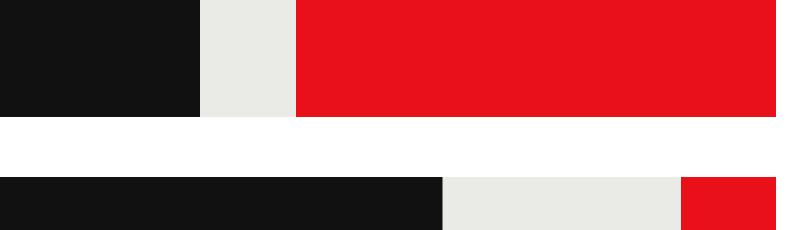




Shein and Temu have a product safety problem

Article



The finding: Products from **Shein** and **Temu** were found to contain anywhere between 11 and 229 times the legal limit for toxic substances, per an investigation by South Korean authorities—a discovery that will only ramp up the scrutiny that Chinese ecommerce platforms face as they push deeper into overseas markets.

How we got here: Maintaining product safety is a challenge for online marketplaces as they prioritize growing their selections in a bid to appeal to as many consumers as possible.



- Amazon recently fell afoul of the US Consumer Product Safety Commission (CPSC), which
 voted to hold it legally responsible for the <u>sale of over 400,000 products</u> with life-threatening
 risks on its marketplace between 2018 and 2021.
- Items like padded crib bumpers—banned by US law due to their suffocation risk—and drawstring hoodies for toddlers and children—also a potential strangulation hazard—are easily found for sale on Shein and Temu, per an investigation by <u>The Information</u>.
- That put both marketplaces firmly on the CPSC's radar, with commissioners lobbying Congress last month for additional funds to improve their ability to monitor listings and scrutinize imports.

The big takeaway: Both Shein and Temu already face myriad regulatory challenges, ranging from their use of tax loopholes to potential ties to forced labor in China. While product safety issues are not unique to them, they will have to step up oversight of their marketplaces to avoid falling further afoul of governments worried about their impact on local retailers.

