

# KOHL'S

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Kohl's prides itself on being a family-focused specialty department store. Kohl's values the partnerships that we have formed with our entire vendor community, including your company, which have allowed us to provide quality, safe products at a great value to Kohl's customers.

As you are aware, as a merchandise supplier to Kohl's, your company warrants, covenants and represents that (1) your company has and will comply with all applicable laws (including, but not limited to, the Consumer Product Safety Improvement Act of 2008 ("CPSIA")), relevant to your performance under the merchandise purchase order(s) that may be placed with your company from time to time; (2) all merchandise delivered pursuant to Kohl's purchase order(s) are produced, processed, manufactured, represented, described, packaged, labeled, tagged, packed, advertised, sold, invoiced and shipped in full compliance with all applicable laws (including, but not limited to, the CPSIA); and (3) neither Kohl's acquisition nor Kohl's subsequent sale of the merchandise delivered pursuant to Kohl's purchase order(s) will violate any laws (including, but not limited to, the CPSIA).

Kohl's requires all of its vendors to remain informed about, and fully comply with, any changes in existing laws or regulations. However, Kohl's believes that upcoming changes to the national product safety laws warrant special attention due to the heightened awareness and sensitivity by the relevant government agencies.

## **CONSUMER PRODUCT SAFETY IMPROVEMENT ACT OF 2008** **TRACKING LABELS**

As you are aware, on August 14, 2008, President Bush signed the CPSIA, which overhauls the national product safety system and imposes a number of new product safety requirements on product manufacturers, distributors, private labelers and retailers. Additional information regarding the CPSIA and all of its requirements can be found at: <http://www.cpsc.gov/about/cpsia/cpsia.html>. All Kohl's vendors, including your company, are obviously required to provide merchandise that fully complies with all of the new requirements and standards set forth in the CPSIA, including, but not limited to, the tracking label requirements detailed in this document.

One of the new federal mandates under the CPSIA relates to tracking labels for all "children's products" (i.e., defined as "a consumer product designed or intended primarily for children 12 years of age or younger"). Effective August 14, 2009, the CPSIA requires manufacturers, to the extent practicable, to have a tracking label or other distinguishing permanent mark on any children's product. This requirement will apply to all children's products manufactured after August 14, 2009. The tracking label must contain certain basic information, including the source of the product, the date of manufacture and more detailed information on the manufacturing process. The intent of the required labeling is to facilitate recalls by permitting (i) the manufacturer to ascertain the location and date of production of the product, cohort information (i.e., identifying characteristic); and (ii) the ultimate purchaser to ascertain the manufacturer or private labeler, location and date of production of the product, and cohort information (which would presumably be published in any recall notice).

The scope of this requirement is quite broad in that it applies to all children's products, including, but not limited to, items such as bedding, clothing and shoes and not just toys and other regulated products. Congress modified the requirement for tracking labels with the phrase "to the extent practicable" recognizing that it may not be practical for permanent distinguishing marks to be printed on small products. During informational roundtables and other public comments, however, the CPSC has made it clear that it expects the vast majority of children's products to include the required labeling.

The CPSC is authorized to issue rules further defining the detail required in the tracking labels. Based on the CPSC's initial public comments and the quickly approaching deadline of August 14, 2009, however, Kohl's is issuing its tracking label requirements for Kohl's private and licensed brand products at this time – with the full understanding that immediate changes may be required if/when the CPSC issues additional guidance.

**KOHL'S PRIVATE AND LICENSED BRAND  
TRACKING LABEL REQUIREMENTS**

Kohl's will require all Kohl's private and licensed brand children's products to contain a label that includes "Kohl's", the product style number or name, the manufacturer's factory number and the month and year the product was manufactured. Kohl's expects this information to be laid out in the following order:

**Kohl's  
Style No./Style Name  
Factory No.  
Date (Month/Year)**

It is important to note that the required Factory Number is a unique, Kohl's-supplied factory identification number. It is not the Vendor Number. While all factories used to produce Kohl's merchandise should be well aware of their Kohl's-assigned Factory Number, requests for confirmation of Factory Numbers can be directed to Kohl's Corporate Governance/Factory Compliance team – Attention: [Deanne.Lowe@kohls.com](mailto:Deanne.Lowe@kohls.com) (with a cc: to [factory.compliance@kohls.com](mailto:factory.compliance@kohls.com)).

