

* 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) :<u>http://www.kokusen.go.jp/news/news.html</u>

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* Majo	r abb	breviated 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. Overview of inquiries regarding foreign substances in food

Concern over food safety has been growing as recent news reports have called repeated attention to various foreign substances, including insects, bits of vinyl plastic, bits of metal, and bits of hard plastic, that have been found in food. At the same time, the NCAC has been contacted by many people asking about the inquiries (how many cases, what kinds of cases, etc.) that have been registered on PIO-NET regarding "foreign substances in food."⁽¹⁾ Accordingly, we decided to provide this information by summarizing what people making inquiries have reported.

⁽¹⁾ Inquiries regarding "foreign substances in food" is the combination of inquiries received about "foreign substances" in connection with "foodstuffs" and "eating out/delivery," the major categories of food products and services.



Inquiries regarding foreign substances in food

A grand total of 16,094 inquiries have been received since April 2009 regarding foreign substances in food (data registered through January 10, 2015).⁽²⁾ Of these, 3,191 involved harmful incidents,⁽³⁾ such as a cracked tooth or cut inside the mouth as a result of the foreign substance.⁽⁴⁾

- ⁽²⁾ Inquiries regarding foreign substances made up 5.4% of all inquiries received regarding "foodstuffs" and "eating out/delivery."
- ⁽³⁾ Refers to inquiries/complaints in which consumers suffered bodily injury and/or illness (i.e. "harm") in connection with a product, service, or facility.
- (4) Harmful incidents involving foreign substances made up 23.4% of all harmful incidents involving "foodstuffs" and "eating out/delivery."

Inquiries received in fiscal 2014

To examine recent trends, we summarized inquiries received in fiscal 2014 (data registered through January 10, 2015).

- 1. In the case of "foodstuffs," the percentage of harmful incidents was roughly 14%. In the case of "eating out/delivery," perhaps because there is a stronger tendency to submit an inquiry/complaint when an injury occurs, the percentage was 40%.
- 2. In the case of foodstuffs, "other prepared foods" (e.g. deli items) and "bento boxes" were highest at 104 inquiries each. "eating out" had 175 inquiries.
- 3. In terms of foreign substances, insects (cockroaches, flies, etc.) were the most numerous (345 inquiries), followed by bits of metal (253 inquiries).
- 4. Insects, bits of metal, etc. represented a high percentage of inquiries in nearly all food categories under "foodstuffs," while human body-related items, such as head and body hair, represented a relatively higher percentage of inquiries under "eating out/delivery."
- 5. In addition to issues of "quality/function, service quality" and "safety/sanitation," a breakdown of inquiries reveals many were related to "customer service response," especially under "eating out/delivery."

Sample Cases of Inquiries & Complaints

(1) Inquiries regarding harmful incidents involving "foreign substances in food"

Case 1: Stomach ache and vomiting after eating fried fish containing a nail.

My husband ate a fried fish we bought in the deli section of a grocery store. That same day he got a stomach ache and began vomiting. In his vomit there was a 5cm head-less nail wrapped in the skin of the fish. We immediately went to the hospital where they performed an endoscopy. After confirming that his stomach was just irritated, not perforated, they gave him a prescription for 10 days-worth of medicine. The nail is currently in the nurse's possession. We complained to the store where we bought the fish, but they did nothing.

(man in his 60s)

(2) Inquiries regarding "quality/function, service quality"

Case 2: There is a bug in my spaghetti, so what should I do?

There is a bug in the clam spaghetti I bought at a convenience store. I haven't removed the plastic wrapping, but today is the "consume by" date. What should I do? (man in his 40s)

- (3) Inquiries regarding "customer service response"
- Case 3: I opened a pack of wieners and living caterpillar came out. When contacted, the manufacturer -- before seeing the actual item -- claimed it was very unlikely that the caterpillar resulted from the manufacturing process.



