

The Digest Version of the Recall Handbook

March 2024

**Product Accident Information and Analysis Office
Ministry of Economy, Trade and Industry (METI), Japan**

1. What is a recall?

[Recall Handbook, pp. 4–10](#)

■ What is a recall?

The following actions are performed **to minimize the occurrence and growth of** incidents resulting from the use of Consumer Products.

- (1) Suspend production, distribution, and sale of the product, and recover the product from the distribution and sales stages.
- (2) Properly inform customers of product risks.
- (3) Alert customers to risks by offering necessary information about precautions when using the product to prevent similar incidents.
- (4) Replace product units already acquired by customers; improve them (inspect and repair them and replace their parts, etc.); or recover them.

■ Who is responsible for conducting a recall?

Manufacturers
or
Importers

Dealers
or
Distributors, etc.

These business operators **are expected to voluntarily implement a recall** when it is deemed necessary to prevent the occurrence and growth of product incidents and other incidents.

These business operators need to constantly endeavor to collect information on product incidents and provide such information to customers in an appropriate manner. In addition, when they learn that a Serious Product Incident has occurred, they **must endeavor to notify the manufacturer or importer of the product about the incident.**

2. Product recall flowchart

■ If it is learned that a product incident or some other incident has occurred or that there are signs that such an incident has occurred, the process outlined in the below flowchart needs to be followed.

[Recall Handbook, pp. 29](#)

Action 1: Understand the facts, etc. (pp. 4)
Collect, sort out, and report information on the incident/identify the cause of the incident/
provide support to the victims

Action 2: Determine whether to implement a recall (pp. 5)
Determine whether to implement a recall (the nature and significance of the damage/the characteristics of the incident/the cause of the incident) → Consider provisional measures

Action 3: Establish a task force or some other mechanism (pp. 6)

Action 4: Create a recall plan (pp. 7)

Action 5: Select methods for providing information (e.g., an announcement by the company) (pp. 8)

Action 6: Notify relevant institutions and ask for their cooperation (pp. 9)

Continuously supervise and evaluate the implementation of the recall (monitoring) (pp. 10)
Analyze recall data → Assess its effectiveness

Completion of the recall

Swiftly implement measures to deal with a product incident, etc.

Monitor the implementation of the recall

3. Actions to perform when implementing a recall

Action 1 Understand the facts, etc.

Recall Handbook, pp. 30–40

↳ As a prerequisite to determining whether to implement a recall, it is necessary to accurately understand the facts and identify the cause of the incident.

Sort out the details of a product incident, etc., and report them to the government

It is necessary to sort out the facts, and in the case of Serious Product Incidents, report it to the Consumer Affairs Agency within 10 days.

(Details)

◆Fatal incident ◆Incident with serious injury or illness ◆Fire ◆Incident resulting in residual disability ◆Carbon monoxide poisoning

Even in the case of a non-Serious Product Incident, it is necessary to report it to the National Institute of Technology and Evaluation (NITE). ([incident information reporting system](#))

Understand and sort out product traceability

It is necessary to sort out information that helps understand the facts.

- i. Specify products (lots, sales channels, etc.)
- ii. Specify customers and sales routes
- iii. Specify distribution and sales volumes
- iv. Specify customers

Sort out information about signs of product incidents, etc.

If information about signs of a product incident or other type of incident is obtained from internal or external sources, it is necessary to sort out such information and predict the consequences.

This is because even in the case of a non-Serious Product Incident, corrective measures may be required if multiple similar product incidents occur.

Understand and sort out peripheral information

It is necessary to understand and sort out not only information available within the company but also peripheral information, and the following actions need to be taken:

- i. Select experts whose opinions should be solicited
- ii. Confirm and understand relevant technological information obtained from internal and external sources
- iii. Confirm information on similar product incidents, etc. (the circumstances of other companies and industries)

Identify the cause of the incident

Based on information gathered, identify the cause of the incident by considering such factors as design, production processes, and failure to provide sufficient information about product use.

For more details, refer to page 109 onwards of "[Product Safety Handbook for Business Operators](#)."

Provide support to the victims

If a product incident or other type of incident causes damage to some people, one of the highest priorities is to provide support to the victims.

The scope of moral responsibility for the victims is determined based on the existence or extent of legal responsibility.

After performing the above steps, determine whether to implement a recall.
(Move to Action 2.)



4. Actions to perform when implementing a recall

Action 2 Determine whether to implement a recall

[Recall Handbook, pp. 41–50](#)

↳ The management is expected to make a decision on whether to implement a recall immediately or to take provisional measures.

■ Decision-making criteria

○ Nature and significance of the damage

↳ •Existence or possibility of damage to people

•Minor property damage



○ Characteristics of the incident (damage)

↳ •Possibility of repetition and expansion

•A single isolated defect



○ Connections with the cause of the incident

↳ •A product defect?
•Improper use by the customer?
•A repair or installation error?

•An incident due to an alteration?
•An old or degraded product?

Implementing a recall

Even if it is decided to implement a recall, it is sometimes impossible to take immediate measures. It is therefore necessary to take provisional measures, such as suspending production temporarily.

