



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 color contact lenses: Using color contact lenses can harm the eyes

Product Testing Background

Contact lenses are classified as Specially Controlled Medical Devices under the Pharmaceutical Affairs Act. To manufacture and sell them requires approval by the Minister of Health, Labor and Welfare. Previously, however,

approval as a Specially Controlled Medical Device was not required for color contact lenses that were not intended to correct vision (below "non-corrective"). In February 2006, however, NCAC called attention to the safety of such lenses with a report titled "Safety of fashion color contact lenses with no sight correction purposes." Beginning in November 2009, approval as a Specially Controlled Medical Device became a requirement even for "non-corrective" color contact lenses.

In 2009, no more than ten kinds of color contact lenses had received approval. By 2013, however, that number had grown to roughly 300, suggesting that the number of users of color contact lenses had grown as well.

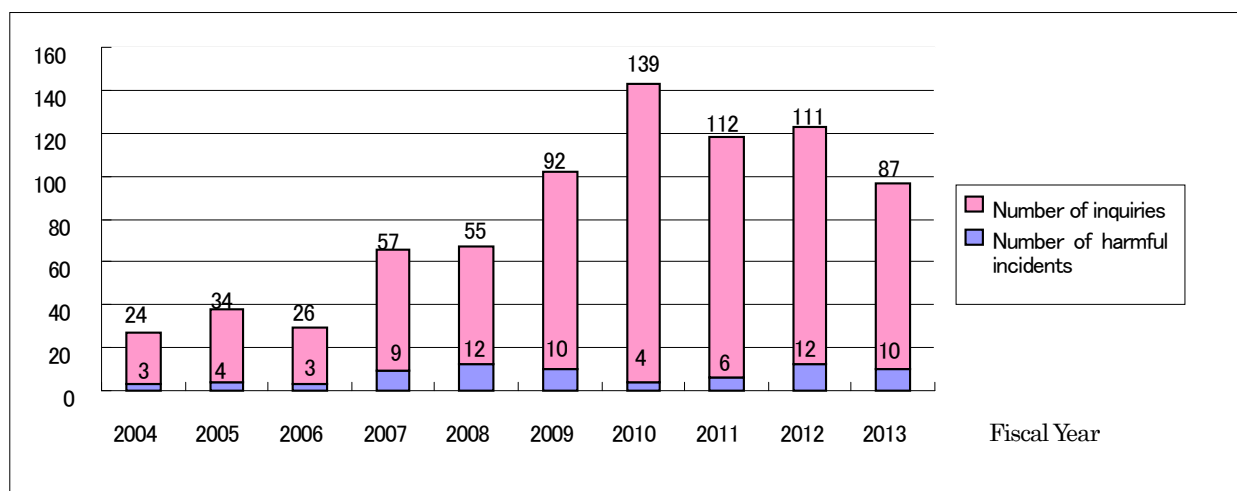
Over the past ten years, between April 1, 2004 and March 31, 2014, PIO-NET (Practical Living Information Online Network System) has received 737 inquiries regarding color contact lenses, including 541 over the past five years (2009-2013). As this shows, the number of inquiries has grown in recent years.

According to a study on eye damage as a result of color contact lenses conducted by the Japan Contact Lens Society in 2012, there was a total of 395 incidents of eye damage due to color contact lenses reported in the three months from July to September. Moreover, the percentage of the most severe forms of eye damage (corneal ulcers, corneal infiltrates) was higher in comparison to results from a Japan Ophthalmologists Association study on eye damage from contact lenses in general. Causes were said to include safety problems with the lenses themselves (e.g., oxygen permeability is lower for color contact lenses than clear contact lenses, and it is possible that the colored part may rub against the cornea and conjunctiva), as well as problems with how the lenses were used (e.g. improper lens care).

Accordingly, we decided to provide information to consumers by researching the safety and use of 17 brands of Japanese color contact lenses. For reference, we also included three brands of personally imported lenses that are not approved in Japan.

Testing was conducted jointly with the Japan Contact Lens Society and Japan Ophthalmologists Association.