This morning as I was preparing to make my lunch, I opened a package of wieners and a living caterpillar came out onto the cutting board together with the wieners. When I contacted the manufacturer, they told me it was impossible for a living caterpillar to be inside the package. Their poor response left me very dissatisfied. They are having me send them the wieners and caterpillar. Once they've been sent, what kind of response can I expect? (woman of undetermined age)

Advice for Consumers

1. <u>If you experience vomiting, diarrhea, abdominal pain or other such symptoms, seek attention at a medical</u> <u>facility.</u>

When you experience vomiting, diarrhea, abdominal pain or other such symptoms after eating food, there is the chance it is food poisoning, so seek immediate attention at a medical facility. If possible, get a medical certificate or other such record showing that you were examined/treated.

- <u>Contact your local consumer center.</u> If you are not sure who to contact about a foreign substance in your food or have other unanswered questions, contact your nearest local consumer center. Also, contact your local consumer center if you have problems with a business after reporting an incident to them.
- 3. <u>If you notice a foreign substance in your food or drink, contact the business. Do not consume the product.</u> If you notice a foreign substance in your food or drink, contact the business for an explanation and to request an investigation. Do not consume the product. Be sure to take pictures and, to the extent possible, save the product in its current state. Keep your receipt and any packaging and containers together with the product to provide information on the product and its condition at the time of purchase.
- 4. <u>If the product tastes or smells strange or you cannot be sure your health has been unaffected, contact a health center.</u>

If you cannot be sure your health has been unaffected by the foreign substance, contact a health center. If you have pictures, etc., be sure to take them with you to the health center.

5. If you are eating out and encounter a foreign substance in your food, speak with the employees and have them confirm the presence of the foreign substance.

If you are served food while eating out that contains a foreign substance, speak with the employees and have them confirm the presence of the foreign substance. Whenever possible, take pictures.

2. <u>Be careful when operating walk-behind rotary snow blowers (consumer alert</u> reissued): Fatalities have occurred again this winter! Review how to operate your snow blower

Purpose

Walk-behind rotary snow blowers (hereafter referred to as "snow blowers") require no license and can be easily used by anyone. At the same time, it has exposed parts, such as the auger that shovels the snow, that can cause serious injury when used carelessly. In December 2012,the NCAC published an analysis of accidents involving snow blowers titled "Pay close attention to the use of walk-behind rotary snow blowers." It examined the dangers of accidents, such as getting tangled in the auger or being run over by a snow blower because the safety device was disabled, and alerted consumers to the need to use snow blowers correctly.

Unfortunately, accidents have continued to occur. According to the Accident Information Data Bank (data registered between September 2009 and January 10, 2015), there were 45 reported accidents involving snow blowers, including 14 that resulted in fatality. Seven accidents were also reported to the Medical Facilities Network (data received between December 2010 and January 10, 2015). Accordingly, NCAC has decided to reissue its alert to consumers to prevent further accidents involving snow blowers.



Sample Cases of Typical Inquiries & Complaints

Case 1: A person in his or her 80s got tangled in the machine while using it and was declared dead after being transported to the hospital.

(person in his or her 80s)

Case 2: A person in his or her 60s got tangled in the drive belt and was run over while using it and was declared dead after being transported to the hospital.

(person in his or her 60s)

Case 3: The machine was performing poorly, so the user put his hand inside and it got tangled up. His injuries included an open comminuted fracture of the first joint on his fourth right finger.

(man in his 40s)

Case 4: A man's right hand was caught between the machine's handle and the railing of his home. He suffered a crushed hand.

(man in his 80s)

Prior Test Results (published December 20, 2012)⁽⁵⁾

The following three types of accidents that commonly occur with snow blowers were examined in simulation tests: (1) Accidents caused by the auger, (2) Accidents that occur while directing the machine backwards (the operator becoming trapped between the machine and a wall, the operator getting run over by the machine), (3) Accidents caused by the blower.

- (1) Once the mannequin's leg touched the auger, part of its clothes got caught in the blades of the auger, pulling the entire leg into the auger within a second.
- (2) When the snow blower was directed backwards with its deadman clutch disabled, the machine did not stop running even when the mannequin fell over or was trapped against a wall.
- (3) Upon inserting a carrot into a slot to simulate a person's fingers, the tip of the carrot that touched the rotating blower was shredded into pieces in the shape of the blower.
- ⁽⁵⁾ See NCAC NEWS Vol. 24. No.6 (I. Injury/fatal accident: "2. Pay close attention to the use of walk-behind rotary snow blowers") <u>http://www.kokusen.go.jp/e-hello/data/ncac_news24_6.pdf</u>

Advice for Consumers

Based upon the results of previous testing and other facts, we again recommend the following.

