

AMERICAN GREETINGS CORP  
Form SD  
May 29, 2015

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM SD**

**Specialized Disclosure Report**

**AMERICAN GREETINGS CORPORATION**

**(Exact name of registrant as specified in its charter)**

**Ohio**  
**(State or other jurisdiction of**  
**incorporation or organization)**

**1-13859**  
**(Commission File Number)**

**34-0065325**  
**(I.R.S. Employer**  
**Identification No.)**

**One American Road**

**Cleveland, Ohio 44144**

**(Address of principal executive offices) (Zip Code)**

**Christopher W. Haffke**

**Vice President, General Counsel and Secretary**

**(216) 252-7300**

**(Name and telephone number, including area code, of person to contact in connection with this report.)**

Check the appropriate box to indicate the rule pursuant to which this form is being filed, and provide the period to which the information in this form applies:

- Rule 13p-1 under the Securities Exchange Act (17 CFR 240.13p-1) for the reporting period from January 1 to December 31, 2014.

## Section 1. Conflict Minerals Disclosure

### Item 1.01. Conflict Minerals Disclosure and Report.

#### Conflict Minerals Disclosure

American Greetings Corporation (including its consolidated subsidiaries, the *Company*) is filing this Form SD in connection with Rule 13p-1 under the Securities Exchange Act of 1934 for the reporting period from January 1, 2014 to December 31, 2014 (the *Reporting Period*).

Rule 13p-1, through Form SD, requires the disclosure of certain information if a company manufactures or contracts to manufacture products for which certain conflict minerals (as defined below) are necessary to the functionality or production of such products. Form SD defines *conflict minerals* as, and as used herein: (i)(a) columbite-tantalite (or coltan, the metal ore from which tantalum is extracted), (b) cassiterite (the metal ore from which tin is extracted), (c) gold and (d) wolframite (the metal ore from which tungsten is extracted), or their derivatives, which are currently limited to tantalum, tin and tungsten; or (ii) any other mineral or its derivatives determined by the U.S. Secretary of State to be financing conflict in the Democratic Republic of the Congo or an adjoining country, as such term is defined in Form SD (collectively, the *Covered Countries*).

#### Reasonable Country of Origin Inquiry

The Company's operations may at times manufacture, or contract to manufacture, products for which conflict minerals are necessary to the functionality or production of those products. As required by Form SD, the Company has conducted a good faith reasonable country of origin inquiry (*RCOI*) regarding the conflict minerals included in its products during the Reporting Period to determine whether any such conflict minerals originated in the Covered Countries and/or whether any of the conflict minerals were from recycled or scrap sources.

The Company's global supply chain is complex. In the course of its business operations, the Company may purchase components, finished goods and materials containing conflict minerals. These components, finished goods and materials may, in turn, be included in the Company's products. Because the Company does not purchase conflict minerals directly from mines, smelters or refiners, there are many third parties in the supply chain between the Company and the original sources of conflict minerals. As a result, the Company relies on its direct suppliers to provide information regarding the origin of any conflict minerals that are included in the Company's products. Furthermore, because the Company typically does not source raw materials of the type that may contain conflict minerals, but, instead, with respect to products likely to contain conflict minerals, sources preassembled components or pre-manufactured materials that it integrates into its products, the Company relies heavily on the knowledge of its direct suppliers as to the mineral content of the components, finished goods and materials they provide to the Company.

The Company, with respect to the Reporting Period, reasonably determined that the following products may contain conflict minerals: greeting cards and gift packaging featuring electronic functions, springs, eyelets, metallic finishes, metallic ink, foil hot stamping and other metal parts or attachments and certain giftables produced by its greeting card, gift packaging, party goods, stationery and giftware business for retail sale (*Core Business*); point of purchase retail displays and fixture displays produced by its former fixtures business (*Fixtures Business*<sup>(1)</sup>) and products contracted for manufacture by its United Kingdom retail business (*Clintons Business*). The Company has a formal conflict minerals policy and compliance procedures, which requires the distribution of a supplier questionnaire to all direct suppliers of the above-described product categories to its Core Business, former Fixtures Business and Clintons Business who supplied products to the Company during the Reporting Period (collectively the *Covered Product Suppliers*). The supplier questionnaire is designed to elicit information from direct suppliers regarding whether conflict minerals are contained in the components, finished goods and materials sold to the Company, whether such

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conflict minerals originated in the Covered Countries or outside the Covered Countries, and whether such conflict minerals were derived from recycled material or scrap sources. The procurement or compliance departments for the Core Business, the former Fixtures Business and the Clintons Business were tasked with distributing the conflict mineral policy and supplier questionnaire to all Covered Product Suppliers.