< Graph 1 > Inquiries annually over time



(data registered through December 31, 2013)

The number of color contact lens-related inquiries grew beginning in 2007 and have remained at around 100 inquiries annually since 2009 (see Graph 1). Of these, there was a total of 73 incidents, or roughly 10 percent, that were registered as harmful incident data* over the ten-year period.

*: "Harmful incident data" refers to cases in which a product, service, or facility has caused harm (i.e. bodily injury, sickness or other disease, etc.).

Sample Cases of Inquiries & Complaints

Case 1:

My ninth-grade daughter bought color contact lenses for fashion at a volume retailer and wore them continuously for a month except when sleeping. When her eyes started to hurt so badly she couldn't even open them and I took her to see an ophthalmologist, the doctor said that her corneas were damaged. There was a chance she could lose her sight, so he referred us to a large hospital.

(Injured person: a girl in her teens)

Case 2:

I bought color contact lenses over the internet. When my eyes started to hurt and I went to see an ophthalmologist, I was told my eyes were damaged in the area of the lenses.

(Injured person: a woman in her twenties)

Test results

(1) Approval standards (physical requirements) testing

- When measured for diameter, two of the 17 brands were found to exceed the acceptable range shown in the approval standards.
- When measured for base curve, five of the 17 brands were found to exceed the acceptable range shown in the approval standards.
- When measured for vertex power (lens strength), none of the domestically approved lenses exceeded the acceptable range shown in the approval standards. Two of the three brands of personally imported lenses, however, did exceed the standards.
- For reference, lens thickness was measured because it affects the rate of oxygen permeation (i.e. the amount of oxygen delivered to the cornea). Some brands were as much as two times as thick at the center of the lens as other brands.

(2) Observation of coloring

- Of the 17 brands, 11 were found to have coloring on the outermost surface of the lens; yet for nine of these, manufacturer/reseller websites advertised the fact that coloring was embedded into the lens itself.
- Nine brands required lens care. Of these, lens care caused color in one brand to fade.

(3) Affect of color contact lenses on the eyes

- In the case of 12 of 16 brands of color contact lenses, corrected vision with contact lenses was weaker after eight hours of use than in the case of regularly used clear contact lenses.
- Short-term use of lenses using low water content HEMA material (soft contact lens group I) tended to intensify corneal edema more than regular lenses.
- There was sufficient damage to the corneal epithelium in 12 of 16 brands, damage to the conjunctival epithelium in 13 of 16 brands, and limbal hyperemia in 10 of 16 brands to require treatment and/or discontinuing use of contact lenses (Efron scale grade 3 or 4).
- With the exception of one brand, there was sufficient corneal edema, corneal epithelium damage, conjunctival epithelium damage, and/or limbal hyperemia to require treatment and/or discontinuing use of contact lenses (Efron scale grade 3 or 4).
- These included cases in which damage was sufficient to require treatment and/or discontinuing use of contact lenses (Efron scale grade 3 or 4), even when pain or other noticeable symptoms were not present.
- It was surmised that the oxygen permeation rate in color contact lenses is affected not only by the lens material but also by the area, method, and kind of coloring used.

(4) Labeling

- In the case of one personally imported brand, it was impossible to confirm the brand name, reseller name, diameter, etc. of the product that was received.
- Of the nine brands designed for repeated use and requiring lens care, five had labeling that indicated they could not be disinfected with hydrogen peroxide.

(5) Survey questionnaire on usage of color contact lenses (ages 10-19, 20-29)

- In the majority of cases, color contact lenses were obtained/purchased through internet mail-order (39.2%), especially among youth between the ages of 10-19 (nearly 50%).
- The number who purchased color contact lenses without visiting an eye doctor was 43.5%, while the number who changed their lens type without visiting a doctor was 15.2%. In the case of youth between the ages of 10-19, these percentages were even higher.
- A total of 36.4% responded that "the reseller never verified if an eye doctor had been seen, and never recommended seeing an eye doctor" and/or "can't remember."
- Only a small number of people received regular checkups once or more every three months (17.0%), while 30.6% responded with "never been seen."
- A total of 23.7% responded their eyes were adversely affected by the use of color contact lenses, yet roughly half of such respondents never went to see an eye doctor.
- There were also many people who used their lenses improperly, for instance, by not changing their lenses at the specified intervals and by sleeping with their lenses on.
- Likewise, many people did not care properly for their lenses, for instance, by not disinfecting and cleaning their lenses each time they used them and by not changing their lens case periodically.

