# Examples of RSL Failures

## WHY DO WE WORRY?

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# WHEN THINGS GO WRONG

**….and they will**

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

**FACT:** Failures will disrupt business.

**FACT:** Failures will damage your brand image.

**FACT:** Failures will be expensive.

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# EVERYONE WATCHES

Chemical issues are a focus of:

- Governments
- Legislation (REACH)
- NGOs
- Consumers

We are all concerned.

We are all targets.

We are all responsible.

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# JERSEY - TBT

**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 recall

Cost:

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

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# 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:

~$1.2M (USD)

- Unable to ship some product for several months

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# CADMIUM - Ball

Cadmium

Issue:

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

Solution:

- Replaced with technically and environmentally superior TPU
- No cost increase.

Cost:

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

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# GOLF GLOVE - Cadmium

Cadmium

Issue:

- Cadmium in metal ball marker.

Solution:

- Consumer research led to dropping ball marker on future designs.

Cost:

- Lower

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# BABY JORDAN - Lead

Lead

Issue:

- Paint peeling from a toddler's shoe contained lead

Action:

- Voluntary recall ~110,000 pairs

Cost:

- $4.4 million USD
- > $2.3 million in supply chain logistics and management

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