Kohl's generally expects this tracking label information to be included either as part of the existing sewn-in paper label that contains the product's UPC number or on a separate, new sewn-in label. It is expected that this label will most often be attached beneath a care/content label. For those products without a care/content label, the tracking label will most likely be attached to a side seam. Additional guidance, including representative samples of these tracking labels and Kohl's suggested placement, are included in the attached guidelines.

If a vendor's product includes one or more detachable parts or accessories (for example, but not limited to, attached belts, jewelry, hair accessories, etc.), it is the vendor's responsibility to ensure all components are properly labeled or otherwise comply with the CPSIA's tracking label requirements.

While Kohl's recommends that all vendors start adding the required tracking labels to any children's products as quickly as possible, Kohl's will require all Kohl's private and licensed brand children's products **manufactured after August 1, 2009** to include the requisite labeling. Kohl's will soon be updating both the required GCC/Certificate of Compliance and the testing lab requirements to reflect this new tracking label requirement.

In the event that a vendor discovers challenges in attaching the required permanent tracking label to any particular product(s) and/or a vendor believes that this type of labeling is not practical for any particular product(s), the relevant Kohl's Product Manager should immediately be contacted. It is Kohl's expectation that, in any such event, the vendor will provide suggested corrective actions.

Please be advised that this summary of the CPSIA requirements is provided for informational purposes only and should not be construed as legal advice on any specific requirement. As stated at the beginning of this summary, and as set forth in Kohl's Merchandise Purchase Order Terms and Conditions, Kohl's vendors must comply with any changes in existing laws or regulations, including – but not limited to – the legal requirements set forth in the CPSIA.

## Kohli's Guidelines for placement of CPSIA Tracking Label on Private & Licensed Brand Children's Products

Product Category	Type of Products in category	Type of label to be used	Placement of Label on finished product
<b>Apparel &amp; Apparel Accessories (Softlines)</b>	Tops - T-shirt, Tank, Blouse, Shirt, Cami, Halter, Dress, Intimates/Foundations, Sweater, Coat, Jacket, etc.	Printed Fabric Label (PFL)	Side Seam or Center back of Neck or any Seam on Reverse side of Finished Garment i.e. beneath or along side the care label
	Bottoms - Pant, Short, Capris, Leggings, Skirt Underwear, Boxers, Intimates/Foundations etc.	Printed Fabric Label (PFL)	Center back of Waist or Seam along Pocket Bag or any Seam on Reverse side of Finished Garment i.e. beneath or along side the care label
	Accessories - Belts, Hats, Caps, Visors, Gloves, Mittens, Ties, Scarves, Slipper Socks, Wraps etc.	Printed Fabric Label (PFL)	Seam on Reverse side of Finished Garment i.e. beneath or along side the care label
<b>Home Textiles (Bedding, Bath &amp; Home Goods)</b>	Bed Sheets, Pillow Case, Shams, Comforter, Decorative Pillow, Mattress Pads, Bumper Pads, Quilts, Blankets, Throws, Towels, Aprons, Table Cloth, Placemats, Napkins, Valance, Window Curtains, Rugs etc.	Printed Fabric Label (PFL)	Along seam of product i.e. beneath or along side the care label
	Shoes, Boots, Sandals, Flip-Flops, Clogs, Slippers, Booties etc.	Printed Fabric Label (PFL) or Woven Label or Screen Printed Label or Adhesive/Heat fused Label	Tongue/Vamp of Lining or Heel Counter Lining, or Strap
<b>Footwear</b>	Shoes, Boots, Sandals, Flip-Flops, Clogs, Slippers, Booties etc.	Printed Fabric Label (PFL) or Woven Label or Screen Printed Label or Adhesive/Heat fused Label	Tongue/Vamp of Lining or Heel Counter Lining, or Strap
<b>Hardlines Home Décor, Toys, Supplies and Sporting Goods</b>	Wall Hanging & Décor, Photo Frames, Bookends, Shower Curtain Hooks, Soap Dispensers, Tooth Brush Holders, Tumbler, Waste Basket, Food Containers, Books, Backpacks, Plush Toys etc	Screening Print or Decal, Printed Fabric Label (PFL) or Woven Label or Screen Printed or Adhesive/Heat fused Label	Reverse side or bottom base of the product or Along Seam of product

