

GEORGE C. JEPSEN
ATTORNEY GENERAL



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P.O. Box 120
Hartford, CT 06141-0120

Office of The Attorney General
State of Connecticut

June 29, 2011

Ronald L. Sargent
Chief Executive Officer
Staples, Inc.
Five Hundred Staples Drive
Framingham, MA 01702

Dear Mr. Sargent:

I am writing in the wake of the recently released audit conducted by the Office of the Privacy Commissioner of Canada (hereinafter "OPCC"), which found that used and refurbished products sold by Staples Canada, Inc. still contained customer information from their previous owners.

According to the OPCC, it reviewed policies and procedures and tested 149 products, including computers, laptops, memory cards and USB drives, from 17 Staples stores across Canada, two regional repair depots, one call center, and an online discount facility. Apparently, in 15 of the stores, OPCC found data storage devices where the packaging claimed that the store had verified that the devices had been wiped clean, when such was not the case.

In all, OPCC reported that more than one third of the items tested still held customer information, including some personal information such as personal correspondence, passport numbers, social insurance numbers (which are similar to Social Security numbers in the United States), driver's license numbers, employment information, tax records and academic transcripts.

The results of the audit raise concerns for our office about used or refurbished devices Staples, Inc. may be selling in the United States, and more specifically in Connecticut. We believe that our concerns can best be addressed through Staples' cooperation with our office. Accordingly, I request that Staples answer the following questions within 10 days of its receipt of this letter.

1. Under what circumstances does Staples obtain from a consumer or business computers, memory cards, USB drives, GPS devices, or any other electronic device which is capable of storing customer information (e.g., returns, exchanges, buybacks, etc.)?
2. Does Staples sell used or refurbished computers, memory cards, USB drives, GPS devices, or any other electronic device which is capable of storing a consumer's personal information (hereinafter referred to as the "Affected Products"), to Connecticut businesses and/or consumers?

3. Please identify all representations made to consumers and businesses regarding how, and to what extent, Staples removes customer information from Affected Products before they are offered for sale, returned to a vendor, or otherwise disposed of.

4. For the years beginning in July 1, 2009, through the date of Staples' answer to this letter, please identify all of the types of Affected Products Staples has sold and offered to sell to businesses and/or consumers in Connecticut.

5. For the years beginning in July 1, 2009, through the date of Staple's answer to this letter, please describe all policies and procedures Staples had in place to ensure that customer information was removed from the types of Affected Products identified in response to question number 4.

6. For the years beginning in July 1, 2009, through the date of Staple's answer to this letter, please describe how Staples measured the effectiveness of the policies and procedures identified in response to question number 5.

7. For the years beginning in July 1, 2009, through the date of Staple's answer to this letter, please describe any incidences in which Staples found or was made aware of customer information on Affected Products after the Affected Products had been resold, returned to a vendor, or otherwise disposed of.

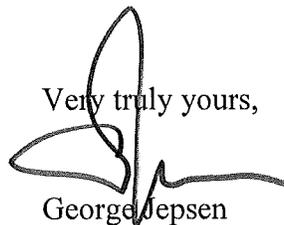
8. For the years beginning in July 1, 2009, through the date of Staple's answer to this letter, please identify all complaints Staples received from any source about customer information being found on the types of Affected Product Products identified in paragraph 4.

9. According to published reports, Staples Canada, Inc. has agreed to pay for a third audit, which will be conducted over the next year by an independent third party. Please describe the scope of the audit and, if it encompasses Affected Products sold in Connecticut, please provide a copy of the audit to this office when completed.

Please address the responses to these questions to myself and Assistant Attorney Generals Phillip Rosario and Matt Fitzsimmons at 110 Sherman Street, Hartford, CT 06105.

Thank you for your cooperation.

Very truly yours,

A handwritten signature in black ink, appearing to read "George Jepsen". The signature is stylized with a large, looped initial "G" and a long, horizontal stroke extending to the right.

George Jepsen
Attorney General

GJ/dsc