



June 9, 2010

Dear Valued Customer:

There has been much media attention regarding crib safety in general and the safety of drop-side cribs in particular. The US Consumer Product Safety Commission (CPSC) has recalled over 7 million drop-side cribs due to safety concerns. This has resulted in many questions from our customers and consumers about the safety of Foundation's cribs. There will continue to be a lot of attention focused on crib safety in the coming year and it is appropriate for us to bring clarity to the topic at this time, and provide regular updates in the future.

The CPSC has stated their intention to publish a new, more rigorous, safety standard for cribs before the end of 2010. In addition to establishing many new safety criteria for cribs, this new standard will prohibit all new sales of drop-side cribs after its effective date which is projected to be some time in the first half of 2011. If this new standard is implemented in the same fashion as past safety standards, all cribs compliant to the current safety standard at time of manufacture that have not been subject to recall, may stay in service, including drop-side cribs. There has been some discussion by individual states that they may be considering independent action by implementing a "ban" on drop-side cribs within their own jurisdiction. To date we know of none of these coming to fruition. These discussions have taken different forms and only time will tell what will become of them.

No Foundations cribs have ever been subject to recall by the CPSC and all Foundations cribs meet all applicable safety standards mandated by the CPSC. All Foundations cribs meet the more rigorous voluntary ASTM safety standards. Additionally, Foundations cribs are independently certified by the Juvenile Products Manufacturer's Association (JPMA) that they meet these standards.

Foundations is the leader in providing safe, comfortable, and convenient cribs for use in hotels, child care centers, and other commercial environments. Because of their strong safety record, convenience, and reliability, our customers continue to exhibit robust demand for our drop-side cribs. The CPSC has asked all crib manufacturers consider voluntarily ceasing production of drop-side cribs until their new standard is effective. Because of the concern among the public in general about drop-side cribs, and out of respect for the CPSC, Foundations has independently decided to cease new production of drop-side cribs but continue to sell existing stock until it is depleted. Foundations has the utmost confidence our drop-side cribs are safe, durable, and reliable. If you have a Foundations drop-side crib in service today it should not be a source of concern. We also produce many models of drop-side cribs for Canada and other international markets.

Production and sale of these drop-side cribs are continuing uninterrupted and these markets are unaffected by the actions of the CPSC.

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Some drop-side crib companies whose products have been subject to recall have offered consumers a device for immobilizing the drop-side function that was the source of concern. Since no Foundations products have been subject to recall, and because of our confidence in the safety of our products, we have no plans at this time to offer a drop-side immobilization device for Foundations cribs.

Our customers and individual caregivers play a big role in crib safety and there a number of things everyone should do to enhance safety.

- If you operate a commercial establishment that accommodates children in your daily course of business never use a “consumer grade” crib from a retailer that is not designed for the rigors of commercial use. It is important to use a product that is appropriate for your application.
- Inspect cribs on a regular basis and take out of service and discard any cribs deemed to not be safe. Be sure to inspect for loose parts and damage to the crib. Re-tighten any loose fasteners or screws that were initially provided with the crib but **never** attempt to repair, add, or replace any parts that were not provided by the manufacturer. Inspect the crib to be sure that all its features function properly. When inspecting play yard style fabric cribs discard all play yards that have any tears or openings in the fabric as this could pose a risk to the child.
- **Never** use adult bedding on a crib and always use sheets that are designed for cribs. Inappropriately fitting or loose bedding may create a suffocation hazard.
- Always follow the manufacturer’s instructions and warning labels.

If you have a brand of crib other than Foundations, you may check to see if it has been recalled by visiting www.cpsc.gov/cpscpub/prerel/prerel.html If a crib is subject to a recall immediately remove it from service, and follow the manufacturer’s or the CPSC direction regarding the recall.

We will continue to provide our customers information about the proposed new CPSC standard, and how we are managing our products accordingly, as that information becomes available.

Sincerely,

Mark Suvak

Mark Suvak
Vice President of Engineering, Quality, and Safety Compliance