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## SAFETY MEMO

Making every day a consumer rights day

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## Concerted Efforts

March 15 is World Consumer Rights Day. The day, devoted to promoting the rights of the world's consumers, is widely observed in China.

In fact, ever since 1997, the China Consumers Association (CCA) has named a theme on this day each year to highlight a specific area in which efforts should be made to further safeguard consumers' interests. Invariably, on this day, various consumer rights activities, often featuring market regulators, companies and ordinary citizens, are organized across the country to remind consumers of their rights and the measures they can take to protect their interests. The CCA has picked Consumers' Safety as the theme for 2012.

Working together with the government, the CCA and its local counterparts have played a vital part in consumer rights protection. According to the CCA's statistics, in 2011 they handled a total of 607,263 complaints and retrieved 800.42 million yuan (\$126.71 million) worth of economic losses for consumers. In addition, China has since 1993 adopted a full package of legislative and regulatory measures, both at national and local levels, to protect consumers' rights and interests. As a result of strong legislative support and the proactive endeavors of the CCA network, progress has been made in advancing consumer rights protection in China.

Despite the positive scenario, cases of consumer rights violations continue to be widely reported in the country.

An increasingly wide range of industries, from food and cosmetic producers to banking institutions, real estate developers and automobile manufacturers, have been found guilty of violating consumer rights.

Even big-name multinational companies like Wal-Mart, Carrefour and McDonald's, which all enjoy strong international reputations, have been found to be engaged in fraudulent practices. These malpractices not only hurt the interests of consumers, but also badly tarnish the images of the businesses involved.

While businesses, as the creators and vendors of products and services, rightly bear the brunt of criticism for infringing consumers' rights, the relevant government agencies, industrial and commercial administrators and product quality supervisors, for instance, should also share the blame, as their negligence and loose supervision often leave consumers vulnerable to fraud and exploitation by unscrupulous businesses.

To strengthen consumer protection, government departments should introduce specific policies and more effective administrative regimes such as penalty codes and a system for product recalls and refunds, in order to further protect consumers' rights and interests.

The media, the CCA network, and consumers themselves, too, have their respective roles to play in combating dishonesty, promoting responsible commercial practices and upholding social justice. Only when all the parties—the legislature, the government supervisors, companies, the media, as well as consumers and their rights groups—get involved and make concerted efforts will the rights of consumers be truly guaranteed. ■

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## Hangzhou on a Plate

Visitors appreciate the artificial dishes displayed at the Chinese Hangzhou Cuisine Museum in Hangzhou, capital city of east China's Zhejiang Province. Opened on March 20, the museum includes an exhibition hall for Hangzhou Cuisine, a branch of the broader Zhejiang Cuisine, Hangzhou-style kitchens and restaurants, demonstrating the food culture of the Hangzhou region. Visitors can taste the food and take cooking lessons there.

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**“China, now the world’s second largest importer, will become the biggest in a few years. It not only provides the world with high-quality products at low costs, but also buys high-end goods supplied by global brands.”**

Chinese Minister of Commerce Chen Deming, at the China Development Forum in Beijing on March 18

**“China hopes the International Atomic Energy Agency and Iran will further enhance dialogue and cooperation on the current basis and resolve the pending issues as soon as possible.”**

Wang Min, China’s Deputy Permanent Representative to the UN, at a Security Council meeting on the Iran nuclear program in New York City on March 21, calling on all parties concerned to take action as soon as possible

**“Terrorism will not succeed in breaking our national community.”**

French President Nicolas Sarkozy, condemning the serial killings in Toulouse after receiving French Jewish and Muslim representatives in the Elysee Palace on March 21.

**“Financial market conditions are more comfortable and recent economic indicators are beginning to look a little more upbeat. Europe has taken an important step forward in solving its crisis with the latest efforts on Greece. On the back of these collective efforts, the world economy has stepped back from the brink and we have cause to be more optimistic.”**

Christine Lagarde, Managing Director of the IMF, in a speech in Beijing on March 18



**NEW SHOP**  
Zuhai Cirrus General Aviation Co. Ltd. opens China's first private jet showroom in Zuhai, south China's Guangdong Province, on March 19

## Cyber Attacks

Cyber attacks on China launched from bases overseas surged in 2011, rising to 8.9 million computers affected from 5 million in the previous year, according to a network security report.

