



RUGMARK FOUNDATION
North America



RUGMARK IS A GLOBAL NONPROFIT ORGANIZATION WORKING TO END ILLEGAL CHILD LABOR IN THE CARPET INDUSTRY AND TO OFFER EDUCATIONAL OPPORTUNITIES TO CHILDREN IN INDIA, NEPAL AND PAKISTAN. THE RUGMARK LABEL IS YOUR BEST ASSURANCE THAT NO ILLEGAL CHILD LABOR WAS USED IN THE MANUFACTURE OF A CARPET OR RUG.

Rug images by angela adams, Emma Gardner Design, Joan Weissman, Lapchi, Nordic Home and Odegard.

RUGMARK is grateful to Robin Romano whose copyrighted photographs are featured throughout this report. Additional photography by Nina Smith, Emma Gardner Design, RUGMARK India, RUGMARK Nepal and Lee Siegel.

A Message to Our Supporters

For RUGMARK, 2004 was a year of momentum, with promises of greater expansion to come. In the United States, our consumer awareness campaign resulted in a 20 percent increase in sales of certified rugs, and the number of outlets selling RUGMARK rose to over 350.

Retailers selling carpets bearing the RUGMARK® label tap into the growing market of socially responsible consumers—some 63 million in the United States alone. In 2004, customers bought more than 10,000 of our rugs in North America. In doing so they were assured that no children were forced to work on the rugs. By joining RUGMARK's certification program, Asian producers and American businesses avoid the race to the bottom—a race in which only the greedy win and the poorest workers pay the price.

As supporters of RUGMARK, you can take pride in our achievements in 2004:

- Over 80,000 square meters of RUGMARK rugs were sold in North America. This helped provide former child workers in South Asia access to education, vocational training and health services.
- RUGMARK rescued 241 children from labor on the looms and prevented thousands more from slavery—through inspections, legislation and publicity.
- Over 3,520 children attended school sponsored by RUGMARK.
- In an effort to strengthen weaving communities, RUGMARK expanded the worker health and safety program in Nepal, and added two new daycare centers as part of our child labor prevention program.
- Working in tandem with the Indian government, RUGMARK hosted polio clinics, helping to inoculate over 2,000 children under the age of five.

- RUGMARK welcomed five new importer members, as well as many new donors, including Richard Gere, a long-time advocate of socially responsible causes.
- Thanks to your support, RUGMARK USA increased revenues by 37 percent.

But numbers don't tell the entire story; rather, it's the stories of lives permanently changed for the better, the individual tales of children who have been rescued from the looms and who, through education, will grow up to serve themselves, their communities and the world. It is the story of Manju Karki, who was rescued from Nepal's mills by RUGMARK inspectors and who was one of 200 children who traveled to Florence last year to attend the Children's World Congress on Child Labor. Manju, who had been hospitalized because of severe damage to her leg during her long years on the looms, testified and marched with children and other activists, calling for the end to child labor.

Manju (who hopes to be a social worker when she graduates from school) follows in the footsteps of Kailash Satyarthi, chair of the South Asian Coalition Against Child Servitude and the founder of RUGMARK.

Manju Karki is one of 3,000 children rescued by RUGMARK. Today she is a leader in the global fight to end child labor.



During the past quarter century, Kailash has rescued thousands of children from slave labor. In setting up RUGMARK, he went on to help ensure that children would stay off the looms. "When you are living in a globalized economy and a globalized world, you cannot live in isolation," he told television anchor Peter Jennings when *ABC News* named him "Person of the Week." "The problem of child labor in any part of the world is your problem." By joining the march in Florence, Manju helped focus global attention on the problem of child labor.

As a supporter of RUGMARK, you, too, are part of that march, along with the rescued children.

With your continued and active support in 2005, we plan to expand public awareness of RUGMARK. Through an integrated campaign strategy, we will build brand recognition so that, in three years, the retail sales of RUGMARK rugs will surge from \$25 million to \$125 million, resulting in the rescue and rehabilitation of thousands of child laborers in Asia, and engaging a concerned and active consumer public in North America.