Advice for Consumers

- (1) Testing showed that color contact lenses tend to harm the eyes more than clear contact lenses because of the quality of the lenses. When using color contact lenses, be sure to fully understand the risks and only choose lenses after seeing an eye doctor and receiving a lens prescription.
- (2) If your eyes feel strange when using color contact lenses, stop using them immediately and see an eye doctor. Moreover, even if your eyes feel fine, always be sure to have them checked regularly.
- (3) Never use lenses beyond their expiration date. If your lenses are designed for repeated use, be sure to care properly for your lenses each time you wear them.
- (4) The three personally imported brands used for reference in the test had base curves and diameters that were significantly different from their labels and/or had no labeling at all. The safety of personally imported color contact lenses is not verified in Japan, so exercise caution whenever purchasing them.

II. Property damage

1. Do not immediately click on warning messages that appear suddenly on your computer screen! The warning may actually be an advertisement for paid software

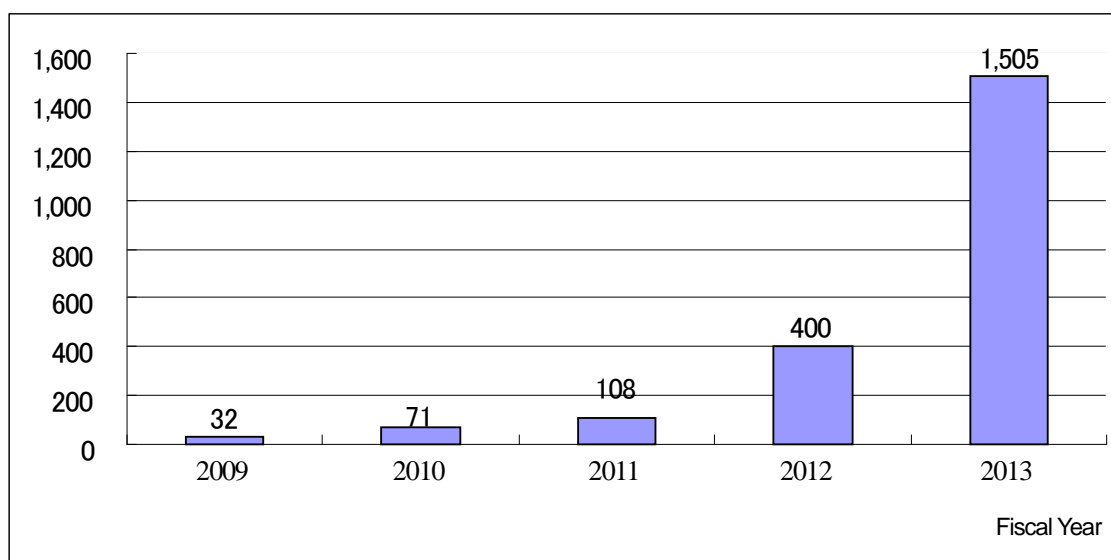
Overview of Inquiries

There has been a growing number of inquiries from consumers wanting to cancel security software and/or software to improve computer performance that was anxiously downloaded over the internet after a warning message appeared on the computer screen telling them that their computer was at risk<Graph 2>

It is not always the case that warning messages appearing suddenly on a computer screen are actually reporting on the condition of the computer. They can also be advertisements intended to make consumers nervous and prompt them to purchase software.

National Consumer Affairs Center of Japan has issued consumer alerts regarding similar trouble in the past, but the number of such inquiries has continued to rise. Accordingly, we are again issuing a warning to consumers to think carefully before downloading software.