Japan was the source of most attacks (22.8 percent), followed closely by the United States (20.4 percent) and the Republic of Korea (7.1 percent).

The report, released on March 19 by China's National Computer Network Emergency Response Technical Team and Coordination Center, found that 11,851 Internet protocol addresses based overseas took control of 10,593 Chinese websites last year.

Attacks included destroying servers, distorting website content and stealing personal data from Chinese Web users.

Overseas hackers altered the content of 1,116 Chinese websites, including 404 run by government agencies, said Wang Minghua, deputy director of the center's operation department, at a news conference on March 19.

## Drinking Safe

The State Council, China's cabinet, on March 21 passed a five-year plan for improving drinking water supplies in rural areas. The Chinese Government will strive to solve problems concerning drinking water safety for 298 million rural residents in 2011-15, according to a statement issued by the State Council.

A total of 114,000 rural schools and nearly 80 percent of the rural population will have access to safe drinking water through centralized water supply facilities, according to the statement.

In the 2006-11 period, 105 billion yuan (\$17 billion) was used to provide 210 million rural inhabitants with safe drinking water across China.

Noting the poor quality of potable water in the rural areas, local governments were urged to improve protection of water sources as well as strengthen the prevention and treatment of water pollution.



## Plan for the Northeast

The Chinese Government has approved a plan to revitalize the economy of northeast China by 2015.

The northeastern region, once a leading industrial hub, will be built into an internationally competitive base for equipment manufacturing, raw materials and energy supplies, according to a statement from the National Development and Reform Commission, China's top economic planning body.

The region, which includes Heilongjiang, Jilin and Liaoning provinces, will also be built into an important base for agriculture and animal husbandry, according to the statement.

The government also aims to build the region into a key gateway between China and northeast Asia, the statement said.

## Rehabilitation Service

China will create more rehabilitation service providers to meet rising demand, a health official said on March 21.

Ma Xiaowei, Vice Minister of Health, said that China will encourage qualified county, district and city hospitals to convert their facilities into rehabilitation centers.

China will also encourage private capital to enter the sector, leveling the playing field for private rehabilitation clinics in terms of market access and government regulation, Ma said.

China has 83 million handicapped people, as well as 270 million chronic disease patients and a growing elderly population.

## TCM vs. AIDS

Traditional Chinese medicine (TCM) has proven a cost-effective AIDS treatment that enhances patients' immunity and improves the quality of their lives, a five-year clinical trial has concluded.

A group of 10 practitioners have trekked through remote counties in southwest China's Sichuan Province since 2006, providing medicine to more than 300 AIDS patients who were enlisted as volunteers in a research program testing TCM treatment of the incurable disease.

"We have found, after years of research, that traditional herbal medicine proves the most effective in the latency period, and its intervention can effectively postpone the emergence of AIDS," said Zhang Yi, Vice President of the Sichuan Academy of Chinese Medicine Sciences, in an interview with Xinhua News Agency on March 20.

Such early-stage intervention, he suggested, could also enhance patients' immunity and ease their symptoms such as fatigue, susceptibility to cold and digestive disorders.

**WELCOME SPRING** Farmers join in the annual spring ploughing ceremony in Maxiang Township, Doilungdeqen County, southwest China's Tibet Autonomous Region, on March 16



WIPRHX

**PUTTING OUT FIRE** Firefighters quench a forest fire, which broke out on March 18 in Anning, southwest China's Yunnan Province. The fire was extinguished three days later, without casualties reported

## City Promotion

The Information Office of Shanghai and the Chief Development Office of Houston, the United States, signed the Memorandum of Exchange and Broadcast City Image Videos in Houston on March 22.

Under the agreement, Shanghai and Houston will broadcast each other's promotional videos on electronic screens in public

places, TV and websites. The joint promotional activity will last for a period of six months based on the principle of reciprocity.

Shanghai also signed the Memorandum of Cross Promotion with Chicago on March 21. According to the new memorandum, the two cities will exchange and broadcast each other's videos on various multimedia channels including electronic screens and television media starting from May this year.