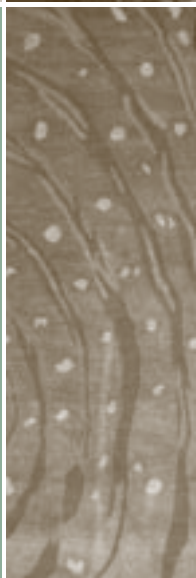
Working with RUGMARK offices around the world, we plan to expand and deepen our monitoring and brand assurance practices, so that you and your customers can be certain we are building a future in which children are in the schools, not on the looms.

Nina Smith
Executive Director, RUGMARK USA



“In addition to being a moral outrage, a carpet made by a child is simply not going to be a well-made carpet. Imagine 12-year-old hands tying tens of thousands of knots each day and a 12-year-old mind counting rows of knots, trying to follow the pattern of the rug’s motif. RUGMARK is your assurance that there are no 12-year-old hands or minds making your rug and more than that, that there is a group of people who get „up every morning and dedicate themselves to end this abuse.

Kerry E. Smith
Managing Partner
Lapchi, RUGMARK Importer



Weaving a Global Society Free of Child Labor

RUGMARK Foundation USA is part of a global organization, RUGMARK International, working in six countries to eliminate illegal child labor in the handmade carpet industry. RUGMARK was one of the world's first independent labor monitoring organizations, harnessing market forces to change illegal labor practices in India, Nepal and Pakistan.

The RUGMARK approach is simple yet multi-dimensional, including:

- Random, surprise inspections in rug workshops and factories;
- Rescue of child workers, followed by rehabilitation, education, vocational training and job placement;
- Strategic consumer education and industry outreach efforts to build market share for products carrying the RUGMARK®, no child labor certification.

To date, over 3,000 children have been freed from the looms and many more have enrolled in schools backed by RUGMARK.

These programs are financed, in part, through fees paid by licensed exporters (.25 percent of the export value of rugs shipped) and importers (1.75 percent). Nearly 60 percent of all of the fees collected in the United States is directed to South Asia. The rest is devoted to equally important efforts in North America to educate consumers and develop market share.

Through a carefully planned strategy, RUGMARK USA expects to build brand recognition so that within a decade, 15 percent of all rugs imported in the United States will carry the RUGMARK® seal, literally eliminating child labor from the looms in South Asia.



2004 retail sales of RUGMARK rugs totaled nearly \$25 million, generating \$57,000 to educate children in South Asia.

RUGMARK not only benefits children, but also entire communities and economic regions. Child labor drives down adult weavers' wages, intensifying poverty.

Child slavery places societies in debt, ethically and economically. According to a recent study by the International Labor Office, "Investing in Every Child," the costs of eliminating child labor worldwide through universal education would be roughly \$760 billion, while the benefits would be nearly seven times that—an estimated \$5.1 trillion in the developing economies where most child laborers are found.

RUGMARK, which is frequently cited as a model for industry monitoring and certification, is a small but important example of just what such investments can mean.

Creating Systemic Change

RUGMARK's system of monitoring has been remarkably successful, with the numbers of children found on the looms steadily decreasing. Experts estimate that child labor on South Asia's carpet looms has dropped from 1 million to 300,000 since the launch of RUGMARK nine years ago. Today in Nepal, over 65 percent of all carpet factories are visited by RUGMARK inspectors.

But sustainability requires ongoing commitment. Clashes between government troops and the Maoist "People's War" have intensified in the Nepalese countryside, forcing hundreds of schools to close. Countless children have fled to Kathmandu. Seeking safety, they instead find themselves looking for work in the city's carpet factories. Dipa Regmi, a RUGMARK program officer, estimates that almost two-thirds of the children currently in the rehabilitation centers have run away from conflict areas.

2



PARTNERING LOCALLY TO COMBAT POLIO

In 2004, RUGMARK joined India's drive to achieve polio-free status by 2007, a key campaign led by Health Minister Ramadoss along with the World Health Organization. India is one of six countries where the polio virus still afflicts children.

"Polio is a disease that affects the poor and the poorest regions," says Sharda Subramaniam, director of RUGMARK Foundation India. "Out of 136 polio cases reported last year, 123 were from Bihar and Uttar Pradesh," the heart of India's carpet industry.



RUGMARK's six schools and Balashrya, the boarding school, serve as headquarters for the campaign to immunize all children under the age of five. RUGMARK headmasters and teachers help medical officers immunize more than 2,000 children during each drive. To make sure that no children are left out, teams make house-to-house visits.

