
❖SPC&B Safety News❖

A Newsletter for Clients of Sharretts, Paley, Carter & Blauvelt, P.C.

September 13, 2010

Importer/Distributor is Penalized \$125,000 for Failing to Report Drawstrings in Children's Sweatshirts



In a move evidencing its intensified enforcement efforts, the CPSC announced that a company has agreed to pay a civil penalty in the amount of \$125,000 under a settlement reached with the agency because it knowingly failed to immediately report to the CPSC the fact that it had imported and distributed two different children's hooded sweatshirts that had drawstrings at the neck. In May 2006, the CPSC announced that children's upper outerwear with drawstrings at the hood or neck would be automatically regarded as defective and as presenting a substantial risk of injury to young children.

Approximately 7,000 of the offending sweatshirts were sold at various retailers in November and December 2008, and in July 2009, the CPSC and the company in question announced a recall. As emphasized by the CPSC in its press release, the Consumer Products Safety Act requires manufacturers, distributors, and retailers to report to CPSC *immediately (within 24 hours) after obtaining information reasonably supporting the conclusion that a product contains a defect which could create a substantial product hazard, creates an unreasonable risk of serious injury or death, or fails to comply with any consumer product safety rule or any other rule, regulation, standard, or ban enforced by the agency.* While in agreeing to the settlement, the company denied knowingly violating the reporting requirement, as asserted by CPSC staff, this case illustrates the fact that importers must notify the CPSC of any product hazard violations as soon as they become aware (within 24 hours) of such occurrence.

Anyone with questions regarding when to notify the CPSC of a potential product hazard should contact Gail Cumins at gcumins@spcblaw.com or Alli Baron at abaron@spcblaw.com, or call us at 212-425-0055.

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