Recall Effectiveness Workshop
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Review of Recall Process
And Standard Notifications

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Views expressed in this presentation are those of the staff, and do not necessarily represent those of the Commission
Voluntary Recall Requirements  
(16 C.F.R. §1115.20)

Corrective Action Plans shall include, as appropriate:

- Statement of the nature of the hazard;
- Statement of the means to be employed to notify the public;
- Description of the product;
- Product use instructions pending correction;
- Explanation of the cause of the hazard;
- Statement of corrective action to be taken to eliminate the hazard;
Voluntary Recall Requirements
(16 C.F.R. §1115.20)

- Statement of steps to be taken to prevent reoccurrence of the hazard;
- Statement of actions to be undertaken to correct products in the distribution chain;
- Signature of firm representative;
- Firm acknowledgment that the Commission may monitor the corrective action and the firm will provide necessary information, including customer lists; and
Voluntary Recall Requirements
(16 C.F.R. §1115.20)

• An agreement that the Commission may publicize the terms of the plan to the extent necessary to inform the public of the nature and extent of the hazard, and the actions being undertaken.
Mandatory Recall Requirements
CPSA Section 15(c)

• Extremely rare; and

• Much more detailed in terms of required public notifications and remedies.
How Does the Recall Process Work?

Begins with the submission of a Corrective Action Plan (CAP), which is a detailed written proposal that spells out the steps the recalling firm will take to notify the public of the problem and hazard, and how the defective products will be captured and corrected.
Typical Elements of a CAP

- Stop sale;
- Direct notice to distributors, retailers and known consumers;
- Remedy: refund/replace/repair;
- Public notice: press release/recall alert, website, social media;
- Future production: modified or discontinued; and
- Destruction of recalled products.
Coordination with Retailers

• Early notification;
• Lock out sales at register and online;
• Isolate stock;
• Post notices on website;
• Display Recall Posters or other in-store notification;
• Identify consumer purchasers through credit card sales, extended warranty sales, etc.
Refund

- Fastest and easiest for consumers
- Should be for full purchase price
- Recalled product needs to be returned to retailer or shipped back to recalling firm at no cost to consumers
Replacement

- Must be a comparable product
- Staff will need to assess sample of proposed replacement, review test reports on product, and check for any incidents involving replacement product
- Recalled product needs to be returned to retailer or shipped back to recalling firm at no cost to consumers
Repair

- Repair programs always need staff review
- Can be done by consumer, technician at home or local service facility, or pre-paid return to recalling firm
- If done by consumer, must be easy with clear instructions
- If tools are required, should be supplied by recalling firm
Notices
(Reviewed and approved by Staff)

Direct Notice (most effective): Email, letter or phone call to known purchasers of recalled product.
- Online/phone purchases
- Product/warranty registration
- Replacement part/accessory purchases
- Service requests
- Extended warranty customers
- Loyalty programs
Website

- Clear, concise recall information easily located on home page or link from home page
- Online registration for recall
- Sufficient bandwidth to handle traffic
Retail posters

Paid advertisements:
Specialty publications
National publications
Joint Public Notices
(involving Office of Communications)

- **Press Release**: joint notice with wide distribution using a standard format

- **Recall Alert**: similar in wording to a press release, but with limited distribution. Firm must be able to identify all purchasers, and must submit a list of those purchasers
Social Media

- Facebook
- Twitter
- You Tube
- Instagram
- Snapchat
- Pinterest
- Blogs

Firms are expected to announce recalls on their media platforms. CPSC Office of Communications may use Twitter, Facebook and blogs in conjunction with a press release.
Optional Action to Increase Participation: Incentives

- Gift cards
- Store credit
- Free or reduced-price accessories