<Graph 2>Number of inquiries



(data registered through March 31, 2014)

Example Cases of Inquiries & Complaints

Case 1. When I downloaded free software, a payment window appeared

When I was browsing a search engine site, a flashing warning message on the right side of the screen appeared. It read, "An error has occurred on this computer. Please download this free software." After downloading the software, the next screen said, "You must pay to register to repair your computer." I closed the screen immediately, but everything I start my computer the warning message reappears. What should I do?

(Contract signatory: a man in his 60s)

Case 2: After calling to cancel, I realized for the first time the purchase was made overseas

About a year ago, I got a warning message while using my computer telling me it was infected with a virus. I got worried, so I downloaded and purchased the security software that appeared on the screen, paying for it with my credit card.

About a month ago I received an email notifying me about automatic renewal. Because I didn't feel any real benefit since buying the software, I called them three days ago to cancel. When they kept trying to speak to me in English, I realized for the first time that the purchase was made overseas. I didn't know what to do so I just hung up. Is there any way for me to cancel the contract?

(Contract signatory: a woman in her 60s)

Case 3: I trusted the message because the trademark looked like a major computer company's. I have no recollection of auto-renewal, yet I was still charged

One year ago I bought a new computer. Soon after I started using it, a message appeared on the screen warning me that my "computer was under attack." The message had the trademark of a major computer company, so I figured it was a good idea to install the software. I entered my credit card information and was charged roughly 30 dollars. Recently, I received an email saying I would be charged 40 dollars for three applications. I had no recollection of ever making such a purchase, so I contacted my credit card company to stop payment and had my card number changed. When I sent an email saying I had no recollection of signing up for automatic renewal, the software company replied that renewal was automatic and I should pay. I have no recollection of ever signing up for automatic renewal, so I do not want to pay.

(Contract signatory: a woman in her 50s)

Advice for Consumers

- (1) When a warning message appears on your computer screen, do not click on it unless you are sure the message can be trusted
- (2) Before making a purchase, compare several different software applications. Make it one of your purchase criteria that the company has a customer service desk that lets you contact them in Japanese.
- (3) To avoid dangerous situations on your computer, use the Information-Technology Promotion Agency, Japan (IPA)'s Information Security Safety Consultation Desk homepage¹⁾ to collect information
- (4) Before entering your credit card information, verify the charges and contract period, etc. (including contract renewal)
- (5) Contact your local consumer center (in the case of overseas businesses, you can also contact the Cross-Border Consumer Center Japan (CCJ)²⁾

1): <http://www.ipa.go.jp/security/anshin/>

2): Consultation desk operated by the Consumer Affairs Agency for cross-border transactions
(<http://www.cb-ccj.caa.go.jp/>)

2. Sudden rise in inquiries! Trouble involving university students going into debt to buy expensive investment DVDs

Overview of Inquiries

There has been a sudden rise in trouble involving university students going into debt to buy expensive investment DVDs. "My senpai at my part-time job invited me out to a restaurant. At the restaurant, he told me about a get-rich investment DVD. On his recommendation, I took out a loan and purchased the DVD." The number of such inquiries received in 2013 was 355, a 2.4-times increase over the same period last year. (Diagram 3)

Characteristics of inquiries and complaints received through PIO-NET¹⁾

(1) Inquiries by year

A total of 825 inquiries and complaints were received from 2009-2013. In 2013, the total number inquiries and complaints was 355, a 2.4-times increase over the same period last year (data registered through April 15, 2014).