Laxmi's Story

RESTORING CHILDHOOD, ONE CHILD AT A TIME



2000

When he was, he beat his wife and children.

In 1997, RUGMARK inspectors found 6-year-old Laxmi Shrestha working in a Nepali carpet factory. She told her rescuers she had to work to survive: Her family had migrated from their village to Kathmandu after a landslide wiped out their home. Her mother, who usually worked the looms, was ill. Her father—a laborer who squandered his minor earnings on drink—was

Totally illiterate at the time of her rescue, Laxmi was nonetheless an eager student. With aid from RUGMARK, she quickly progressed and by the time Robin Romano took her picture in 2000, she was in fourth grade. As RUGMARK's poster child, she gave face to the plight of South Asia's carpet kids in showrooms and stores across North America.

Today, at 14, Laxmi is one of the top students in her ninth grade class. She hopes to continue to high school and become a social worker, so that she can help other children escape desperate situations and pursue fulfilling lives.



2004

RUGMARK's own schools and daycare centers are overflowing, so RUGMARK works with community groups that offer stable, long-term opportunities for the children and their families. For example, in 2004 RUGMARK launched a partnership with Little Angels—a private school touted as the Harvard of Nepal—to educate six promising students.

At the same time, RUGMARK continues to lobby governments to enforce their own laws: minimum wage for adults, minimum working age and education for all children. RUGMARK inspectors give frequent talks at the factories, informing workers of their rights under the law, helping some of the nation's poorest and most illiterate citizens to help themselves.



“Children are our future, and education is the foundation that helps them build their future. Without it they will be lost.” *Kailash Satyarthi, RUGMARK Founder*

RUGMARK SCHOOLS IN SOUTH ASIA

INDIA

Balashrya Center for Bonded Laborers
Gopiganj, Bhadohi

RUGMARK Primary School Baribisa
Jagapur, Bhadohi

RUGMARK Primary School Barhi
Newada, Varanasi

RUGMARK Primary School
Handia, Allahabad

RUGMARK Primary School Bhagatpatti
Cherapur, Bhadohi

RUGMARK Primary School
Vijaypur, Mirzapur

RUGMARK Primary School Devnathpur
Lakhamanpatti, Bhadohi

NEPAL

Center for Child Studies and Development
Kathmandu

Co-operative Society
Bungamati, Lalitpur

Underprivileged Children's Educational Programs
Bhaktapur

Day Care and Education Center
Education Protection and Help for Children
Jorpati, Kathmandu

Day Care and Education Center
Children Welfare and Rural Development Service
Mahankal, Kathmandu

Day Care and Education Center
Helpless Rehabilitation Society
Boudha, Kathmandu, Nepal

PAKISTAN

RUGMARK School
Chistian, Southern Punjab

RUGMARK School
Hasilpur, Southern Punjab

Journey of a RUGMARK Rug

Some 300,000 children are illegally forced to work in the carpet industries of India, Nepal and Pakistan. RUGMARK creates alternative avenues of opportunity for children who would otherwise be locked into lives without hope. Inspectors, teachers, labor rights experts, loom owners, exporters, importers, designers and retailers work together to insure that no child works on a RUGMARK rug.

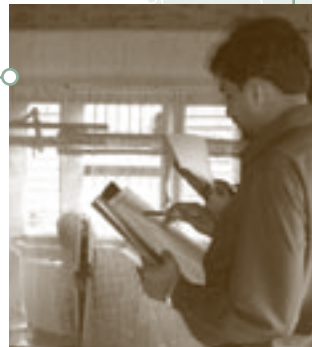
Here is the story of one such rug, # I07-I-3583825.



In the village of **Mahathua** in **Uttar Pradesh, India**, weavers work on the Broken Circles rug in a factory owned by Taquir, Gardner's manufacturing partner.



In her studio in **Litchfield, Connecticut**, Emma Gardner designs Broken Circles, a hand-tufted rug to be made in India. "We connected with our manufacturer in India through RUGMARK," she says. "We're opposed to all archaic labor practices, and with RUGMARK inspections, we can be sure of good labor practices."



A RUGMARK inspector makes a surprise visit to Taquir's factory and finds the looms child-free. RUGMARK inspectors in India visit an average of 64 looms a day—more than 16,000 inspections a year. (In all, RUGMARK inspectors in India, Nepal and Pakistan have rescued nearly 3,000 children since 1995.)



