



UNITED STATES
CONSUMER PRODUCT SAFETY COMMISSION
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CHAIR ALEXANDER D. HOEHN-SARIC

**Statement of Chair Alexander Hoehn-Saric on the CPSC's Settlement with TJX
August 2, 2022**

This week, the Commission is announcing the provisional acceptance of a settlement agreement under which TJX, operator of T.J. Maxx, Marshalls, and other retail outlets, will pay a \$13 million civil penalty and strengthen its product safety practices.

For more than five years, TJX knowingly sold, offered for sale, and distributed dangerous recalled products through its website and its retail stores. These sales were illegal and put hazardous products into the hands and homes of unsuspecting consumers. Hundreds of inclined sleepers that pose a suffocation risk to infants as well as a wide range of other products that present choking hazards, laceration hazards, and fire risks were sold after their recall date, in violation of federal law.

In order to ensure that consumers are protected in the future, this settlement requires TJX to establish stringent compliance measures to prevent illegal sales of recalled products. TJX will be required to report to CPSC annually on its compliance program and internal controls.

The \$13 million civil penalty is near the statutory maximum CPSC could have sought had the agency pursued the case in court. This cap on CPSC's civil penalty authority, however, is a serious impediment to the agency's efforts to deter large corporate actors from violating consumer protect laws. With the market capitalization of the largest retailers calculated in the billions, a penalty of \$13 million or even \$100 million could easily become a cost of doing businesses. In order to best protect the public, I urge Congress to remove or dramatically increase the existing limits on CPSC's civil penalty authority.

Despite these restrictions, this is a strong statement from an agency that has issued very few penalties in recent years. It sends a clear message to industry about the vital importance of compliance with product safety laws, the need to implement robust systems to stop the distribution and sale of products once they are recalled, and the agency's commitment to holding companies accountable when they put the public at risk.

Moreover, this announcement is not the end of this case for CPSC or TJX. The settlement agreement requires TJX to establish and maintain a compliance program and regularly report to the agency. We will be watching and will act again if TJX fails to comply with its commitments or engages in unlawful activities under CPSC's jurisdiction. While one of my colleagues suggested the use of an independent monitor, I have full confidence in CPSC staff's ability to review TJX's future conduct in this case. Nevertheless, it may be appropriate to use an independent monitor in other cases depending on the facts of the matters. I look forward to working with all my colleagues, and with CPSC staff, to aggressively pursue violators of the consumer product safety laws and to build the most effective and most consumer-protective enforcement program possible.