



U.S. on track to break record for the most products recalled in a single year

Sedgwick brand protection releases U.S. product recall index for Q2 2022

MEMPHIS, Tenn., Aug. 18, 2022 – The number of U.S. products recalled this year has already surpassed 1 billion, according to the U.S. product recall index recently released by Sedgwick’s brand protection division. Only two other years on record have seen more than 1 billion units recalled: 2018 and 2021. In those years, it took a full year to hit that threshold. In 2022, it only took the first seven months of the year, setting this up to be a record-breaking year for product recalls by number of units.

The automotive, consumer product, food and beverage, medical device and pharmaceutical industries continue to face challenges from increased regulatory scrutiny, as well as geopolitical issues and ongoing public health issues, including COVID-19 and monkeypox.

Sedgwick’s industry-leading brand protection quarterly report provides an in-depth look at the economic, regulatory and legal challenges affecting various industry and insights into how companies can safeguard their reputations and brands. In addition to the latest product recall data and trends from the second quarter of 2022, the report also includes insights, analysis and predictions from Sedgwick’s brand protection experts and network of strategic partners.

Highlights from the second quarter recall data

- Automotive recall events increased in Q2 2022 to 245, following two consecutive quarters of decline. The number of units impacted was relatively stable from the previous quarter at 9.2 million.
- The number of consumer product recalls decreased 15.6% in Q2 2022 from 77 events in Q1 to 65. The total number of units recalled also decreased in Q2, but by only 3.5% to 6.7 million units.
- U.S. Food and Drug Administration (FDA) food and beverage recall events increased to 120 in Q2 2022, up 9.1% from Q1. However, the number of impacted units decreased significantly (81.3%) to 27.5 million units. U.S. Department of Agriculture (USDA) food recalls increased to their highest level in more than two years, with 13 events. The number of units impacted also saw a significant increase of 1,391% to 973,374 pounds.
- While medical device recalls increased 34% (reaching a two-year high, with 268 events), the number of impacted units fell 96.8% to their lowest level in 10 years (10 million).

- For a second consecutive quarter, there were a total of 94 pharmaceutical recall events. The number of impacted units fell to their lowest level in over a year, at 20.6 million units in Q2.

Looking ahead to the second half of 2022

- The National Highway Traffic Safety Administration (NHTSA) had an active Q2, finalizing several standards for fuel efficiency and increasing civil penalties — meaning the automotive industry may soon be liable for millions of dollars in fines. Autonomous vehicles will remain a focus for NHTSA; the agency is working to update safety standards that may require automakers to carry the burden of compliance but will increase consumer confidence in autonomous vehicles.
- As we've seen for several quarters, children's safety will continue to be a priority for regulators of the consumer product industry. Per- and polyfluoroalkyl substance (PFAS) chemicals are rising to the top of regulators' and litigators' list of harmful substances to target with regulations and lawsuits.
- Infant food recalls continue to have a lasting impact on the food and beverage industry, as the FDA and other regulatory agencies examine the causes, poor response times and preventative measures. The FDA is expected to begin strictly enforcing the Foreign Supplier Verification Programs (FSVP), increasing the risks for food importers.
- As medical device technology advances, the FDA is releasing guidance to protect devices from cyberattacks. This space will likely remain a focus for the FDA, as a cybersecurity breach could lead to the death of a patient. Lawmakers are also working to update emergency preparedness for public health emergencies, including reforms that could impact the medical device industry.
- Enforcement will be a focus for the pharmaceutical industry, with the FDA issuing warning letters for products containing cannabis and banning the sale of an e-cigarette company's products. Although the ban was overturned, it's likely that won't be the end of the issue. The FDA has made subsequent efforts to initiate a ban of non-tobacco flavors, including menthol in cigars and cigarettes.

“Regulators and lawmakers alike have increased their scrutiny of every industry, introduced new guidelines and rules, and started to publicly call out companies they believe to be noncompliant. Add to the mix the current geopolitical issues and ongoing public health crises, and businesses find themselves facing new risks that are increasingly difficult to address,” said Chris Harvey, senior vice president of brand protection at Sedgwick. “In the face of these obstacles, businesses should continuously evaluate and update their product recall, crisis and communications plans to ensure their brands and reputations will overcome whatever new challenges arise.”

“This is the second consecutive year in which we have seen more than 1 billion units impacted by U.S. product recalls. If the first half of the year is any indication, we should expect 2022 to eclipse all previous years on record for recalled products,” said Amanda Combs, recall advisor in

Sedgwick's brand protection division. "While regulatory agencies may not be back to pre-pandemic work levels, companies can't relax their focus on product safety. Inspections and enforcement actions are still occurring."

The recall index is published every quarter by Sedgwick's brand protection experts. It is the only report that aggregates, and tracks recall data across multiple regulatory agencies and industries to help industry stakeholders navigate the regulatory environment, product recalls and other in-market challenges. For more information, see sedgwick.com/brandprotection.

To download the latest recall index, visit [U.S. product recall index report](#).

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