

Home Depot Shareholder Meeting Question
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I'm David Ridenour, representing the National Center for Public Policy Research, a conservative, free-market think-tank, and a company shareholder. Thank you for the opportunity to speak with you today.

Home Depot is a member of the Retail Industry Leaders Association (RILA), one of the country's largest Washington, DC-based trade associations. RILA has launched a massive market- and labor-distorting campaign dubbed "sustainability." Under this so-called sustainability campaign, it is currently pressuring its members to make capital expenditures that often have limited prospects for a reasonable return. RILA also advocates that its members lobby for changes in local building codes or infrastructures that will increase the cost of buildings and result in significant restrictions on the use of property. Finally, RILA is advocating top-down "sustainability" standards that go beyond its own members, affecting the entire supply chain, despite the likelihood that these standards will increase suppliers' costs and in turn the costs of the goods that they sell.

As a shareholder, our concern is that this push for so-called "sustainability" will harm Home Depot's shareholders, suppliers, and customers, as they will bear the cost of these self-imposed green regulations. My organization, the National Center for Public Policy Research, conducted a national poll on these issues in January. Results indicated that 52 percent of the public, given a choice, is unwilling to pay even an extra cent for "sustainability," and 56 percent believe it is unfair to ask the public to pay more so retailers can operate under sustainability standards.

We are also concerned that this sustainability effort will add an additional layer of regulation on the retail industry, an industry that already operates under heavy constraints from federal, state and local governments. The economy has been stagnant for nearly five years and in the last quarter the economy shrank. Measures that expand growth and sales are good for Home Depot and the nation. Those that don't are not.

Where does management stand on the question of its trade association imposing "sustainability" standards on its members, including Home Depot? Does management support the idea of RILA imposing "sustainability" standards on its members, or is it opposing mandatory sustainability standards and standing up for the right of each retailer to make its own decisions regarding the best way for each individual retailer to lawfully satisfy the needs of its customers?

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