## Supercomputing Service

The number of registered users of Tianhe-1A, China's fastest supercomputer, has passed 300, according to the National Supercomputing Center in Tianjin.

Companies from the United States, Canada, Singapore and Sweden are among the users, according to a press release issued on March 20 by the center, where the supercomputer was installed.

It provides outsourcing services for complex work like mine surveying, bioinformatics, large-data animation design, nuclear fusion energy research and marine environmental engineering.

With a processing speed of 2.57 quadrillion operations per second, Tianhe-1A was ranked fastest in the world in November 2010, but was surpassed by the Japan-developed K Computer last June, according to the Top 500 list of the world's most powerful computers.

Tianhe-1A was developed at a cost of \$72.3 million.

## Director Honored

Hong Kong director **Ann Hui** was honored with a Lifetime Achievement Award at the Sixth Asian Film Awards on March 19. She became the first female director to receive the award from the Hong Kong International Film Festival Society.

Hui, 64, is famed for classics such as *Song of the Exile* and her most recent work *A Simple Life*, which has received worldwide acclaim for her tale about the relationship between a young Hong Kong man and the servant who raised him.

Born in northeast China's Liaoning Province, Hui lived in Macao until she was 5 and then moved with her family to Hong Kong.



**SNOWY BEIJING** Tian'anmen Rostrum in Beijing is capped with snow, which hit Beijing on the night of March 17 and lasted into the early hours of March 18



LA XIANQIONG

## FDI Slows

China received \$7.73 billion in foreign direct investment (FDI) in February, down 0.9 percent from a year ago, dropping for the fourth straight month, said the Ministry of Commerce (MOFCOM).

The amount for the first two months of this year totaled \$17.72 billion, edging down 0.56 percent.

“China has maintained attractiveness to global investors, but capital inflows may continue tapering off due to the growing woes of developed economies,” said Zhao Qingming, a researcher with China Construction Bank.

“Weakening expectation for the yuan’s appreciation may have also impacted China’s appeal as an investment destination,” said Bian Weihong, a researcher with Bank of China.

## Property Downturn

In February 45 out of the 70 cities monitored reported month-on-month decreases in prices of new commercial residences, according to data from the National Bureau of Statistics. Meanwhile, 21 cities recorded no price changes, and only four experienced price increases.

As for second-hand homes, prices in 45 cities dropped month on month in February, and only 11 cities saw their prices increase. Prices stayed unchanged in 14 cities.

The downward trend will continue into the rest of the year, said Feng Lianlian, an analyst with Beijing-based Homelink Property, citing property developers’ rising debt pressure and the government’s firm stance to control high home prices.

## Tapping Into China

PayPal, an online payment platform for eBay Inc., plans to expand its presence in the burgeoning Internet market of China.

PayPal services are already used by mer-

chants in the country to facilitate cross-border international payments. The company’s plan is to make its online payment services available for domestic use in China as well.

“We are currently applying for a domestic payment license in China,” said PayPal spokesman Dickson Seow.

In China, PayPal will potentially face off against AliPay, a payment company under local e-commerce giant Alibaba Group. Alipay currently controls around 46.9 percent of market share, according to data from the Beijing-based research firm Analysys International.

## Loading U.S. Assets

China increased its holdings in U.S. Treasury securities by \$7.6 billion in January after five straight months of net reductions, said the U.S.

Treasury Department.

China retained its position as the largest foreign holder of U.S. Treasury securities, with \$1.16 trillion in its portfolio.

Analysts said foreign demand for U.S. Treasuries remains strong, reflecting the appeal of this “safe haven” asset for global investors even at a time when risk appetite is improving.

## Focus Media Profitable

The Shanghai-based advertising network Focus Media reported \$75.4 million in net profits in the fourth quarter of 2011, soaring 60 percent from a year ago, as ad income from its LCD display network and outdoor billboards boomed.

