

VOLUNTARY RECALLS

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WHEN GOODS on sale to the public are discovered to be potentially dangerous, the first priority is getting them off the shelf and out of the hands of customers.

Under the Trade Practices Act, the minister responsible for consumer affairs can order the recall of those products, but the majority of recalls are voluntary actions by the companies involved.

Why would any company want to voluntarily bear the cost of voluntarily recalling goods it had sold?

The reasons are many and range from limiting potential liability to concern for the welfare of customers. But voluntarily recalling a potentially dangerous product is also good for business.

By doing so, a company demonstrates its commitment to quality and its concern for those buying its goods, as well as reducing the potential for further costs and the need

for government authorities to intervene. A voluntary recall should be seen as a positive experience for the company issuing the recall.

When becoming aware of a potential problem, a company's best approach is to conduct a thorough analysis to pinpoint exactly what caused the problem. Of course, where a fault is potentially dangerous to those with the product, it is necessary to act as quickly as possible to reduce the chance of a customer getting injured.

The ACCC can help companies wanting to recall a product by providing advice on when to recall a product, the best way to publicise it and the different options available. It also posts all notified voluntary recalls on the nationally recognised Product Recalls Australia website.

For more information or to download a copy of the free *Product recall guide*, visit www.recalls.gov.au or call the ACCC's product safety section on (02) 6243 1262. ●