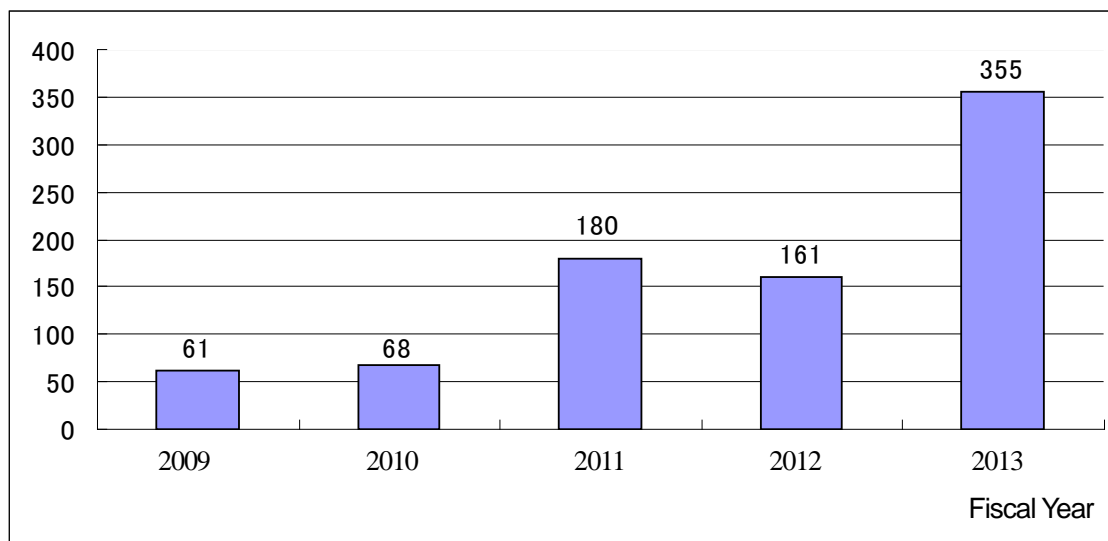
(2) Inquiries by age group

By age group, affected consumers were nearly all university students twenty years of age or older.

(3) Percentages by gender

By gender, affected consumers were more than 90% male.

<Graph 3> Inquiries and complaints related to trouble involving university students, etc. going into debt to buy expensive investment DVDs²⁾



(data registered with PIO-NET through April 15, 2014)

1) PIO-NET (Practical Living Information Online Network System) is a database of accumulated consumer-related information that connects the NCAC and local consumer centers across Japan.

2) Aggregate data for inquiries related to investment DVD purchases in which university students, etc. are the affected consumers. "University students, etc." includes two-year and vocational college students, as well as university students.

Sample Cases of Inquiries & Complaints

Case 1: Case of a university student who heard the sales pitch after a friend verbally invited him to go for drinks

A university friend invited me to "go for drinks with some girls," but it ended up being just me and my friend. As we ate dinner together, he started talking about investing. When we went for coffee afterwards, a businessman was already there waiting for us. "When it comes to investing, 95% of all people fail. The 5% who win are pros. Pros earn a 10% return on their investments annually. You will too!" He was recommending I buy an investment DVD. "Everyone in our club is doing it. You're the only one who isn't," my friend told me. I was told to borrow money from a consumer loan company to buy the DVD. They instructed me to say that my monthly income was above 180,000 yen when borrowing the money and escorted me to the lender. My monthly income is really only about 80,000 yen. When I discovered that the contents of the DVD was the kind of stuff found in any book about investing, it was disappointing. When making the purchase, my friend used my mobile phone without asking to open a brokerage account. He apparently entered "employed" in the employment section, because I got a call from the brokerage firm later on saying I hadn't listed my job. I had no idea what they were talking about so I told them I was a student. That's when they suspended the account. The relationship with my friend has become awkward, and the loan payments

are really hard. I had given up on the idea of canceling the purchase because I didn't want to ruin the relationship with my friend any further, but it's beyond that now. I want to cancel.

(Contract signatory: a man in his 20s)

Case 2: Case of a university student who heard the sales pitch through a high-school senpai

A high-school senpai told me about a get-rich investment system, so I met up with people from the company at a coffee shop to learn more about it. After they explained about the investment system from futures transactions, they told us about the money being made by professional traders. "You have to purchase the software DVD in order to invest, but you'll earn your money back immediately once you start using the software," they said. When I said I didn't have the money, my senpai told me to claim I was a company employee and borrow the money as if it were for a down payment on a car. So I borrowed 200,000 yen from each of three different consumer loan companies and bought the DVD. Later, I attended a seminar for people who had purchased the DVD. They explained I would receive 100,000 yen commission for every new person I signed up. When I had a look at the contents of the DVD, I saw it wasn't anything special. Once a person bought the DVD, they needed to get the commission by signing people up in order to have capital to invest. The entire purpose, I realized, was signing people up. My only interest was in investing, not signing people up to get a commission. I want to cancel for a refund.