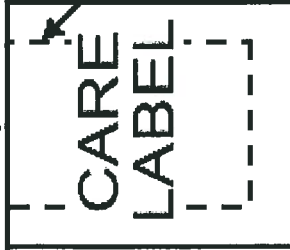
In the event that a vendor discovers challenges in attaching the required permanent tracking label to any particular product(s) and/or a vendor believes that this type of labeling is not practical for any particular product(s), the relevant Kohli's Product Manager should immediately be contacted. It is Kohli's expectation that, in any such event, the vendor will provide suggested corrective actions.



# TRACKING LABEL PLACEMENT SOFTLINES WITH SEWN-IN CARE LABEL

## PLACEMENT

Label insertion seam - can be side seam, CB neck/waist, btm edge of main label. Follow care label placement given in specification.

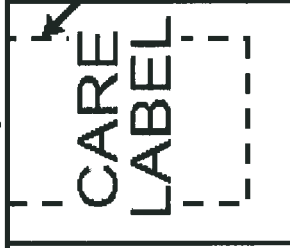


Stack UPC/Tracking label underneath care label in garment.

UPC #  
KOHLS  
STYLE #  
FACTORY #  
MANUFACTURE  
DATE - MO/YR

## LABEL EXAMPLE

Label insertion seam - can be side seam, CB neck/waist, btm edge of main label. Follow care label placement given in specification.



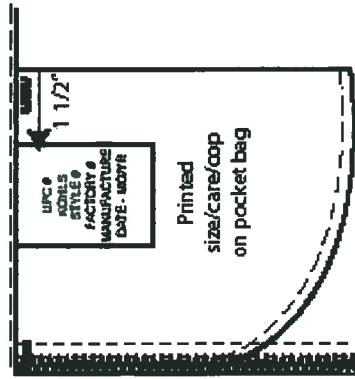
Stack UPC/Tracking label underneath care label in garment.

400891637284  
KOHLS  
UYB18039  
98201  
08/09

**TRACKING LABEL PLACEMENT SOFTLINES  
WITH PRINTED CARE (NO CARE LABEL)**

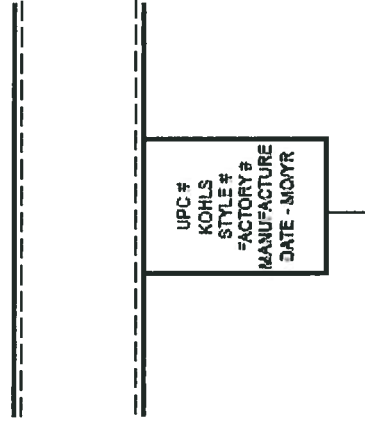
WOVEN/KNIT BOTTOMS WITH CARE PRINTED DIRECTLY ON  
GARMENT PKT

Insert UPC/Tracking label 1 1/2" from edge of pocket bag  
above printed care.

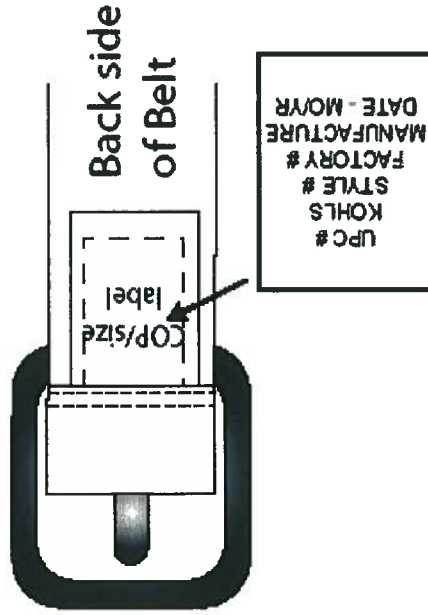


WOVEN/KNIT BOTTOMS WITH CARE PRINTED DIRECTLY ON  
GARMENT

Insert UPC/Tracking label in waist seam at CB.