The company, which operates more than 155,700 LCD screens in office buildings



**REAL ESTATE GLOOM** Potential buyers visit the 2012 Shanghai Spring Real Estate Fair on March 15. The scale of the fair shrank in comparison with that of last year in part due to continued gloom in the property market

## Numbers

# 363.5 billion yuan

China’s state-owned enterprises generated 363.5 billion yuan (\$57.7 billion) in net profits during the first two months of 2012, down 10.9 percent year on year, said the Ministry of Finance.

# 749.7 billion kwh

China’s power consumption rose 6.7 percent year on year to 749.7 billion kilowatt hours in the first two months, said the National Energy Administration.



nationwide, said sales revenue for the three months ending on December 31 increased 63 percent year on year to \$256 million.

In the full year of 2011, its profit was \$200.9 million and sales revenue reached \$793 million.

In the second half of last year, Focus Media rolled out interactive advertising screens that allow users to receive discount information and download coupons to their cell phones.

## Aviation Show

The 2012 Beijing International Business Aviation Show will be held on September 4-7 in Beijing. More than 150 airplane manufacturers from home and abroad including Boeing, Airbus and Dassault will bring their latest products to the show.

**POWERING RURAL CHINA** Workers repair grid cables in Wuhe County, Anhui Province. The province will invest 4.11 billion yuan (\$652.4 million) this year to repair and upgrade rural power grid to strengthen electricity supply to rural residents

The exhibition will focus on display of corporate aircrafts and helicopters, targeting wealthy buyers from energy and health care industries.

In October 2011 the government released new rules to reform management of its low-altitude airspace. Ever since then, the country's general aviation sector has experienced a significant boom, with corporate aircraft sales soaring. General aviation refers to all flights other than military and scheduled airline and regular cargo flights, both private and commercial.



**AUTO MANIA** Visitors look at an economical car at the 2012 Harbin Auto Expo on March 20. More than 100 vehicle manufacturers from home and abroad brought at least 400 new auto models to the show

## Thief Sentenced

**Shi Baikui**, who stole art pieces from the Palace Museum in Beijing in 2011, was sentenced to 13 years in prison, fined 13,000 yuan (\$2,058) and was deprived of his political rights for three years, according to the ruling announced by the Second Intermediate People's Court of Beijing on March 19.

Shi, 27, a farmer from east China's Shandong Province, broke into the museum on May 8, 2011, and stole nine pieces of artwork made of gold and jewels. The missing items were on loan from the Hong Kong Liangyi Museum and were on temporary display at the Palace Museum.

Shi said he didn't accept the 13-year jail term and would appeal to a higher court.



# 136.6 million

The number of 3G mobile service users totaled 136.6 million at the end of January, said the Ministry of Industry and Information Technology.

# 2.95 billion

China's financial institutions had issued a total of 2.95 billion bank cards by the end of 2011, up 22.1 percent from a year earlier, said the People's Bank of China.



## NORWAY

Rescue workers bring a survivor to the hospital in Tromso after six skiers were caught in an avalanche in north Norway on March 19



## KYRGYZSTAN

A boy looks at a Maine Coon cat during a cat exhibition in Bishkek on March 18. Cat owners from three countries—Kyrgyzstan, Kazakhstan and Uzbekistan—gathered to show off their pets

## BRITAIN

People in costumes parade in downtown London on March 18 in celebration of St. Patrick's Day, a traditional Irish festival celebrated on March 17 in honor of Saint Patrick, one of the patron saints of Ireland



## THE UNITED STATES

U.S. Coast Guard members offload more than 1,500 kg of cocaine confiscated from a go-fast vessel in the Caribbean Sea at Base Miami Beach on March 16



## FRANCE

North Korean musicians from the Unhasu Orchestra perform during a rehearsal conducted by a South Korean conductor for a joint concert with musicians of the Radio France Philharmonic Orchestra at the Salle Pleyel Concert Hall in Paris on March 14



## MEXICO

Firefighters work to remove a damaged bus in Mexico City on March 20 after a 7.6-magnitude earthquake struck southwest Mexico



COVER STORY

# PROTECTING CONSUMERS

The war between consumers and companies rages on By Zhou Xiaoyan

**A** once bustling McDonald's franchise restaurant in Beijing suspended its business on March 16, one day after a China Central Television (CCTV) program revealed that it had violated its own food-processing guidelines by selling expired food. This particular restaurant was in Beijing's Sanlitun area, a popular restaurant and entertainment spot in the city's Chaoyang District.

