Many inquiries about such sales tactics were received from people 60 and older. Consumers repeatedly reported receiving sudden phone calls telling them that their order of health foods would be delivered shortly, despite having no recollection of ever having placed such an order. Despite refusal by consumers, these companies then forcibly deliver the health foods.

③ Transportation/communication services; mobile phones

Inquiries regarding smartphones continued to increase. Likewise, there was a continued increase in inquiries regarding mobile data communications that enable internet use outside the home or office.

④ Internet lines; IP phones

There was an increase in the number of inquiries regarding internet lines (e.g. optical fiber) and providers. This reflected an increase in complaints and inquiries regarding telemarketers who recommended switching

existing internet and phone services to optical fiber and IP phones, telling consumers that they would "save money on charges" and "not need a fixed-line phone."

⑤ Shoes/exercise shoes; bags; other personal accessories

Inquiries were received for cases in which products ordered online were not the products that were delivered; items received from overseas were believed to be counterfeit; products never arrived; and sellers could not be contacted. With respect to other personal accessories, there was a conspicuous number of inquiries regarding wallets and sunglasses.

⑥ Computer software

Inquiries were received regarding security-related software such as anti-virus software, and asset management software such as automated FX trading software.

⑦ Sewing Machines

Inquiries about businesses that terminated prepaid installment (layaway) plans for sewing machines continued to grow. Many inquiries described receiving refund letters for terminated prepaid installment (layaway) agreements from sewing machine companies with which consumers had existing agreements. Consumers were unsure if the letters should be trusted.

⑧ Airline services

There was a notable number of inquiries about LCC and other budget airline agreements, and about customer service.

⑨ Healthcare services

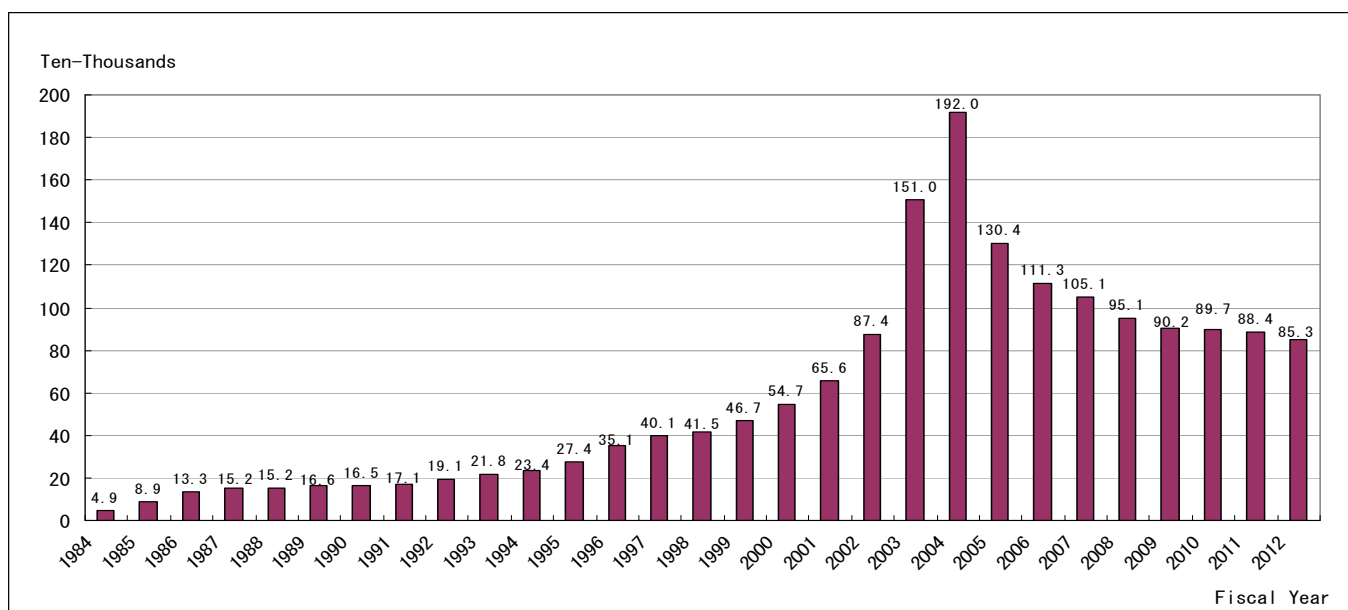
There was a notable number of inquiries regarding "cosmetic medical services" to enhance beauty, including cosmetic surgery, foreskin surgery, laser hair-removal, breast enlargement, and liposuction.

2) Products and services with notable decreases in inquiries

Inquiries regarding "adult web sites" declined in 2012 compared to last year. Still, like last year, they again accounted for the highest number of inquiries received. At the same time, due to reforms in the Money Lending Business Act and Investment Act, the number of inquiries about "consumer finance and interest-free loans" continued its decline from 2011.

The bankruptcies of companies engaged in cattle trusts, which had increased significantly in 2011, resulted in fewer such inquiries than last year. As a result, there were also fewer inquiries regarding fund-type investment products.

<Graph 4> Annual changes in the number of inquiries regarding consumer affairs



2. Fiscal 2012 Summary of Harmful and Hazardous Incident Information Received Through PIO-NET and Medical Facilities Network

Overview

The following is a summary of information on "harmful incidents"⁽¹⁾ and "hazardous incidents"⁽²⁾ collected by PIO-NET in 2012 (registered as of May 31, 2012) and information on harmful incidents collected from participating medical facilities (13 hospitals) in the Medical Facilities Network.⁽³⁾

- (1) "Harmful incidents" refers to cases in which consumers suffered bodily injury and/or illness (harm) in connection with a product, service, or facility.
- (2) "Hazardous incidents" refers to cases in which consumers have not suffered any harm but there is a risk that they might.
- (3) Medical Facilities Network exists to collect information from patients who use their medical facilities following an accident that has caused life-threatening and/or bodily harm as a result of consumer activities. This information is used to issue consumer alerts. It is a joint project with the Consumer Affairs Agency and has been collecting information since December, 2010.

Main Characteristics

- ① The number of "harmful incidents" collected by PIO-NET was 10,599. There was a significant drop in the number of inquiries regarding soaps with hydrolyzed wheat protein, which had increased suddenly last year (2011). As a result, the total number of harmful incidents fell compared to last year. On the other hand, if soaps with hydrolyzed wheat protein are excluded, there was an overall increase of 1,196 incidents, due in part to a sudden increase in inquiries related to "medical services."
- ② The number of "hazardous incidents" collected by PIO-NET was 4,170. "Four-wheel automobiles," which held the top position again this year, increased even more, while "prepared foods" rose from ninth position last year to number two, and "mobile phones" jumped all the way from 23rd position to number three. As a result, there was an overall increase of 468 hazardous incidents.
- ③ The number of harmful incidents collected via Medical Facilities Network was 5,003. The top three products were "household furniture," "stairs," and "play equipment."

< Graph 5 > Data collected on harmful and hazardous incidents, and data collected by the Medical Facilities Network.

