

Australian Court Imposes \$3 Million Penalty for Product Safety Violations

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Earlier this month, the Australian Competition & Consumer Commission (ACCC) [reminded businesses](#) that, in February, the Federal Court of Australia ordered Woolworths to pay \$3.057 million AUD for several violations of the Competition and Consumer Act 2010 (CCA). Specifically, the court found that Woolworths:

- Over the course of three years, made false or misleading representations about the safety of its deep fryer, drain cleaner, safety matches, padded flop chair, and folding stool products; and
- On eight occasions failed to report, within the required two days, that the products may have caused serious injuries.

According to the court, the products caused several serious injuries, including hot oil and chemical burns. Woolworths, however, did not remove the products from sale or recall them after becoming aware of these injuries and defects. In addition to the penalties, Woolworths is required (1) to implement an upgraded dedicated product safety compliance program; (2) to publish a notice on its website of the product safety requirements to which it is subject, how to report an incident, and recalls undertaken within the past year; and (3) to publish on its app the details of all products recalled within the last 12 months.

It is important to remember that businesses offering products for sale in Australia must comply with the CCA, which prohibits false or misleading representations about the safety of consumer goods, and requires reporting to the ACCC within two days any incidents of serious illness or injury caused by such goods. To that end, businesses should make sure that they have a working compliance program and reporting policy, worldwide.