"After watching the CCTV program, I felt disappointed about McDonald's. I think it has lost its integrity by not being able to meet the high standard it set," said Zhou Dingfang, a columnist for *L'official Hommes*, who often went there for dinner. "The high standard for food safety is the reason why we turned to McDonald's rather than random vendors on the street. I think I may have to find an alternative now," she said.

The CCTV program reported that the restaurant sold fried chicken wings 90 minutes after they were cooked although the company's rules set a 30-minute limit. Expired cheese was used on cheeseburgers and workers were caught tampering with desserts' expiry dates or re-packaging them for sale. Worse still, meat patties that were dropped on the floor were being reused instead of disposed.

The program, called the 315 Evening Gala, has aired annually on March 15 since 1991. Every year, dozens of reporters are sent out to investigate accusations of corporate irresponsibility or counterfeiting around China. The gala has become an annual event for exposing misdoings of companies.

Other exposed companies on this year's gala included: Chinese Student Loves the Eye Protect Committee, a Hong Kong-

registered company pretending to be an NGO and doing business in the name of charity; a branch of the supermarket chain Carefour in Zhengzhou, capital of Henan Province, which deceived consumers by selling expired meat and ordinary chicken as free-range chicken at inflated prices; several affiliated companies of China Telecom, which made profits by offering special services for individuals or companies that send spam messages to cell-phone users; and Industrial and Commercial Bank of China (ICBC) and China Merchants Bank (CMB), whose employees illegally sold individual information on their clients to alleged criminals or marketing companies.

Falling on the World Consumer Rights Day, the 315 Evening Gala aims to reveal business misconduct and protect consumers' rights. This year's program put the spotlight on building credibility, calling on companies





**MCDONALD'S CRISIS:** The McDonald's restaurant in Beijing's Sanlitun is closed after the CCTV's 315 Evening Gala uncovered it used expired food and didn't follow its own food-processing guidelines

to adhere to their mission statements and promises to customers.

But relying on companies' morality can never be the single solution to companies' misconduct. While consumers need to take action and remain vigilant, the government should shoulder major responsibilities to improve the consumer environment.

### **Intensifying supervision**

In recent years, government watchdogs have become the main force for inspecting corporate misdeeds and substandard products.

Food safety is a major concern for Chinese people as several scandals have been revealed in recent years, starting with the melamine scandal that abashed China's dairy industry in 2008.

In 2011, major victories were won in the

war on the production and sale of gutter oil and pork products laced with illegal additives. More than 270 cases involving these two crimes were investigated and 320 people were convicted. Also 202 government employees were given prison sentences for their involvement.

"We can't get lax on ensuring food safety," said Yu Jun, Deputy Director of the Food Safety Commission Office of the State Council.

"In 2012, we will launch more campaigns against illegal food additives, illegally recycled waste cooking oil and the feeding of pigs with illegal chemicals," said Yu.

Inspecting and regulating everyday consumer items were also on the government's radar.

In 2011, the General Administration of Quality Supervision, Inspection and

Quarantine (AQSIQ) examined 19,328 clothing companies and 20,965 kinds of their products. The result shows 87.5 percent were qualified. In the first quarter of 2012, it conducted checks on 300 kinds of casual clothes, only 34 of which were found to be substandard, according to AQSIQ spokesman Li Yunpin.

Unfair contracts, often "take it, or leave it" in writing, are another heated area attracting widespread complaints from consumers each year. In 2012, the State Administration for Industry and Commerce (SAIC) will launch a nationwide campaign against these contracts in water supply, electricity supply, telecommunication services, financial services, traveling and restaurants.

"We will propel the implementation of standard and unified contracts in those sectors," said Yang Hongfeng, Deputy Director ▶▶



**DESTROYING COUNTERFEIT MEDICINE:** On March 15, the World Consumer Rights Day, staff from the Beijing Drug Administration destroy over 50 tons of counterfeit medicine in the city's Changping District

of the Market Division of SAIC.

Despite the government's efforts, supervision is far from enough.

