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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

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Mr. Gene Kahn
Chief Executive Officer
Claire's Stores, Inc.
2400 W. Central Road
Hoffman Estates, IL 60192

Dear Mr. Kahn:

We are writing with reference to your letter of September 6, 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 2 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.

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1. In your September 6, 2007, letter to the Committee, you indicated that 12 of the 33 components of the recalled jewelry “contained excessive lead at varying levels.” Please provide specific information detailing the exact amount of lead detected in **each of the recalled products** that was tested. Provide all supporting documents, including test results.
2. According to your September 6, 2007, letter to the Committee, Claire’s Stores sells jewelry throughout the world. You indicate that in accordance with the California Assembly Bill No. 1681, Claire’s Stores has committed to producing only products that contain less than .06 percent lead. We understand that the European Union uses a different level for the trace amount of lead permitted in children’s products. When Claire’s sells products in both the U.S. and the European markets, how does it deal with the different standards?
3. You indicated in your response to the Committee that nearly “22,000 pieces [of jewelry containing excessive amounts of lead] were removed from our stores and destroyed.” Please provide detailed information on how Claire’s Stores has destroyed or disposed of all returned recalled items.
4. As detailed in your letter to the Committee, Claire’s Stores requires all jewelry to pass tests from an “independent accredited laboratory” before sale is permitted. Please provide information about the facilities your company uses to test products for excessive lead. Are they located in the United States or abroad? What organization, if any, grants accreditation for such testing facilities?
5. On August 4, 2006, Joshua M. Sharfstein, City of Baltimore Commissioner of Health, sent a letter (attached) to E. Bonnie Schaefer and Marla L. Schafer, Co-Chairmen and Co-Chief Executive Officers of Claire’s Stores, Inc., alerting your company that the Baltimore City Health Department found “a high level of lead” in a Claire’s Stores product. This product, a pearl ring, was sold as part of your “Princess Collection” from the “Claire’s Club Collection,” a line of products targeted at young children. This letter also indicated that in 2006, a local Baltimore news station discovered that a “Hilary Duff necklace,” sold exclusively in Claire’s Stores retail shops, contained over 41 percent lead. Please provide details about all actions taken by Claire’s Stores in response to these findings.
6. Did the findings that were noted in the August 4, 2006, letter from the Baltimore City Health Commissioner lead to any product testing by Claire’s Stores? If so, please provide a detailed account of the findings, including test results. If not, please explain why this was deemed unnecessary.

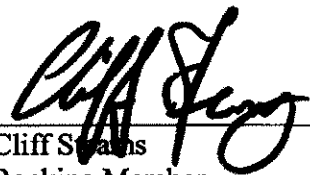
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Thank you for your cooperation and attention to our request. We look forward to reviewing your responses, and wish to emphasize that we require complete responses to each question. If you need further information, please contact Judith Bailey or Andrew 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