

Way Off Target

*A Critical Assessment of Target's
PVC Products & Packaging*



Center for Health,
Environment & Justice
May 2007

Dear Target Shareholder or Customer:

Target sells many products made out of or packaged in polyvinyl chloride (PVC), known as the poison plastic. PVC is the most hazardous plastic to our health and environment, releasing toxic chemicals linked to cancer and birth defects. Target's sale of PVC products and packaging poses major hazards to our health and environment, and avoidable legal, financial, and reputational risks to the company.

This is surprising and disappointing given Target's sustainability initiatives. Phasing out PVC is fully in line with Target's environmental programs, particularly its green purchasing initiative, commitment to recycling and the "social, economic and environmental health of the communities we serve," and its efforts to identify "packaging options with fewer environmental impacts and greater recycling potential."

Why does this report focus on Target? Why not another major retailer like Wal-Mart? Unfortunately Target is way behind Wal-Mart and other companies in phasing out this unnecessary toxic plastic. Wal-Mart has publicly committed to phasing out private label PVC packaging and children's lunchboxes and is beginning to reduce PVC use in building materials. Other leading retailers and manufacturers are also working to phase out PVC including Costco, Ikea, Johnson & Johnson, Microsoft, Nike, SC Johnson, and other major companies. Safer, cost-effective alternatives are available. Target has an opportunity to demonstrate it is not an industry laggard, but instead is a leader in selling safe and healthy products.

Target was contacted over one year ago about this issue, when a coalition of over sixty health and environmental groups sent a letter expressing our deep concern about this issue. Target responded publicly and stated that they are "exploring alternatives to PVC." Over seven months later, we have not seen any plan to evaluate alternatives. During this same time period, over 40,000 Target customers and parents have signed petitions, sent letters, faxes, and made phone calls to Target urging them to phase out PVC.

This report analyzes Target's sale of products containing PVC by focusing on three key areas: baby / children's products and toys, shower curtains, and packaging. These three areas were selected because Target sells many of these products that are made out of PVC. Target customers may be exposed to highly toxic chemicals from using these products in their homes.

We hope you find the information in this report illuminating. We hope Target's shareholders and customers will urge the company to adopt a responsible environmental practice and commit to phasing out PVC in products and packaging.

Sincerely,



Lois Marie Gibbs, Executive Director
Center for Health, Environment and Justice
May, 2007

Executive Summary

Target Corporation is the sixth largest retailer in the United States with approximately 1,500 stores in 47 states and over \$50 billion in revenues. Target sells many products made out of or packaged in polyvinyl chloride (PVC) plastic, a widely used plastic that has come under intensive scrutiny for its harm to public health and the environment. Target's sale of PVC products and packaging poses significant and avoidable health and environmental hazards, and legal, financial, and reputational risks to the company.

PVC is the most dangerous plastic to our health and environment from production to disposal, releasing poisonous chemicals linked to cancer and birth defects. The manufacture, use, and disposal of these plastic materials releases highly hazardous chemicals including dioxins and furans, vinyl chloride, ethylene dichloride, lead, phthalates, and mercury into our environment. PVC manufacturing plants are often located in low-income communities and communities of color, making the production of PVC a major environmental justice concern for neighboring residents. PVC manufacturing facilities have exposed workers and fence-line neighbors to toxic carcinogens, and caused major air pollution, chemical spills and contaminated drinking water supplies.

Way Off Target with Toxic Toys

Infants and children chewing on PVC toys and baby products sold at Target may be exposed to phthalates. These dangerous chemicals are linked to premature birth delivery, early puberty in girls, impaired sperm quality and sperm damage in men, genital defects and reduced testosterone production in boys. Target has no publicly stated policy commitment to phase out PVC baby/children's products and toys. Target sells PVC products such as a Baby Einstein discover & play activity gym, Munchkin duck

bathtub, Fisher-Price soft travel tray, Peg Perego prima diner highchair, 5" crib mattress with deluxe vinyl cover, and a 4-sided change pad. The company promotes PVC usage in baby strollers in their online "stroller buying guide," which could expose infants to toxic phthalates. In contrast, Wal-Mart announced plans in 2006 to immediately stop selling all PVC lined children's lunchboxes, yet Target has made no such similar commitment. Over ten years ago, Ikea phased out all PVC toys. On the government level, the European Union and fourteen countries have banned phthalates in children's toys and there is pending legislation in seven U.S. states to ban phthalates; Target has four hundred and thirteen stores in these states.



Way Off Target with Toxic Shower Curtains

In 2002, researchers at the US EPA reported a PVC shower curtain, "can cause elevated indoor air toxics concentrations...for more than a month." Target customers have repeatedly complained on Target's website about strong chemical odors being released from shower curtains sold at Target. One customer complained, "it stunk up the place so bad, I couldn't sleep the night I hung it up." Target has no publicly stated policy commitments to phase out PVC shower

"More and more studies show that PVC has toxins that can pose long-term health and environmental risks."
-Wal-Mart



curtains. While Target only offers five shower curtains made out of EVA (a safer PVC-free plastic), they sell at least ten times as many curtains made out of PVC. The EVA shower curtains are equivalent in price or cheaper than 62% of the PVC curtains sold at Target. Ikea stopped selling PVC products including vinyl shower curtains over ten years ago. 79% of Ikea's PVC-free shower curtains are equivalent in price or cheaper than 81% of Target's PVC shower curtains.

