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Featured in Law360: Landmark Product Safety Prosecution May Signal Sea Change

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In November 2023, a jury convicted two corporate executives of conspiracy and failure to report information about defective residential dehumidifiers, as required by the Consumer Product Safety Act (CPSA). The jury verdict in U.S. v. Chu is the first-ever criminal conviction of corporate executives for failure to report under the CPSA.

This groundbreaking prosecution against corporate officers reflects the Consumer Product Safety Commission's (CPSC) and the US Department of Justice's increasingly aggressive approach to enforcing the CPSA and holding corporate executives accountable for misconduct. While the CPSC has not historically pursued criminal enforcement for violations of the CPSA, signs point to this being the leading edge of a potential sea change at the commission. Companies making or selling products subject to the CPSA should be mindful of the increased enforcement focus and potential for corporate and individual criminal exposure that, regardless of administration, appears poised to continue.

Read this article (originally published in Law360) for more about increased criminal enforcement under the CPSA and what it means for companies and corporate executives.

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