(Contract signatory: a man in his 20s)

Advice for Consumers

- 1) Even if the sales pitch comes from a friend or senpai, do not enter an agreement with careful thought. You may feel uncomfortable saying no, but if you do not fully understand the content of the agreement, then you should simply decline the offer.
- 2) Often when people have borrowed money to make the purchase, they end up unable to make their payments. Be sure you clearly understand the significance of debt and avoid taking on debt with giving it careful thought.
- 3) Introducing friends who then sign up can ruin personal relationships and create financial troubles. Moreover, if your activities fall under door-to-door sales under the Specified Commercial Transactions Act, you may be subject to administrative disposition and/or penal regulations.
- 4) There is an eight-day cooling off period from the time you receive paperwork covered by the Specified Commercial Transactions Act. If you feel in any way nervous or skeptical, consult your university and/or local consumer center immediately.

3. "I will tell you the winning lottery numbers ahead of time"!? Not Possible! Sudden rise in winning number fraud for LOTO6 and other number-matching lotteries

Overview of Inquiries

"In exchange for being told the winning numbers for LOTO 6 (or some other number-matching lottery) ahead of time, I paid a high information fee (deposit). Since then, however, I haven't been able to reach the business." There has been a sudden rise in the number of such inquiries from elderly persons and others who do not normally use the internet.

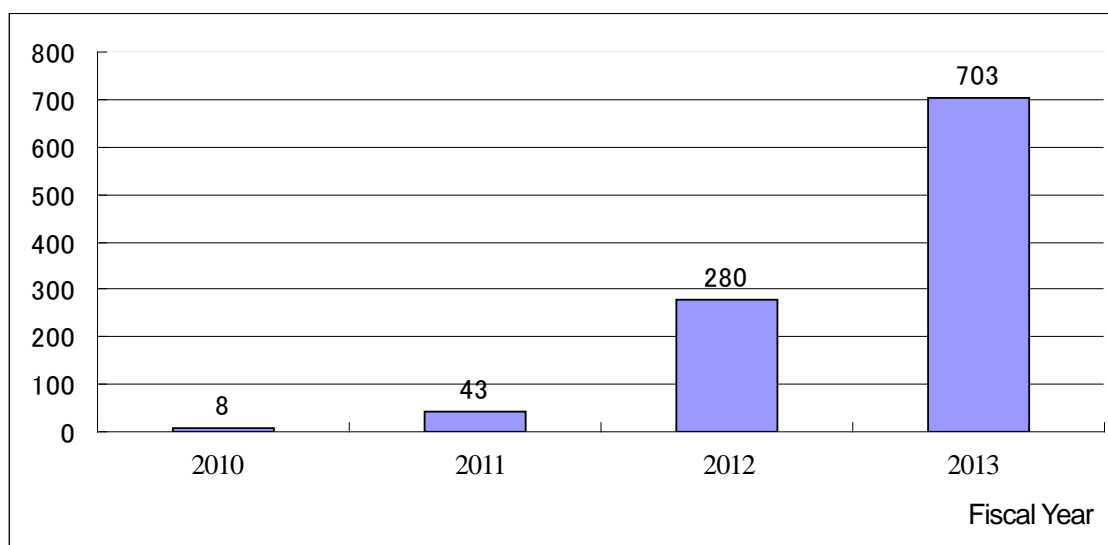
Drawings for LOTO 6 and other number-matching lotteries¹⁾ are held daily Monday through Friday at 6:45 pm and broadcast live on the internet. Drawing results are immediately posted to the internet and announced in morning newspapers the next day. A deceptive practice has been spreading that takes advantage of the time gap between postings on the internet and in newspapers to trick consumers who do not know drawing results are immediately available on the internet into believing that winning numbers can be obtained in advance before they are announced.