Way Off Target with Unrecyclable Packaging

PVC packaging has a national recycling rate far lower than other plastics. Just .7% of PVC bottles were recycled in 2004, compared to 21.6% for PET plastic bottles and 25.9% for HDPE bottles. One PVC bottle can contaminate and ruin a recycling load of 100,000 recyclable PET bottles. More than two billion pounds per year of short-lived PVC products, such as packaging, are discarded with U.S. household trash. In fact, nondurable products, such as packaging, account for more than 70% of the PVC disposed of in U.S. municipal waste. While Target is a member of the Sustainable Packaging Coalition, the company has no publicly stated policy commitment to phase out PVC packaging. Target sells a number of products packaged in PVC, such as Target sport look styling gel, Luxe bath and body products, Target salon series curling and straightening irons. In 2005, Wal-Mart committed to eliminating all private label PVC packaging in two years, yet Target has not developed a similar policy.

Target is Way Behind the Competition

Target may be at risk of losing some of its market share as their key competitor, Wal-Mart, has made strides in becoming an environmental leader, including commitments to phase out PVC in packaging, children's lunchboxes, and building materials. According to Wal-Mart, "more and more studies show that PVC has toxins that can pose long-term health and environmental risks". In 2005, Wal-Mart CEO Lee Scott announced a major new sustainability initiative committing

the company to, "replacing PVC packaging for our private brands with alternatives that are more sustainable and recyclable within the next two years." Since then, they have made substantial progress in achieving this goal; meanwhile Target has failed to make a similar commitment.

In 2006 Wal-Mart announced they would immediately stop selling all PVC children's lunchboxes, in response to an FDA order to remove lead from children's lunchboxes. Wal-Mart went beyond the FDA's request and also removed PVC from the lunchboxes; meanwhile Target has failed to make a similar commitment. In 2006, Wal-Mart unveiled a new chemicals policy, restricting the most hazardous chemicals from their products. These included carcinogens, reproductive toxicants, and persistent bioaccumulative toxic (PBT) compounds, chemicals which are used and released during PVC manufacture and disposal.

Other companies phasing out PVC include major retailers like Costco, and companies such as Aveda, Bath and Body Works, Body Shop, Bristol Meyers, Crabtree & Evelyn, Evenflo, First Years, Gerber, H&M, Hewlett Packard, Ikea, Johnson & Johnson, Microsoft, Nike, SC Johnson, Sharp, and Sony.

How Target Can Get Back on Track

Target needs to develop publicly stated goals to phase out PVC in products and packaging and switch to safer alternatives. As part of these goals, Target should develop an implementation plan with concrete benchmarks. Phasing out PVC is fully in line with Target's environmental initiatives, particularly its green purchasing program, commitment to recycling and the "social, economic and environmental health of the communities we serve," and its efforts to identify "packaging options with fewer environmental impacts and greater recycling potential." By phasing out toxic PVC, Target would help to build public trust, protect brand reputation, and safeguard and grow market share by anticipating further regulation and recall/legal liabilities. Such actions can significantly and positively raise Target's environmental profile, enhance its reputation and competitive position worldwide.

Help Target Get Back on Track!

If You are a Shareholder:

Write Target CEO:

Target's continued use of PVC poses major legal, financial, and reputational risks to the company, which could impact shareholder value. (Contact CHEJ for more information about these liabilities.) Please consider sending a letter to the Target CEO to ask the company to establish an environmentally responsible PVC phase-out policy. (See address below.)

If You are a Customer:

1. Write or Call Target.

Contact Target's CEO and let him know PVC plastic is out of style and encourage the company to develop a timeline to phase out PVC. Also, let your Target store manager know you're concerned about this issue and encourage them to contact their regional manager and corporate headquarters.

Take action today! Send Target a free letter at <http://www.pvcfree.org>

CALL: 1-800-591-3869

WRITE:

Bob Ulrich, CEO
Target Corporation
1000 Nicollet Mall
Minneapolis, MN 55403

2. Watch a hilarious 3 minute video and learn more.

Watch the funny animated spoof video about dangerous chemicals in our homes, *Sam Suds and the Case of PVC, the Poison Plastic*, online at <http://www.pvcfree.org>

3. Spread the word.

Tell your friends and family about PVC's impact on our health and environment, and encourage them to contact Target and watch the new spoof video. Make copies of this fact sheet and pass them on.

4. Purchase safer PVC-free products.

Use your consumer power to help shift the market away from PVC products. Check out our website of resources on safe alternatives to PVC at <http://www.besafenet.com/pvc/safe.htm>

Avoid products made out of PVC which are labeled "vinyl." Look for the number "3" inside or the letter "V" underneath the recycling symbol to identify products packaged in PVC.