

ACCC: Mega-retailer Woolworths Knowingly Sold Dangerous Products

by Esther Han via stan - SMH *Wednesday, Sep 17 2014, 5:00am*

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Woolworths has been misleading consumers about the safety of its branded goods, including steel deep fryers, matches and chairs, and failing to promptly alert authorities and begin recalls after reports of serious injuries, the consumer watchdog alleged in the Federal Court on Wednesday.



The Australian Competition and Consumer Commission said Woolworths made false or misleading representations about the safety of its home-brand products, including the Abode 3L Stainless Steel Deep Fryer, Woolworths Select Drain Cleaner 1L and a 10-pack bundle of Safety Matches.

In relation to the drain cleaner, an 11-month-old child managed to remove the child-resistant cap, splashing himself with the corrosive liquid. He suffered a serious burn to his leg and required skin graft surgery. Woolworths knew of this event and several earlier accidents, but failed to promptly withdraw and recall the product, the ACCC alleges.

In another example, a woman from Lake Macquarie suffered serious burns when the handle of the deep fryer snapped off and hot oil spilled onto her body. Woolworths swiftly acknowledged the screw and screw pillar attaching the handle were weak, but failed to notify authorities within two days of finding out as legally obliged, court documents show.

These products were sold at Woolworths-owned retail outlets including Big W, Safeway, Food4Less and Flemings.

The ACCC alleges that Woolworths' decision to offer the products for sale deceived shoppers into thinking the products were safe when they were not. It added that by continuing to sell the products once it was aware of product dangers, Woolworths continued to make false or misleading representations that these products were safe.

"I think it's a reflection of the system and processes in place," ACCC chairman Rod Sims told Fairfax Media. "I know a number of people at Woolworths and I think they would be as equally appalled."

He said the investigation began last year when the regulator became worried about an increase in recalls and incidences.

"We're seeing more product recalls and I think it's evidence of companies not taking their responsibilities as they should. The trend is to find the cheapest, but they have to make sure the goods are safe."

Woolworths is accused of selling Safety Matches while aware of reports that striking one stick could ignite the entire box.

It is also accused of making false representations about the weight capacity of the Woolworths Home Collection Padded Flop Chair and Masters Home Improvement Folding Stepping Stool, as these products did not withstand the maximum weight load stated on the packaging.

In one case, a man set up the flop chair, sat down and fell backwards, hitting his head on a metal garage door and on the concrete floor. Woolworths discovered the chair had faulty locking pins.

The ACCC is seeking pecuniary penalties, declarations, injunctions, findings of fact, publicity orders, an order that Woolworths implement a product safety compliance program, an order that Woolworths publish information to raise consumer awareness about product safety and how to report safety incidents, and costs.

In a statement, Woolworths said it always put customer safety first.

"These are serious matters and we will evaluate each claim carefully and respond as appropriate on merit," it said.

The statement did not address the ACCC's allegations. It said in the past couple of years it had bolstered its quality assurance systems, adding 80 more people to its dedicated unit, to ensure "robust" systems and processes were in place.

In an earlier court case this year, the watchdog trumped Australia's biggest supermarket chain over its fuel discount scheme. The court found Woolworths breached undertakings that limited it to a standard discount of 4 cents per litre off petrol.

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