Winning lottery ticket numbers cannot be known in advance. Thus, to prevent consumers from being deceived, we

are issuing this consumer alert.²⁾

- 1) "Number-matching lottery" refers to a lottery in which the purchaser of the lottery ticket is free to select their own numbers based on whatever rules they choose. Players win if their numbers match the results of the drawing. There are currently five number-matching lotteries available: NUMBERS 3, NUMBERS 4, MINI LOTO, LOTO 6, and LOTO 7. Matching-number lottery tickets can be sold by municipal governments as designated under the Lottery Ticket Act. Such municipal governments must obtain permission from the Minister of Internal Affairs and Communications to sell tickets. Banks or other such institutions are entrusted with the administrative end of sales, etc.
- 2) This consumer alert has also been posted on NCAC's website. "Beware winning number fraud for LOTO 6 and other number-matching lotteries!" (Posted November 26, 2013) http://www.kokusen.go.jp/soudan_now/data/lot6.html

<Graph 4> Number of inquiries & complaints related to winning number fraud in matching-number lotteries



Total number of inquiries & complaints 2010-2013: 1,034 (data registered through May 19, 2014)

"Inquiries & complaints related to winning number fraud in matching-number lotteries" here includes inquiries such as "I paid them money when they told me they would tell me the winning numbers in advance for a matching-number lottery" and "I gave them money when they told me they would tell me winning information about a matching-number lottery."

Sample Cases of Inquiries & Complaints

Case 1: I received a phone call saying they would tell me the winning numbers. Can I believe what they say?

I received a phone call on my mobile phone saying they would tell me the winning numbers for a matching-number lottery. I told them they couldn't possibly know that, but when I checked the paper the next morning, the numbers they told me matched the winning numbers. If I register to receive the winning numbers, I will be charged an information fee beginning the next month after I register. I'd like to know if I can trust them.

(Contract signatory: a woman in her 60s)

Case 3: I got a call saying they would tell me the winning numbers and I paid them. I was deceived and want to get my money back

I received a phone call saying they were providing winning information on a matching-number lottery. They told me the winning numbers over the phone around 7 pm the night before the winning numbers are published. When I

checked the newspaper the next morning, all of the numbers matched. They also told me they were a group company of a major bank, so I believed them. "If you pay the information fee, we'll tell the second-place winning numbers," they said. Thinking I would be able to pay my grandson's education costs, I borrowed money from friends and relatives and sent it to the company by parcel delivery in two payments. I wrote "book" on the envelope. After that, I received information twice from the company. The first time, they said they couldn't tell me the winning numbers because they had been stolen. The second time, the numbers they gave me weren't the winning numbers at all. The next day I went to the address where I had sent the money. It was nothing but a private postal box office.

(Contract signatory: a woman in her 70s)

Advice for Consumers

(1) There is no way to know winning lottery numbers ahead of time

Lottery drawings are conducted under strict and fair conditions. There is absolutely no way to manipulate the drawing or know the drawing results ahead of time. Winning ticket fraud attempts to deceive consumers into believing that the winning numbers can be known ahead of time before the numbers have been published. Although someone may say they can tell you the winning numbers ahead of time, the fact is that they are only telling you numbers that have already been published to the internet.

(2) If you receive a call offering to tell you winning numbers ahead of time, hang up immediately

Any phone call claiming to know winning lottery numbers ahead of time is a scam. Do not listen to what they say, hang up immediately, and never give them your money. Because it can be difficult to hang up once you answer the phone, a useful technique is to use your answering machine instead of answering the call. You can return the call later as necessary. Alternatively, if you use a phone with caller ID, you can also choose not to answer calls from unidentified callers and numbers you do not know.

Moreover, these schemes will ask you to send cash by parcel delivery or such service. Cash cannot be sent by parcel delivery or other such service, so never send cash this way.

(3) Immediately contact your local consumer center, etc.

If you feel in any way skeptical or nervous, immediately consult with your local consumer center and/or family, friends, etc.

(4) It is important that family members and close friends/neighbors look out for elderly people on a regular basis.

Many of the people encountering trouble are elderly. Family members, home helpers, and others who are close to such people must pay careful attention to changes in their situation, living spaces, and house.