Recalls declined just 2% from Q1 2017 to Q2, to 64. Recalled units declined 64% to about 3.4 million, the lowest since Q4 2012.

**FEELING THE BURN**

1.1 MM+ units were recalled due to burn risks, making it the top hazard.

**CONNECTING THE DOTS**

1. The top categories based on units were split fairly evenly, with personal use items taking the top spot at 15.8%.

2. A refund was offered for 20.1% of recalled units, making it the top remedy. In Q1 2017, replacement was the leading remedy at 43.2%.

3. Incidents declined 33% from the previous quarter to 11,158. This is still the second highest quarter since at least 1997. Injuries increased 45.9% to 302, the second highest since Q2 2007.
Automotive

Recalls decreased 11% to 187 – the lowest quarter since Q1 2015. Recalled units dropped 58% to about 5.4 million – the second lowest quarter since Q1 2013.

**ENGINE RECALLS REV UP**

The number of units recalled due to engine and engine cooling issues increased **133.4%** over Q1 2017, making it the second highest cause.

**CONNECTING THE DOTS**

1. Equipment issues were the cause of 47 NHTSA recalls, or 25.1%. The second highest was suspension at 17 recalls.

2. Automobiles accounted for 92.5% of NHTSA recalls and 94.9% of recalled units, an increase from Q1 when the category made up 55.4% of NHTSA recalled units.

3. 66.5% of recalled automobile VINs were issued by three companies.

**TOP CAUSES FOR RECALLED UNITS BY QUARTER**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Airbags</th>
<th>Visibility</th>
<th>Airbags</th>
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<tbody>
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<td>Q3 2015</td>
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<td>Q4 2015</td>
<td>Q1 2016</td>
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<td>Q4 2015</td>
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<td>Q4 2015</td>
<td>Q2 2015</td>
<td>Q1 2017</td>
<td>Q2 2017</td>
</tr>
</tbody>
</table>

**NHTSA RECALLED UNITS BY PRODUCT TYPE**

- **Automobile**: 94.9%
- **Child Seat**: 4.3%
- **Equipment**: 0.8%

**NHTSA RECALL CATEGORIES BASED ON UNITS**

- **Airbags**: 1,371,344
- **Engine & Engine Cooling**: 1,286,987
- **Power Train**: 735,719
- **Latches / Locks / Linkages**: 518,558
Pharmaceutical recalls increased 6% over the previous quarter to 86 – the highest since Q4 2014 and the fifth highest since Q3 2005. Recalled units climbed 444% – making it the highest quarter since Q4 2014 and the third highest since Q4 2011.

1. 73.8% of units were recalled due to potency issues (either subpotency or superpotency), compared to 9.1% in Q1 2017.
2. 9% of recalls involved products distributed both domestically and internationally, the highest figure since Q1 2016.
3. The average recall size was 464,705 units - the highest level since Q4 2014 and third highest since Q4 2011.

11.6 MM recalled units were considered Class I, the highest since at least 2004.

CONNECTING THE DOTS

BAD MEDICINE

OF PHARMACEUTICAL RECALLS WERE NATIONWIDE
Recalls declined just 3% to 275 - the lowest quarter in the past year. By contrast, recalled units increased 628% to nearly 67.6 million - higher than 15 of the last 18 quarters.

**SIZE MATTERS**

The average recall size was **245,767** - higher than the average of any full year since 2012.

**CONNECTING THE DOTS**

1. Sterility issues were the top cause of recalled units for the second quarter in a row.
2. 47.3% of recalls were for software or mislabeling - the same top causes as the previous two quarters.
3. 53% of recalls were distributed both domestically and internationally, the highest percentage since Q1 2016.
Food & Beverage

FDA food recalls dropped 11% to 178 - lower than the previous three quarters but higher than Q1 2013 to Q2 2016. Units declined 3% to about 89.3 million. USDA recalls rose 47% to 47 - the second highest quarter since at least 2005. USDA recalled pounds increased 307% to more than 10.2 million. Both FDA units and USDA pounds were higher than 18 of the last 21 quarters.

HAZARDOUS HELPINGS

Class I situations led both FDA units (80%) and USDA pounds (92%).

CONNECTING THE DOTS

1. 80.9% of all USDA recalled pounds were recalled due to undeclared milk allergens, compared to less than 1% in Q1 2017.
2. Bacterial contamination was the cause for 86.6% of FDA recalled units, up from 11.6% in Q1.
3. Prepared foods rose from just 2.9% of FDA recalled units in Q1 to 70% in Q2.
Stericycle ExpertSOLUTIONS helps partners minimize risk to the public and to their company brand by executing and planning for product recalls efficiently, effectively, and compliantly. Each quarter, we analyze cumulative recall data across five product categories. This helps our partners navigate the regulatory environment and identify trends.

How the Stericycle Recall Index is Compiled

The Stericycle Recall Index gathers and tracks cumulative data from the four primary federal agencies that oversee recalls in the United States: the Consumer Product Safety Commission (CPSC), the Food and Drug Administration (FDA), the Food Safety and Inspection Service (FSIS) of the United States Department of Agriculture (USDA), and the National Highway Traffic Safety Administration (NHTSA).

FDA Data

To track trends in food, pharmaceutical, and medical device recalls, the Stericycle Recall Index uses information publicly available in news releases posted on the FDA website. For additional insight into recalls governed by the FDA, Stericycle collects and analyzes data from the agency’s weekly enforcement reports, which provide additional details including recall class, quantity of units affected, and number of reported incidents.

CPSC Data

For further insight into consumer product recall trends, Stericycle analyzes data from CPSC recall announcements. When compiling statistics and analyzing trends for consumer product recalls, the Stericycle Recall Index uses standard product categories and hazards recognized by the CPSC.

USDA Data

For additional insight into food recall trends involving meat, poultry, and egg products, the Stericycle Recall Index collects and analyzes data from recall announcements posted on the USDA’s FSIS website. Statistics and trends are compiled using standard product categories, classifications, and reasons for recalls as recognized by the USDA.

NHTSA Data

To understand trends in the automotive industry, the Stericycle Recall Index analyzes data from NHTSA reports on recalls of autos, child seats, equipment, and tires.

Terminology

Announced recalls represent those recalls documented in news releases published on agency websites. Enforced recalls refer to those recalls documented in weekly FDA enforcement reports that are summarized based on the FDA assigned Event ID. Their documentation can lag behind announced recalls by weeks or even months because the recall process may take time to complete.

A Class I recall, according to the FDA, is a situation in which there is a reasonable probability that the product will cause serious adverse health consequences or death. A Class II recall is a situation in which the product could cause temporary or medically reversible adverse health consequences or where the probability of serious adverse health consequences is remote. The FDA defines a Class III recall as a situation in which the product is not likely to cause adverse health consequences.