In those exposed cases, government departments share the responsibilities as well, said Dong Yuyu, a commentator at the Beijing-based *Guangming Daily*.

For example, multinationals are famous for their high-quality product and standards. Chinese often have higher expectations for them than for our local brands, but sometimes they turn "evil" as soon as they land in China, said Dong.

"That's because we lack efficient supervision. Without a sound supervision system, we can't expect them to follow strict rules as they

do in other countries," said Dong. If supervising departments can't perform their duty well, there will be more and more multinationals that won't carry out their promises in China.

### Raising compensation

Chinese consumers have become more aware of their rights when shopping or buying services, as indicated in the number of complaints they file each year.

China Consumers' Association (CCA), a nationwide organization for receiving consumer complaints and protecting consumer rights established in 1984, received 607,263 complaints from consumers in 2011, which ranged from quality, prices and contracts to

safety, and targeted the auto industry, food safety, express delivery and financial services. Among the total, 571,918 were addressed.

But the compensation is very low. According to the CCA, almost 804.18 million yuan (\$127.3 million) in losses was recovered last year.

The average compensation of each case for Chinese consumers was about 1,000 yuan (\$160) while the figure in the United States is close to \$350,000, according to the CCA.

The problem is the high cost for consumers to fight for their legitimate rights, both in terms of time and money.

When their consumer rights are infringed, only 20 percent of Chinese consumers manage to get corresponding compensation in

the end, according to a survey conducted by *China Youth Daily* in March 2011. More than 25 percent of the respondents have given up fighting for their consumer rights because of high costs and low compensation.

"Generally speaking, the time cost and economic cost are both too high for Chinese consumers to demand compensation," said Qiu Baochang, head of the legal team of the CCA.

"This situation must be changed. The cost should be lowered to make it more convenient for consumers to protect their legitimate rights," he said.

"We should learn from developed countries, which give more incentives to consumers to protect their rights on their own," said Li Jun, a law professor at the University

## Recent Efforts to Protect Consumers' Interests

- In 2011, the General Administration of Quality Supervision, Inspection and Quarantine strengthened inspection on consumer products such as garments, food and autos. It regularly published results of surveys and enhanced punishments on producers of substandard products.

- In February 2011, the National Tourism Administration initiated a nationwide drive to regulate the chaotic tourism market. It pledged to heavily punish unlicensed hotels, scenic spots and travel agencies that deceive or overcharge travelers.

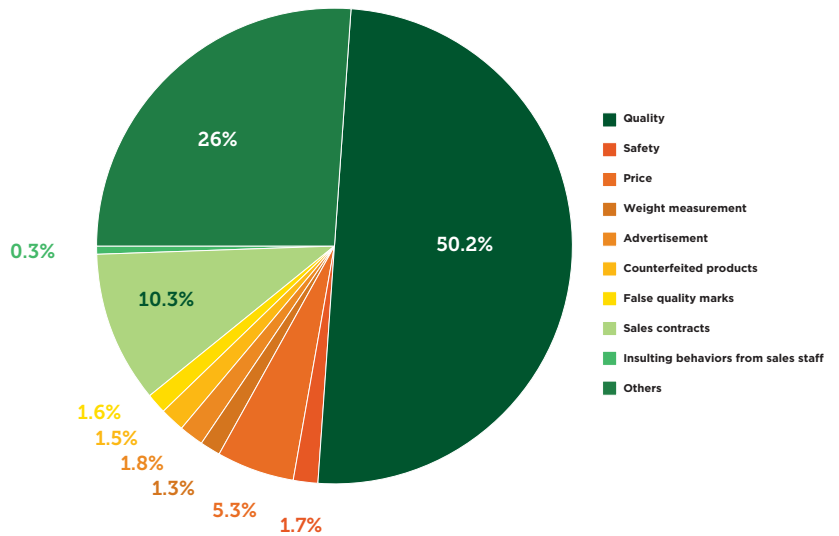
- In March 2011, the State Council released a circular, vow-

ing powerful measures to tightly supervise the dairy industry, crack down on substandard cooking oil and prohibit food with excessive additives.

