

5 Biggest Product Recalls in History

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These recalls cost billions of dollars for the companies involved and hugely affected their reputations around the world.

(Newswire.net -- April 15, 2019) -- A product recall is a necessary evil, costing a company millions, if not billions, but saving their reputation and preventing all kinds of costly lawsuits at the same time.

In this guide we'll look at the biggest and the most costliest, ones that would get any [product liability attorney](#) excited and ones that have led to billions in lost money.

1. Vioxx — \$9 Billion

Vioxx was hailed as a breakthrough treatment for arthritis when it hit the market back in 1999 and it seemed to be working really well. However, just a few short years later it became clear that it increased the risk of cardiac episodes.

At that point in time over 20 million Americans had used it, over 85,000 had apparently died from it, and the manufacturers, Merck, had a major recall and many lawsuits on their hands. The issue is reported to have cost the close to \$9 billion overall, sending the company's shares plummeting and damaging tens of thousands of families and lives across the US.

2. Ford and Firestone Tires — \$5.6 Billion

Firestone Tires was brought to its knees when its tires were linked to over 800 injuries and 271 deaths due to faulty tires placed on Ford cars. Firestone blamed Ford; Ford blamed Firestone, and in the end they both recalled and replaced millions of tires and lost a combined \$5.6 billion, with Ford seemingly getting the worst of it.

3. Galaxy Note 7 — \$5 Billion

One of the most famous recalls in recent years, the Note 7 had problems from the get-go, with allegations that it had been rushed to market. It was exploding in user's pockets due to overheating batteries and it had a hugely negative impact on Samsung's reputation as a manufacturer.

In total, the recall is thought to have cost them over \$5.3 billion, but Samsung quickly bounced back from this loss and from the reputation damage.

4. Bextra — \$3.3 Billion

Bextra, like Vioxx, was a medication designed to reduce the pain of arthritis but also like Vioxx, it was quickly pulled from the market after it became clear that it was causing skin conditions.

The drug was launched by Pfizer and was one of their most popular at the time, accounting for over \$1.3 billion in sales, profits that were lost when they were forced to pull it from the market, costing them over \$3.3 billion in total.

5. Peanut Butter - \$1 Billion

In 2009 there was a peanut butter scare that resulted from a salmonella outbreak. The outbreak hit many major distributors and sent their profits slumping, but it hit even the ones who weren't affected, as public perception changed and the whole industry suffered.

Peanut Corp., who manufactured many of the products and were responsible for the outbreak, went bankrupt, with a top executive getting 28 years in prison for his role in the outbreak. The industry lost over \$1 billion and took some years to recover.

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