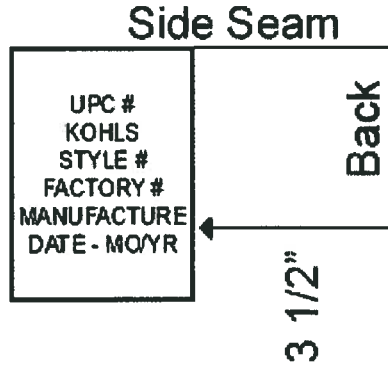


ACCESSORY BELTS SOLD SEPARATELY OR SOLD WITH APPAREL  
Stack UPC/Tracking label under COP/Size Label

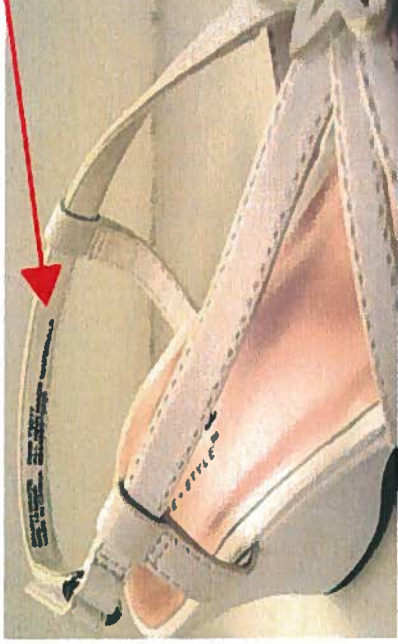


WOVEN/KNIT TOPS WITH CARE PRINTED DIRECTLY  
ON GARMENT

Insert UPC/Tracking label in garment side seam



Examples of where to place commercial markings and tracking information on footwear



Direct print on backstrap



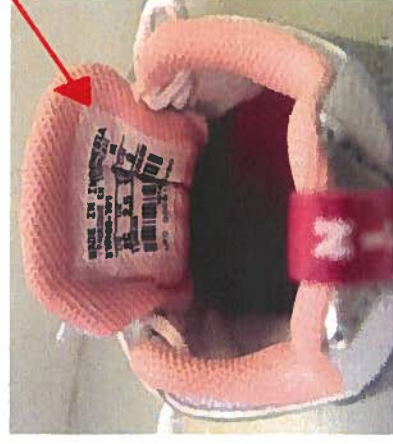
Folded PFL stitched to inside quarter strap



