UNITED STATES
CONSUMER PRODUCT SAFETY COMMISSION
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STATEMENT OF ACTING CHAIRMAN PETER A. FELDMAN ON $16.875 MILLION CIVIL PENALTY SETTLEMENT WITH U.S. SUBSIDIARIES OF TAIWAN-BASED JOHNSON HEALTH TECH CO. LTD.

Proposed Settlement Establishes Compliance Monitoring Framework for Repeat Offender

August 3, 2026

Today's proposed $16.875 million civil penalty settlement with Johnson Health Tech, comprising two U.S. subsidiaries of Taiwan-based Johnson Health Tech Co. Ltd., resolves allegations of serious and repeated violations of the Consumer Product Safety Act. These allegations include that the firm failed to timely report treadmill hazards despite hundreds of incidents and dozens of injuries. The firm also previously paid two civil penalties for similar reporting failures. The Horizon treadmills identified in the settlement were manufactured overseas — in China and Vietnam — and imported into the United States.

CPSC is increasingly focused on recidivist conduct. In such cases, and consistent with its statutory authority to seek injunctive relief, the Commission is pursuing compliance monitors and other forward-looking remedies where monetary penalties alone are insufficient to correct underlying compliance failures and deter future violations. Repeat offenders should expect greater consequences.

Accordingly, today's settlement establishes a compliance-monitoring regime at Johnson Health Tech. The firm must create a permanent product-safety position charged with supervising its CPSA compliance program and making recommendations concerning timely reporting decisions. In coordination with that official, the firm must conduct annual internal audits and submit sworn compliance reports to CPSC for three years. These requirements provide sustained accountability and ongoing Commission oversight of the firm's compliance efforts. Taken together, these provisions are intended to produce durable institutional reforms and reduce the likelihood of future violations.

After years of inconsistency, CPSC is returning to a coherent civil penalty regime, one that is predictable, proportionate, and grounded in statutory penalty factors. Penalties should reflect the gravity of the violation, the risks presented to consumers, the size and sophistication of the company, and its compliance history. A consistent framework strengthens deterrence, promotes fair treatment across cases, and provides regulated parties with clear expectations.