



December 1, 2008

H. Lee Scott, Jr.
Michael T. Duke
Wal-Mart Stores, Inc.
702 SW 8th Street
Bentonville, AR 72716-8611

Dear Messrs. Scott and Duke,

I am writing to you as the current and incoming CEOs of Wal-Mart Stores to ask that Wal-Mart take a leadership position in demanding changes to the Consumer Product Safety Improvement Act of 2008 (CPSIA). This law is having a devastating effect on all suppliers of children's products, including your supplier community. I am the President/CEO of a group of privately-owned educational product companies based in Illinois. We have been in business for over a quarter century and are not presently Wal-Mart suppliers. I am currently a Board member at the Toy Industry Association.

The CPSIA presents significant challenges to the U.S. economy. The CPSIA's unnecessarily strict terms, plus its draconian implementation plan, are fueling massive costs increases to all kinds of children's products (shoes, bedding, clothing, toys, books, office supplies, school supplies, and so on) without commensurate safety benefits. The September 12 opinion of Ms. Cheryl Falvey, Office of the General Counsel of the CPSC, holding that the CPSIA's new lead standards are retroactive as of February 10, is also creating doubt over the salability of existing inventory. It is my understanding that Wal-Mart has expressed an intention to return merchandise that cannot be proven compliant with this law as of February 1, the date of your CEO transition. Wal-Mart's position may lead to widespread chaos beyond your supplier ranks.

The implications of any action by Wal-Mart on existing inventory will be far-reaching. We believe Wal-Mart's actions would give "permission" to other retailers to take similar steps. Needless to say, returning existing inventory simply passes the financial "hot potato" to suppliers. This situation was not caused by anyone's "bad acts" – it is the result of a sudden change in law, plain and simple. This disaster does not have to happen - Wal-Mart could choose to stand up for its supplier community and oppose this overreaching new law.

The U.S. business community has, thus far, declined to take a public stance against this law for fear of retribution by activists and regulators. However, the consequences of the law are so dire that there is little choice now but to push back. Our company has taken a public stance against the CPSIA (not against improved product safety, but against wasteful rules that will imperil jobs and financial stability) [See <http://www.learningresources.com/category/id/104512.do>.] We now ask that Wal-Mart step forward as well as the most prominent American retailer to support the movement to revise the Act. The business community needs a prominent leader to take this battle on. I urge you to protect your supplier community by demanding that Congress immediately reconsider the terms of the CPSIA (including retroactivity) and to resist the notion that opposing this law is tantamount to opposing product safety.

Thank you for considering my view on this important matter. Please do not hesitate to contact me if you wish to discuss the CPSIA further.

Best regards

A handwritten signature in black ink, appearing to read 'Etienne Veber', written over a white background.

Etienne Veber
President/CEO
Learning Resources, Inc.
Tel 847-990-3362
Fax 847-573-8425
Cell 312-493-8985
Email eveber@learningresources.com