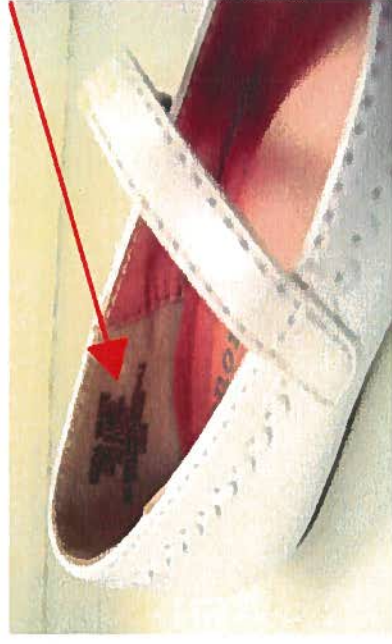
Direct print on outside quarter strap



PFL with one sided stitch on inside quarter straps



Adhesive/ Heat fused label on tongue/ vamp lining



Direct print on heel counter lining

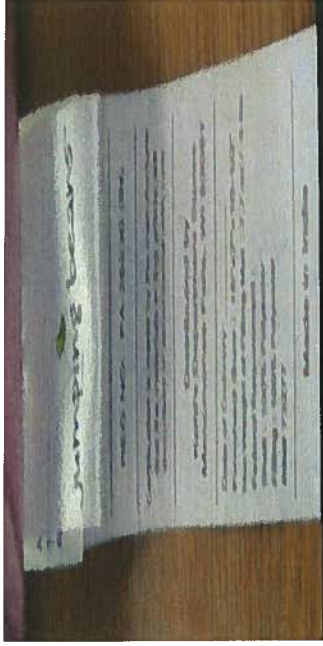


PFL with four sided stitch on tongue/ vamp lining

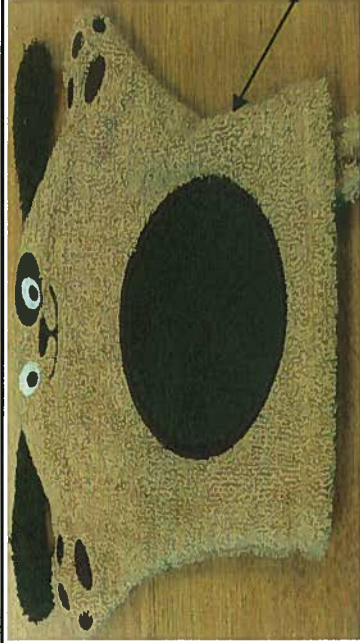


Direct print on vamp lining

**Examples of placement of CPSIA Tracking Labels on Private and Licensed Children's Soft Home Products**



Warning Label appears on bottom of toy pillow. Also a recommended place for Tracking Label

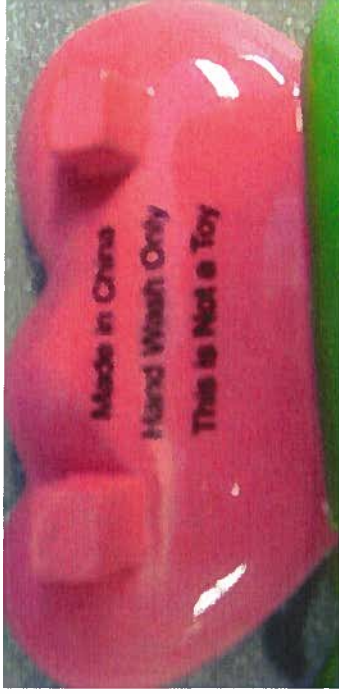


Warning Label appears on inside of washmitt puppy. Also a recommended place for Tracking Label

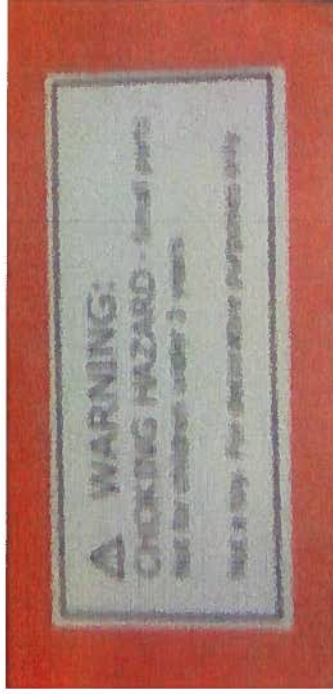


Warning Label appears on underside of bathmat. Also a recommended place for Tracking Label

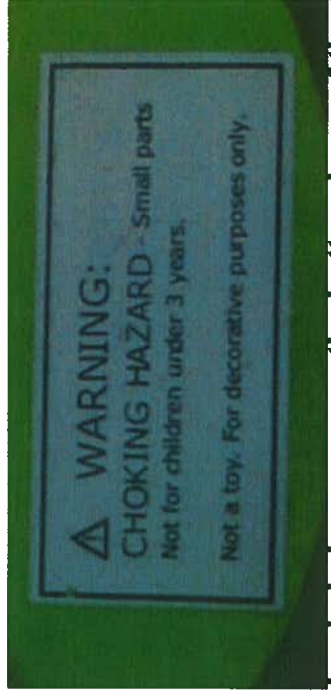
**Examples of placement of CPSIA Tracking Labels on Private and Licensed Children's Hardlines Products**



**Warning Label appears on the underside of the Butterfly.  
Also a recommended place for the tracking label.**



**Warning Label appears on the reverse side of the truck.  
Also a recommended place for the tracking label.**



**Warning Label appears on the bottom base of the frog.  
Also a recommended place for the tracking label.**