- In December 2011, the State Administration for Industry and Commerce launched a campaign to streamline group-buying websites. It vowed heavy punishments on those selling fake and counterfeit products or engaging in false advertising.

- In recent years, the State Administration for Industry and Commerce has adopted a set of measures to safeguard the intellectual property rights (IPRs), such as improving legal systems, cracking down on patent, copyright and trademark infringement, and strengthening public awareness about IPRs.

## Classification of Consumer Complaints in 2011



of International Business and Economics. For instance, a U.S. woman got \$460,000 in compensation from McDonald's because her lips were burned by coffee that was too hot.

The government should enhance the level of compensation and give consumers more leverage when bringing lawsuits against companies, such as simplifying procedures and allowing consumers to file litigation on weekends when they have more free time, he said.

"If high-level compensation like in the United States can be realized in China, no companies would dare to take the risk of ignoring Chinese consumers," said Li.

### Improving legal system

The current legal system, which is still playing catch-up with a consumer society, is another obstacle standing in the way of Chinese consumers and their legal rights.

China's legal system doesn't have severe enough punishments for irresponsible companies, said Li Er, a commentator at *Shenzhen Economic Daily*.

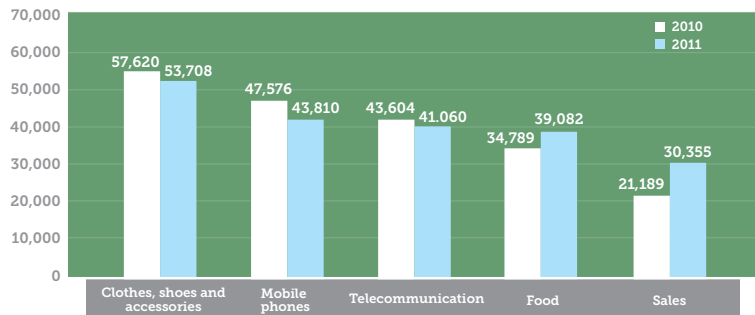
"But the most important reason for companies' ignorance of Chinese consumer rights is that we don't support a class-action lawsuit system," Li said.

Countless cases tell us that when confronted with large companies Chinese consumers are often left to their own defense. The CCA is more of an intermediary than a real representative for consumer profits.

"The most urgent task is supporting class-action lawsuits and making CCA the real representative for consumers in class-action suits," said Li.

With the absence of the class-action law-

### Top Five Categories With Most Consumer Complaints



(Source: China Consumers' Association)

suit system, Chinese consumers can only see an apology letter, pledging to right its wrongs and immediately investigate the isolated incident, on McDonald's China's official website after the food scandal, instead of getting hun-

dreds of thousands of dollars in compensation like the woman in the United States. ■

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## Major Consumer Rights Infringement Cases in 2011

- In December, pure milk products of dairy giant Mengniu produced in Meishan, southwest China's Sichuan Province, were found to be tainted with excessive amounts of aflatoxin, a cancer-causing toxin. Mengniu immediately apologized for its actions.

- In November, the group-buying website Gaopeng, Groupon's Chinese joint venture, admitted selling fake watches. Previously, on May 4, Gaopeng announced that people who visit its micro-blogs and forward its posts will have a chance to win an iPhone 4 through a lucky draw. More than 110,000 people participated in the activity, and the winner was found to be an employee of Gaopeng.

- In September, a live hog of Nanjing-based Yurun Food Group Ltd. tested positive for clenbuterol, an illegal additive in pig

feed fed to animals to keep their meat lean.

- In July, Shanghai-based furniture retailer Da Vinci Furniture Co. Ltd. was accused of deceiving consumers about the origin of its luxury furniture. The company claimed its products were imported from Italy, but the products were actually manufactured domestically.

- In July, Guangzhou Otis Elevator Co. Ltd. was fined 200,000 yuan (\$33,490) for a deadly accident at a subway station in Beijing. The company's malfunctioning escalator left a young boy dead and 30 others injured in the accident.

- In March, Humho Tires Co., a South Korean tire manufacturer and one of the largest tire suppliers in China, was found to be using excessive amount of recycled rubber as raw materials at its factory in north China's Tianjin Municipality.



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