

UNITED STATES CONSUMER PRODUCT SAFETY COMMISSION

4330 EAST WEST HIGHWAY BETHESDA, MD 20814

STATEMENT OF COMMISSIONER RICH TRUMKA JR.

HISTORIC CRIMINAL VERDICTS AGAINST EXECUTIVES FOR FAILING TO REPORT FIRE HAZARDS TO CPSC

Corporate executives are on notice: It can be a crime not to tell CPSC when your products put consumers at unreasonable risk of death or serious injury—you must share that information with CPSC immediately.

Two former executives of Gree USA Inc. now face possible incarceration. On November 16, 2023, a jury returned guilty verdicts against former CAO Simon Chu and CEO Charley Loh for conspiracy to defraud the CPSC and for knowingly and willfully failing to report what they knew about their defective, fire-prone dehumidifiers. A jury found that they knew their dehumidifiers were defective, dangerous, and could catch fire. The executives also knew that they were required to immediately report the product safety information to CPSC. If CPSC had known about the hazard sooner, it's possible that at least four deaths from house fires would have been prevented.

These are the first-ever criminal verdicts against executives for failing to report information to CPSC. The use of this powerful deterrent should send the message that when bad actors endanger people by hiding critical safety information, they will be met with unwavering pursuit and severe consequences. This knowledge should deter other executives from withholding the information CPSC needs to protect the American public.

I would like to thank the Department of Justice and the dedicated staff of CPSC for their work on bringing these wrongdoers to justice.