One hundred percent of the Covered Product Suppliers responded to the questionnaire. The vast majority of the Company's Covered Product Suppliers are suppliers based in Asia. The Company's Asia-based Covered Product Suppliers provide contract manufacturing of finished goods for the Company which include, among other things, electronics, springs and other metal components. Eighty-nine percent (89%) of the Company's Asia-based Covered Product Suppliers indicated that they did not supply products containing conflict minerals during the Reporting Period. The eleven percent (11%) of Asia-based Covered Product Suppliers indicating that they did supply products containing conflict minerals during the Reporting Period (collectively the **Asia Conflict Mineral Product Suppliers**) are comprised of (i) all but one of the Company's Asia-based electronics suppliers (one indicated it did not supply conflict minerals) and (ii) one Asia-based supplier that supplied seasonal decor with glitter. All of the Asia Conflict Mineral Product Suppliers indicated that they had no reason to believe that the conflict minerals in their products originated in the Covered Countries. Furthermore, all of the Asia Conflict Mineral Product Suppliers identified the country of origin as China for the conflict minerals contained in their products. All but one Asia Conflict Mineral Product Supplier identified the name of the company in China supplying the conflict mineral and over half of those naming a source for their conflict minerals identified the conflict-free certified smelter, Yunnan Tin Company Ltd., as the source of the conflict mineral. Based on the information provided and the Company's follow-up efforts, the Company concluded that the Asia Conflict Mineral Product Suppliers' responses were reliable.

The Company's remaining annual purchases for its Core Business, former Fixtures Business and Clintons Business from the Covered Product Suppliers during the Reporting Period were from U.S.-based direct suppliers or direct suppliers local to the Company's country of manufacture and distribution. All of the direct suppliers of the Company's former Fixtures Business, which relies heavily on purchases of electronics and metals, are U.S.-based. The Company reviewed the conflict minerals questionnaire responses and other statements provided by the U.S.-based and local direct suppliers for, among other things, responsiveness, completeness and plausibility. The Company concluded that these questionnaire responses and other statements were reliable based on multiple factors that varied among the responses, which generally included, although were not limited to, the following: the particular products supplied by the supplier, the degree of knowledge shown by the supplier regarding Rule 13p-1 and Form SD requirements, whether the responding supplier also had disclosure obligations under Rule 13p-1 and Form SD, descriptions of the supplier's country of origin inquiry with its suppliers and the supplier's identification of a policy prohibiting conflict minerals originating from the Covered Countries in its products.

Of all the Covered Product Suppliers who responded to the supplier conflict minerals questionnaire and supplemental inquiries, the Company determined, on the basis of the supplier responses, that approximately eight percent of such suppliers provided the Company with components, finished goods or materials containing conflict minerals (collectively the **Conflict Mineral Product Suppliers**) and all of those indicated that they had no reason to believe that the conflict minerals in their products originated in the Covered Countries. The components, finished goods and materials identified as containing or potentially containing conflict minerals generally consisted of electronic components and fasteners; and other metal components supplied to the Core Business and the former Fixtures Business, as well as party goods to the Core Business and giftables to the Clintons Business. Of the Conflict Minerals Product Suppliers, all represented and/or provided evidence that the conflict minerals contained in products they provided to the Company originated from outside of the Covered Countries, were certified DRC conflict free, or that they had no reason to believe the conflict minerals originated from the Covered Countries.

**Conclusion**

Based on the RCOI, the Company has no reason to believe that conflict minerals contained in its products during the Reporting Period may have originated in the Covered Countries. As such, the Company is not required to file a Conflict Minerals Report for the Reporting Period. This Form SD is available at [http://corporate.americangreetings.com/IR/documents/FormSD\\_ConflictMinerals.pdf](http://corporate.americangreetings.com/IR/documents/FormSD_ConflictMinerals.pdf). The content on, or accessible through, any Web site referred to in this Form SD is not incorporated by reference into this Form SD unless expressly noted.

(1) As of August 20, 2014, the Company divested its Fixtures Business under a stock purchase agreement by and among American Greetings Corporation, A.G. Industries, Inc., and Rock-Tenn Company.

**Item 1.02 Exhibit.**

Not applicable.

**Section 2. Exhibits**

**Item 2.01. Exhibits.**

Not applicable.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the duly authorized undersigned.

**AMERICAN GREETINGS CORPORATION**

By: /s/ Christopher W. Haffke  
Christopher W. Haffke

May 29, 2015  
(Date)

Vice President, General Counsel and Secretary