- 1. Never use a snow blower if the safety device does not work properly.
- 2. Make sure there is nobody nearby when a snow blower is in use. Keep people away from the machine. In addition, operate the machine in such a manner that the user can turn the engine off at once if people suddenly come near the machine.
- 3. When removing clogged snow from the slot, make sure to switch off the engine. Use a snow shovel after checking that the auger and blower have stopped rotating.
- 4. To avoid accidents, follow the operating instructions when setting up (e.g. note the location of any obstacles before operating the snow blower and wear footwear with good traction). Be sure to watch your step and look out for any obstacles around you especially when reversing and work at a manageable pace.

II. Property damage

1. <u>It won't stop! Trouble with secondary damage from undeveloped land schemes</u> <u>continues to rise</u>



Overview of Inquiries & Complaints

In August 2013, the NCAC issued a consumer alert regarding secondary damage from undeveloped land schemes.⁽⁶⁾ Unfortunately, the number of inquiries since then has continued to grow, reaching an all-time high in fiscal 2013 with a new record of more than 1,000 inquiries received. Moreover, the number of inquiries received in fiscal 2014 is on pace to exceed that of fiscal 2013.

Secondary damage from undeveloped land schemes is when consumers, who in the past were victims of undeveloped land schemes, are told that their property will sell at a high price and thus enter into agreements for surveyor services or are led to purchase new land and charged fees. An extremely high percentage of such victims are elderly persons.

Even if you are solicited over the phone or at your home, do not buy into sales pitches like "someone wants to buy it" and "it will sell at a high price."

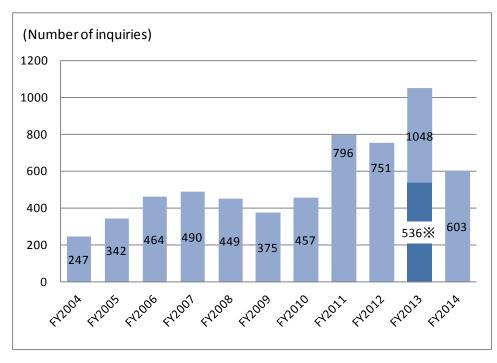
Be aware that the de facto managers of Miraitochi Corporation, a real estate company based in Chuo-ku, Osaka, were charged with fraud, etc. in October 2014 in connection with secondary damage from undeveloped land schemes.

⁽⁶⁾ 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.

Number of inquiries & complaints registered with PIO-NET⁽⁷⁾

Inquiries regarding secondary damage from undeveloped land schemes have continued to grow in number year after year. In fiscal 2013, a total of 1,048 inquiries were received. In fiscal 2014, the number of such inquiries to date is 603, more than for the same period last year (Diagram 1).





XNumber of inquiries for same period last year

(data registered with PIO-NET through the last day of October 2014)



In terms of age, roughly 70% of contract signatories are age 70 or older, showing that extremely high percentage of victims are elderly persons (inquiries received fiscal 2013-2014, Diagram 2).

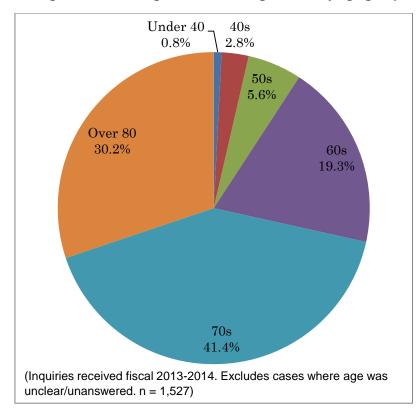


Diagram 2. Percentages of contract signatories by age group

A breakdown of contract signatories by age reveals that 0.8% were under age 40, 2.8% were in their 40s, 5.6% were in their 50s, 19.3% were in their 60s, 41.4% were in their 70s, and 30.2% were in their 80s or older.

