

another consumer complaint to Respondent.

12. On December 14, 2001, Murray received a request for information from the staff regarding an incident involving the rear-engine riding lawnmower. Upon receipt of the staff's inquiry, Murray initiated an investigation into claims involving its rear-engine riding lawnmowers.

13. Upon reviewing its record in December 2001 and January 2002, Murray discovered that from 1997 through 2001 it had received about 880 reports of fuel tank leakage involving its rear-engine riding lawnmower, five of which resulted in fires with one report of minor burn injuries.

14. Based on information synthesized during Murray's December 2001–January 2002 investigation, on January 16, 2002, Murray reported to the Commission about the rear-engine riding lawnmower's fuel tank cracking and leaking fuel.

15. Despite being aware of the information set forth in paragraphs 4 through 14 above, Murray did not report to the Commission until January 16, 2002.

16. Murray obtained information which reasonably supported the conclusion that the rear-engine riding lawnmower as described in paragraph 4 above contained a defect which could create a substantial product hazard or created an unreasonable risk of serious injury or death, but failed to report such information in a timely manner to the Commission as required by sections 15(b)(2) and (3) of the CPSA, 15 U.S.C. 2064(b)(2) and (3).

17. By failing to provide the information to the Commission in a timely manner as required by section 15(b) of the CPSA, 15 U.S.C. 2064(b), Murray violated section 19(a)(4) of the CPSA, 15 U.S.C. 2068(a)(4).

18. Murray committed this failure to timely report to the Commission “knowingly” as the term “knowingly” is defined in section 20(d) of the CPSA, 15 U.S.C. 2069(d), thus, subjecting Murray to civil penalties under section 20 of the CPSA, 15 U.S.C. 2069.

#### *B. Mid-Engine Riding Lawnmower*

19. Between January 2001 and January 2002, Murray manufactured and distributed nationwide approximately 6,200 mid-engine riding lawnmowers, model numbers 309005X10, 309304X8, and 309306X89.

20. The mid-engine riding lawnmowers are sold to consumers for use in or around a permanent or temporary household or residence and are, therefore, “consumer products” as defined in section 3(a)(1)(i) of the CPSA,

15 U.S.C. 2052(a)(1)(i). Murray is a “manufacturer” and “distributor” of the mid-engine riding lawnmowers, which were “distributed in commerce” as those terms are defined in sections 3(a)(4), (5), (11), and (12) of the CPSA, 15 U.S.C. 2052(a)(4), (5), (11), and (12).

21. The mid-engine riding lawnmowers' fuel tanks can crack and leak fuel and the leaking fuel can ignite, posing a burn or fire hazard to consumers.

22. In July 2001, Murray's European distributor advised Murray of a possible weld seam issue involving the mid-engine riding lawnmower's fuel tank.

23. In August 2001, one of Respondent's retail customers notified Respondent of several reports of gas leaks involving the mid-engine riding lawnmower.

24. During August 2001, Murray notice an increased number of orders from its authorized service centers requesting replacement fuel tanks for the mid-engine riding lawnmower as a result of fuel leaks.

25. In September 2001, Murray tested 12 fuel tanks for fuel leakage, and found some of the tested tanks showed evidence of cracking and fuel leakage.

26. On or about September 19, 2001, the manufacturer of the mid-engine riding lawnmower's fuel tank told Murray that it has substituted a different type of material since the beginning of production. Murray immediately instructed its supplier to begin using the specified material. Murray placed a hold on distributing the mid-engine riding lawnmower pending installation of the proper fuel tank.

27. On or about November 19, 2001, an independent laboratory told Respondent that the failure of the gas tank was due to multiple, brittle fatigue cracks that initiated at the base of the tank due to concentration of applied cyclic bending stress due to vibration during service. The report also noted that the failed tank had a much lower molecular weight and was significantly more brittle than the comparative tank. The brittle nature of the polymer made it more prone to cracking.

28. On or about January 18, 2002, Murray received a complaint from a consumer alleging a leaking fuel tank. At that time, Murray examined its records and found that between June 2001 and January 2002 it had received 70 complaints and 145 warranty claims of fuel leakage, including one report of a fire.

29. Based on Murray's investigation, on February 5, 2002, Murray reported to the Commission about the mid-engine riding lawnmower's fuel tank cracking and leaking fuel.

30. Despite being aware of the information set forth in paragraphs 19 through 29 above, Murray did not report to the Commission until February 5, 2002.

31. Murray obtained information which reasonably supported the conclusion that the mid-engine riding lawnmower as described in paragraph 19 above contained a defect which could create a substantial product hazard or created an unreasonable risk of serious injury or death, but failed to report such information in a timely manner to the Commission as required by sections 15(b)(2) and (3) of the CPSA, 15 U.S.C. 2064(b)(2) and (3).

32. By failing to provide information in a timely manner as required by section 15(b) of the CPSA, 15 U.S.C. 2064(b), Murray violated section 19(a)(4) of the CPSA, 15 U.S.C. 2068(a)(4).

33. Murray committed this failure to timely report to the Commission “knowingly” as the term “knowingly” is defined in section 20(d) of the CPSA, 15 U.S.C. 2069(d), thus, subjecting Murray to civil penalties under section 20 of the CPSA, 15 U.S.C. 2069.

#### **III. Murray's Response**

34. Murray denies each and every staff allegation as set forth in paragraphs 4 through 33 above.

35. Murray denies that the rear-engine riding lawnmower contains any defect which could create a substantial product hazard pursuant to section 15(a) of the CPSA, 15 U.S.C. 2064(b) or 16 CFR part 1115 and further denies that it violated the reporting requirements of section 15(b) of the CPSA, 15 U.S.C. 2064(b).

36. In January 2002, information became apparent to Murray and it promptly and voluntarily filed a report on the rear-engine riding lawnmower under section 15 of the CPSA, and worked cooperatively with the staff to conduct a comprehensive recall plan under the Commission's Fast Track program.

37. Murray denies that the mid-engine riding lawnmower contains any defect which could create a substantial product hazard pursuant to section 15(a) of the CPSA, 15 U.S.C. 2064(a), and further denies that it violated the reporting requirements of section 15(b) of the CPSA, 15 U.S.C. 2064(b) or 16 CFR part 1115.

38. In January 2002, information became apparent to Murray and it promptly and voluntarily filed a report on the mid-engine riding lawnmower under section 15 of the CPSA and worked cooperatively with the staff to conduct a comprehensive recall plan