

## **Examples of RSL Failures**

WHY DO WE SlidkORRY? permission Used Without































#### WHEN THINGS GO WRONG

....and they will

**FACT:** Every company in our industry has or will have an RSL related failure.

FACT: Fallures will disrupt business.

FACT: Failures will damage your brand image

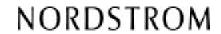
**FACT:** Failures will be expensive.































### **EVERYONE WATCHES**

Chemical issues are a focus of:

- Governments
- Legislation (REACH)
- NGOs
- Consumers

We are all concerned

We are all responsible.































#### **TBT**

### **JERSEY - TBT**

#### Issue:

- TBT (traces) found in a Borussia Dortmund jersey
- Total unknown substance to Nike/apparel industry

## Solution:

- Scramble for chem and tox info
- Prompted RSL development
- No recalls

#### Cost:

- ~\$4.8M (USD)
- Bad public perception



























## **CAPS - Formaldehyde**



Formaldehyde

#### Issue:

Formaldehyde used to give cap shape

#### Solution:

- Some materials washed
- Some materials replaced
- Led'to phase out of formaldehyde in contract factories

Cost: Miss. Mou

~\$1.2M (USD)

Unable to ship some product for several months





























#### Cadmium

#### **CADMIUM - Ball**

#### Issue:

- Cadmium found during routine testing
- Source = clear outer pvc layer

## Solution(

- Replaced with technically and No cost increase. Not be environmentally superior TPU

#### Cost:

- Costs ~ €900,000
- Could have been MUCH worse!

















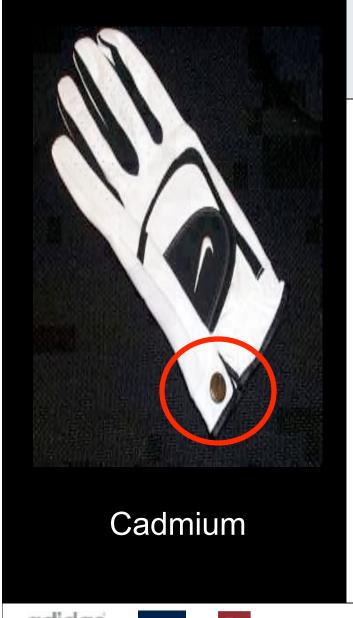












## **GOLF GLOVE - Cadmium**

#### Issue:

Cadmium in metal ball marker.

# Solution

 Consumer research led to dropping ball marker on future Cost: Cost: Without be

Cost:

Lower





























#### Lead

### **BABY JORDAN - Lead**

#### Issue:

 Paint peeling from a toddler's shoe contained lead

Action:

Voluntary recall ~110,000 pairs

Coste

• \$4.4 million USD Ut

 > \$2.3 million in supply chain logistics and management

