Not implementing a recall

Even if it is unnecessary to implement a recall, it is necessary to monitor market information, and if circumstances change, reconsider whether or not to implement a recall.

If it is decided to implement a recall, establish a task force or some other mechanism. (Move to Action 3.)

Action ①	Action ②	Action ③	Action ④	Action ⑤	Action ⑥	Monitoring
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6. Actions to perform when implementing a recall

Action 4 Create a recall plan

Recall Handbook, pp. 54–59

A detailed recall plan is created to swiftly and accurately prevent more incidents occurring. As a result, it becomes possible to carry out proper monitoring (progress confirmation and effectiveness verification) and review activities effectively.

What is a recall plan?: A recall plan is a policy for conducting a recall that clearly shows the company's attitude to internal and external parties.

Consider how to implement the recall

The company should consider the following: (1) Suspend production, distribution, and sale of the product or recover the product from the distribution and sales stages. (2) Properly inform customers of product risks. (3) Alert customers to the risks by offering necessary information about precautions for use to prevent similar product incidents. (4) Replace product units already acquired by customers, improve them (inspect and repair them, replace their parts, etc.), or recover them.

Specify how many product units should be covered by the recall and who should receive recall information

- Basically, the number of product units covered by the recall should be the total number shipped (the number obtained by subtracting the number of units before distribution and sale from the total number shipped).
- The company should trace the product distributed in the market as much as possible by using its own information about the owners of the product, receiving purchaser information from dealers, etc., and it should ultimately identify the customers affected by the recall.

Set targets for recall return rates, and work on evaluation criteria

The company should set targets and work on evaluation criteria. For example, the company should determine when and for how long it will implement each recall method (in general, several methods should be used simultaneously or at different times), and it should set targets for recall return rates (the percentage of product units confirmed to be recovered, etc. and the number of units covered by the recall).

Provide information to dealers, distributors, etc., and request them to cooperate

To suspend the sale of the product at the stage of distribution or sale or to recover the product, it is necessary to gain the understanding of dealers and distributors and, furthermore, to elicit cooperation from them to suspend the sale of the product or pull the product from store shelves. In addition, in some cases, it is important to gain cooperation from companies offering repair or installation services.

Examine management resources that are necessary to implement the recall

The company should clarify the details of the management resources necessary to implement the chosen recall methods, and it should estimate the quality and quantity of financial resources that need to be procured. In procuring and applying management resources, it is important to decide whether to manufacture or outsource production. These considerations should be made in terms of human resources, material resources, monetary resources, and information resources.

Create a recall plan, and select methods of information provision. (Move to Action 5.)



7. Actions to perform when implementing a recall

Action 5 Select methods for providing information (e.g., an announcement by the company)

Recall Handbook, pp. 60–73

Consider how to provide customers with recall information certainly, effectively, and efficiently in an optimal way.

Who should receive recall information?

Purchasers, users, owners (owners of houses, guest house operators, etc.), guardians of users, equipment managers (schools, day-care centers, hospitals, etc. that manage equipment), and product purchase routes (types, forms, etc. of dealers)

What information should be provided?

Provide information about the identity of the product or the group of products covered by the recall, the period during which the affected units were sold, the reason for the recall, information about possible damage, the extent of damage inflicted, safety precautions to be taken by customers and how to avoid risks, and how people affected by the recall (users) can contact the company conducting the recall.

What methods and media should be used to provide information?

- If customer information is available, then provide it by email, phone, direct mail, direct visits, dealers, distributors, etc.
- If customer information is not available, then make announcements to the media, publish company announcements or advertisements in newspapers, post information on websites, or use public spaces offered by public institutions, private corporations, etc.

What individual matters should be considered?

Implement the recall while communicating with specialized institutions, advisory institutions, etc. on an as-needed basis.



Select methods for providing information and cooperate with relevant institutions. (Move to Action 6.)



8. Actions to perform when implementing a recall

Action 6 Notify relevant institutions and ask for their cooperation

Recall Handbook, pp. 74–78

It is necessary to continue the recall process until the targets are met while providing necessary information and cooperating with the relevant institutions.

All executives and employees

Information sharing helps avoid unnecessary confusion and anxiety and prevents the spread of misinformation.

Client companies (including dealers and distributors)

To provide information to customers, it is essential to report necessary information to dealers, distributors, companies offering repair or installation services, and others related to the product covered by the recall and to ask for their cooperation.

Industries

In some cases it is desirable that the industry establishes voluntary standards to prevent reoccurrences, revises existing standards, and undertakes other measures.

Users' organizations, etc.

When a product incident occurs or when it is decided to conduct a recall, it is necessary to promptly notify these organizations, ask for their cooperation, and undertake other measures.

Relevant administrative institutions, etc.

It is necessary to report a recall plan, etc. to the customer center of each region, the relevant administrative institutions, and others and to work with them to prevent reoccurrences and other incidents.

Attorneys or legal experts

Because in some cases it is necessary to make decisions relating to legal responsibility, it is desirable to promptly notify attorneys or legal experts of the facts and consult with them.

