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ONE HUNDRED TENTH CONGRESS

U.S. House of Representatives
Committee on Energy and Commerce
Washington, DC 20515-6115

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October 30, 2007

Mr. David Bere
Chief Executive Officer
Dollar General Merchandising, Inc.
100 Mission Ridge
Goodlettsville, TN 37072

Dear Mr. Bere:

We are writing with reference to your letter of September 10, 2007, responding to a series of questions that we posed regarding Consumer Product Safety Commission (CPSC) recalls affecting some of your company's products. While most of the information provided by you and other respondents was complete and very helpful, in some instances answers were incomplete and therefore we are transmitting further requests for clarification about certain questions.

As you may know, on May 15, 2007, the Subcommittee on Commerce, Trade, and Consumer Protection held an oversight hearing on the performance of the CPSC in safeguarding consumers, especially children, from hazardous products. On June 6, 2007, the Subcommittee held a hearing on four child safety bills that subsequently passed the House by voice vote. That package included legislation to improve consumer notification of recalls and to raise the cap on civil penalties. The Subcommittee held two days of comprehensive hearings on September 19 and 20, 2007, on how to address the problem of lead-tainted children's products. We are now working to craft balanced, bipartisan legislation that will enhance the protection of consumers, especially children, from hazardous products and to reform the operations of the CPSC. Your input is an important part of this process.

Accordingly, we request that you respond to these follow-up questions by the close of business on Tuesday, November 6, 2007. Your written responses should be delivered to room 2125 Rayburn House Office Building, Washington, D.C. 20515 and faxed to 202-226-5577 to the attention of Ms. Valerie Baron. An electronic version of your response should also be sent by e-mail to Ms. Baron at valerie.baron@mail.house.gov in a single document.

1. In your September 10, 2007, letter to the Committee, you indicated that Dollar General had filed a Section 15(b) report related to additional metal key chains, which you expected to be recalled. In addition to these key chains, which were subsequently recalled on October 4, 2007, another Dollar General product, Frankenstein Tumblers, also was recalled on the same day. Did you also file a Section 15(b) report on these items, and if so, when? Please explain why the Frankenstein Tumblers were not mentioned in your response to the Committee.
2. How and when did your company discover the lead in the metal key chains and the Frankenstein Tumblers, which led to the recall announcement by the CPSC on October 4, 2007? Please provide specific dates for all contact with the CPSC about the lead in the metal key chains and the Frankenstein Tumblers and copies of any related correspondence with the CPSC.
3. In addition to the 396,000 key chains recalled in April 2007, and the 192,000 key chains and 63,000 tumblers recalled in October 2007, are there other children's products imported by your company with lead paint or lead content that exceed lawful safety standards that have not yet been recalled? If so, please provide details on what the product is, how and when you discovered the excessive lead, and the status of your contacts with the CPSC about any such products.
4. In your September 10, 2007, letter to the Committee, you supplied a range of lead levels detected in recalled products. Please provide specific information detailing the exact amount of lead detected in **each of the recalled products** tested. Provide all supporting documents, including test results.
5. Please expand upon your earlier response detailing how Dollar General became aware of unsafe lead levels in products that have been recalled, including specific dates when Dollar General first came to know about the excessive amounts of lead. Please supply copies of any correspondence with the CPSC related to this matter.
6. Please provide details on the consumer response to the recalls issued in both April and October 2007 through the present. Indicate how many items from each recall announcement have been returned for a refund or a replacement product, and the number and nature of consumer inquiries that your company has received. Also, provide detailed information on how Dollar General has destroyed or disposed of all returned recalled items.
7. Please provide information about the testing facilities your company used to test your products for lead content or contamination. Are they located in the United States or abroad? What organization, if any, certifies such testing facilities?

Mr. David Bere

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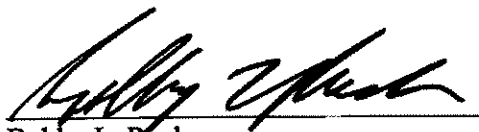
8. In your September 10, 2007, letter to the Committee, you state that "for years" Dollar General has used an independent laboratory to test products (including those intended for use by children) for lead. You also state "the CPSC contacted Dollar General and notified it [of lead contamination]." Did Dollar General's own testing also discover the excessive lead? If not, please explain to the best of your knowledge the reason your company's testing failed to discover the excessive lead.

9. Since last summer's recalls, has Dollar General made any efforts to improve the efficacy of its own testing procedures? If so, please provide a detailed description including, but not limited to, any requirements Dollar General has adopted regarding the types of testing facilities, testing methodologies, or certification of laboratories used to test products, and the number of batches of each product sampled. If Dollar General has not changed testing protocols, please provide a detailed explanation of why existing procedures have not been modified.

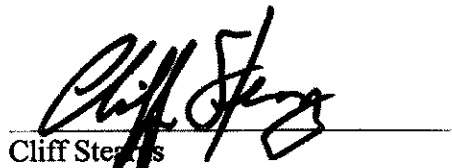
10. Since the recalls of this past summer, have you made changes to any contracts with vendors or manufacturers regarding requirements for compliance with U.S. product safety standards, including lead limits? If so, please provide details describing these changes. Additionally, please also detail how you monitor compliance with these standards.

Thank you for your cooperation and attention to our request. We look forward to reviewing your responses, and wish to emphasize that we require complete responses to each question. If you need further information, please contact Judith Bailey or Andrew Woelfling with the Committee Majority staff at (202) 225-2927 or Brian McCullough or Shannon Weinberg with the Committee Minority staff at (202) 225-3641.

Sincerely,



Bobby L. Rush
Chairman
Subcommittee on Commerce, Trade,
and Consumer Protection



Cliff Stearns
Ranking Member
Subcommittee on Commerce, Trade,
and Consumer Protection

cc: The Honorable John D. Dingell, Chairman
Committee on Energy and Commerce

The Honorable Joe Barton, Ranking Member
Committee on Energy and Commerce