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FOR IMMEDIATE RELEASE

SAGE[®] ANNOUNCES PROP 65 PRODUCT COMPLIANCE ACROSS ALL SAGE SERVICES

All distributor-facing end-buyer-facing services now support the new Prop 65 warning label requirements.

Addison, TX (August 6, 2018) – SAGE, the leading provider of information, marketing, and business management solutions to the promotional products industry, is pleased to announce that all distributor-facing and end-buyer-facing services now support the new requirements for California's Prop 65, which requires businesses to provide warnings about exposures to harmful chemicals that may cause cancer, birth defects, or reproductive harm.

Suppliers can now update their products with safe-harbor language for warning labels and provide documentation that proves their products were made with safe materials. Any products that fail to comply with the new Prop 65 regulations can result in a fine of up to \$2,500 per day to the product's supplier. Following the regulations of Prop 65 will also protect distributors against violations when selling to end-buyers.

"With the ability to make product listings in our database Prop 65 compliant, suppliers and distributors are not only lawfully protected from any retribution, but end-buyers in California will be fully equipped with the knowledge of what goes into making their products." said Eric Natinsky, SAGE



CEO. "Having these new disclosures in our system will help to solidify the integrity of distributors in the industry and ensure transparency to those purchasing and using promotional products."

Across SAGE Online, SAGE Web, and SAGE Mobile, a triangle warning symbol and label will appear directly below the product image. Suppliers can use one of the standard Prop-65 compliant warnings or customize the warning as needed.

Suppliers who wish to test their products for harmful chemicals should consult with a certified toxicologist to review the products and determine if an exposure that exceeds safe harbor limits exists. Whether products are proven safe or if they are Prop 65-compliant, suppliers will need to update their products through the SAGE Supplier Center. Distributors will be able to discern if a product is Prop 65-compliant by the warning label beneath the product image, or by viewing the status in the "Product Compliance" field under the "Additional" information tab in SAGE Online. Also, on the Additional information tab, distributors will be able to view the supplier's Prop 65 documentation.

"We are so happy to hear SAGE is putting in their resources and efforts to ensure suppliers are able to notify distributors of the new Prop 65 requirements," said Sharon Willochell, President, PCNA Apparel. "The upcoming changes will significantly impact our entire industry. There are many steps every supplier and distributor should take to protect their company from Prop 65 violations. Although there is no one-size-fits-all approach to product compliance, especially with Prop 65, there are some fundamental steps that every business should seriously consider when managing their risk. It's helpful to know we can use SAGE to help us spread the word."

David Natinsky, MAS, SAGE President said, "The changes to Prop 65 are going to affect our entire industry and it's extremely important that, as the leading service provider, we continue to stay ahead of the curve when it comes to product safety requirements within the SAGE database. We have been

working diligently alongside PPAI to prepare for the upcoming Prop 65 changes since the moment they were announced.”

The chemicals on the Prop 65 list consist of a wide range of naturally occurring and synthetic chemicals that include additives or ingredients in pesticides, common household products, food, drugs, dyes, or solvents. The leading promotional product categories that are the most cited for violations are food and beverage, plumbing/HVAC, healthcare, personal accessories, clothing, tools and hand equipment, and sports equipment. Prop 65 is enforceable by district attorneys, city attorneys, or any individual acting in the public interest, and as such, many lawsuits and violations have been filed by private citizens and city officials alike. Over 90% of violations issued were for products containing heavy metals and phthalates.

“California Prop 65 will continue to be a challenge for both suppliers and distributors in our industry,” said Anne Stone, PPAI’s director of public affairs. “The looming changes to Prop 65 affect the language and design of the warning label and the timing of the warning. It is imperative that suppliers and distributors alike review their e-commerce platforms and ensure they are prepared to warn California customers prior to purchase. The on-product warnings must also continue to be applied.”

Prop 65 was first introduced in November 1986, so Californians could make informed decisions about their exposure to certain harmful chemicals. The California Office of Environmental Health Hazard Assessment (OEHHA) regulates and maintains the official list of substances deemed by the state as having a 1 in 100,000 chance of causing cancer over a 70-year period, or birth defects, or other reproductive harm. The law prohibits the contamination of drinking water sources through the hazardous disposal of any listed materials, and requires manufacturers to provide a clear and reasonable warning on all products containing or exposed to the substances listed. As of August 31, 2018, this warning must be made available prior to a purchase, either by catalog or website, for any products containing such chemicals.

For specific questions on how new Prop 65 regulations will be administered, you can contact the Office of Environmental Health Hazard Assessment at P65.Questions@oehha.ca.gov or by calling 916.445.6900.

About SAGE

SAGE, based in Addison, Texas, is the leading provider of information, marketing and business management solutions to the promotional products industry. In addition to SAGE's flagship SAGE Online™, SAGE Web™, and SAGE Mobile™ research and business management services, SAGE also provides the industry with other research services, order management, website and email services, e-commerce solutions, end buyer catalogs, artwork services, payment processing, tradeshow, tradeshow management services, and lead retrieval software. SAGE is also the exclusive technology provider for members of the Promotional Products Association International (PPAI), the industry's non-profit association. For more information, please visit www.sageworld.com or call 800.925.7243.