Insurance companies

When a product incident occurs and in order to properly implement a recall to swiftly assist the victims and prevent the spread of problems, it is necessary to be able to use insurance services smoothly.

The media

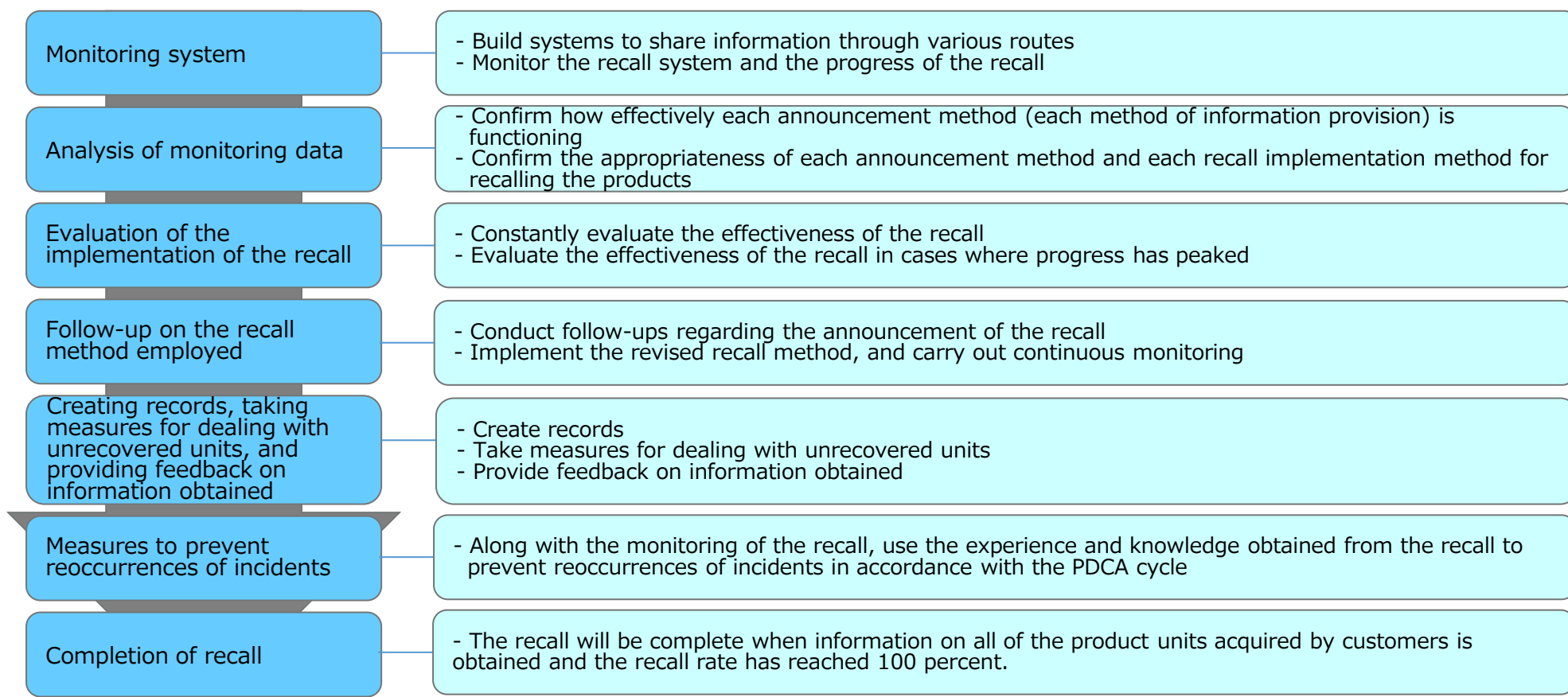
An appropriate response to the media, including television and newspapers, is important in conducting a recall swiftly and effectively.

9. Monitoring after implementing a recall

[Recall Handbook, pp. 79–110](#)

■ Reasons for monitoring

A recall does not always proceed in accordance with an established recall plan. Therefore, to see how effectively the recall is functioning, its implementation needs to be continuously supervised and evaluated (monitored). By performing proper monitoring, it is possible to evaluate the appropriateness of the recall methods employed and improve them, reducing the possibility that customers might suffer damage due to product incidents.



(Reference) What is a Serious Product Incident?

Recall Handbook, pp. 11–28

■ Serious Product Incidents that require reporting

Sort out the details of a product incident and report it to the government

- Incident resulting in loss of life
- Incident resulting in serious injury/illness (injury or illness that requires at least 30 days to recover from)
- Incident resulting in residual disability
- Incident resulting in carbon monoxide poisoning

An incident that is caused by loss or damage of a product and that may cause damage to the life or physical safety of general customers

- Fire (an incident recognized as a fire by the fire department)

If a Serious Product Incident occurs resulting from the use of of Consumer Product, the manufacturer or importer must report it to the Consumer Affairs Agency by email or website forms within 10 days, including the day on which the incident was detected.

■ The occurrence of Serious Product Incidents

The annual number of Serious Product Incidents has been over 1,000 since 2019, when there were many incidents caused by bicycles that had to be recalled.

The number of Serious Product Incidents