A breakdown of contract signatories by regional area shows that the largest number are located in the southern Kanto area (roughly 50% of all inquiries), followed by the Kinki area (roughly 20%) and Tokai area (roughly 10%) (inquiries received fiscal 2013-2014).

The breakdown of contract signatories by regional area reveals 53.9% from the southern Kanto area, 24.3% from the Kinki area, 12.5% from the Tokai area, 2.6% from the northern Kanto area, 1.9% from the southern Tohoko area, 1.4% from the Hokkaido and northern Tohoku area, 1.2% from the Sanyo area, 0.9% from the Koshin'etsu area, and 1.3% from elsewhere.

⁽⁷⁾PIO-NET (Practical Living Information Online Network System) is a database of consumer affairs information that connects the National Consumer Affairs Center of Japan (NCAC), local consumer centers across Japan, and other related organizations in an online network.

Sample Cases of Recent Inquiries & Complaints

Case 1. I was asked if I would sell some forestland and entered an agreement to have the land surveyed, etc., but I'd like a cooling-off period.

After receiving a phone call at home, I was visited by a business asking me if I would sell some forestland my husband purchased about 30 years ago. The land was purchased for about 1,000,000 yen, and the person explained its current value was probably about 2,000,000 yen. A fixed asset tax had never been collected for the property, so I didn't even know we owned it until I got the call from this business.



Since I had no need of the land and could expect to sell it, I signed a contract that same day to have the business ready the property, including surveying and advertising it, as well as a contract to have them act as my broker in the sale. I transferred about 300,000 yen to their account. Since then, I've started to worry about signing a contract based on what I was told by a company I don't even know. If possible, I'd like a cooling-off period.

(women in her 70s)

Case 2. In order to sell forestland that I own, I purchased a separate plot of forestland. Now I'd like to cancel.

I got a phone call, and then a visit at home, from a business that said they wanted to buy some forestland my husband purchased 40 years ago. During the visit, they told me I would need to purchase a separate plot of forestland in order to the sell the forestland I already owned. They assured me that the new property was going to be bought by a solar energy company in the future, so I signed the contract and made the payment.

After that, the business did buy the original forestland that I owned, but I had to purchase a separate plot of forestland and pay the cost difference. I'd like to cancel.

(women in her 70s)

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. Simply refuse strange sales pitches. If they won't listen and still continue making their sales pitch, just hang up.
- 3. When considering a contract, be sure to thoroughly verify the following points and decline the contract if anything seems strange.
 - (1) Contact the local municipality where the land is 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 any land surrounding it.
 - (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 contract and their services.
 - (3) Whenever possible, verify the current conditions of the property with your own or a family-member's eyes, and verify the registered information on the property.
- 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.

III. Other

1. Top ten consumer issues for 2014

Every year, the NCAC publishes its "top ten consumer issues" for the year based on consumer issues that drew significant public attention and/or resulted in a large number of consumer inquiries.

The year 2014 was witness to a series of serious incidents that alarmed society and heightened insecurity among consumers, including frozen foods contaminated with agricultural chemicals and massive leaks of company-held personal information. There were notable increases in fraudulent sales scams involving persons who misled consumers into believing they belonged to the government or other official organizations, and in troubles related to remotely performed changes in internet service providers.



- · Victims continue to include many elderly consumers, as well as persons with dementia or similar conditions
- · An incident occurred that involved massive leaks of personal information by an employee
- Sudden rise in fraudulent sales scams by persons claiming to belong to governmental or other official organizations; frequent phone calls from persons claiming to belong to NCAC as well
- Series of incidents threaten food safety and confidence; inquiries related to food safety reach their highest level in five years
- · Continuing increase in online shopping and other such internet-related troubles
- Sudden rise in troubles related to remotely performed changes in internet service providers
- Increase in investment-related troubles among young people; binary options and other such transactions stand
 out
- · Recurrence of child accidents, and various measures taken to prevent such accidents
- · Consumption tax raised to 8%, with increase in related inquiries
- · Foundations of local consumer governance strengthened through revisions to consumer-related laws