Any child found on a loom is taken to a RUGMARK rehabilitation center and then placed in school. Currently, 1,968 children attend India's seven RUGMARK schools. (Over 4,000 children have studied in RUGMARK schools in South Asia.)



The Broken Circles rug is finished and is issued RUGMARK® Cert. #107-I-3583825. RUGMARK licensees that meet the "No Child Labor" standard are issued certification labels, each with a specific number that can be traced through the supply chain to the loom. A percentage of the purchase price funds education for children in weaving communities.



2modern.com, a Web-based retailer in **Mill Valley, California**, offers rugs by three RUGMARK partners: Emma Gardner, angela adams and elson & company. "It's one thing for products to look good, to be well made—but it's equally necessary that they are manufactured in a socially responsible way," says Greg Finney, co-founder of 2modern.com. "That's what attracted us to our rug designers, and I'm sure [social responsibility] matters to our customers as well."



In **New Jersey**, Lee Siegel clicks on the 2modern.com site and orders a Broken Circle rug designed by Emma Gardner. "I was attracted by the unique design and also by the fact that no child has worked on the rug," he says. "I travel all the time and see what's happening in other countries. It's important in my business to work with factories that respect laws and embrace human rights. I found the RUGMARK promise heart warming." Now, RUGMARK carpet 107-I-3583825 is in his **Medford** home.



“Increasingly, politically correct labels are becoming a brand attribute no different from price, performance or advertising... The RUGMARK label promises carpets woven without child labor.”

Time magazine
March 8, 2004



Millions of consumers learned about RUGMARK in 2004 through media, advertising and outreach events.

IN THE NEWS



In 2004, the RUGMARK story received considerable notice in the media.

CNN’s “Newsnight with Aaron Brown” ran a feature on RUGMARK and the plight of child slaves. “The Oprah Winfrey Show” aired a segment on the children of the looms from the documentary “Stolen Childhoods.”

Hispanic Business magazine cited RUGMARK as one of a few “stunning examples of social entrepreneurship that can be found around the world.” The RUGMARK story and associated designers were also featured in publications ranging from *Organic Style*, *Natural Home*, *Interior Design* and *In Style* to *Time*, the *Los Angeles Times*, the *Toronto Star*, and the *San Francisco Chronicle*, which took a long look at “Creating a Corporate Consciousness.”

Stephanie Odegard, one of the most passionate advocates of RUGMARK, was named “Giant of Design” by *House Beautiful* for her design and civic engagement. Odegard—whose Byzantine collection was featured at the Metropolitan Museum’s shop during the spring exhibit “Byzantium: Faith and Power”—spoke on business and social activism at a wide variety of venues, including Air America radio, the International House of Philadelphia and Minnesota Institute of Art.

Interior Design and several other national magazines, along with 13 local television stations, including NBC, CBS and FOX affiliates, elevated RUGMARK’s profile by running public service advertisements.

Building Better Business through Better Business Practices

The handmade rug market is increasingly crowded and busy: More than 20 countries are now exporting to North America. Competition is stiff, and while international labor laws have been laid out to ensure human rights in manufacturing, enforcement has not kept up with growth.

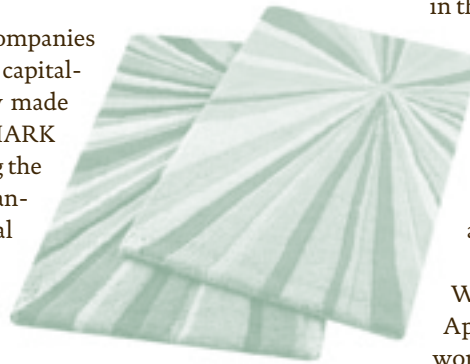
The RUGMARK® label helps rug companies distinguish themselves from the fray, capitalize on consumer interest in responsibly made products, and do the right thing. RUGMARK importer and retailer partners are leading the way towards creating a new industry standard that will literally stamp out illegal child labor and give consumers confidence in their rug purchases.

In 2004, five handmade rug brands signed on to the RUGMARK certification program. Building on this momentum, RUGMARK expanded its consumer education efforts – to generate sales for those companies committed to child labor-free production and to build a market where child labor-made goods are no longer tolerated.

Through media outreach, television and print ads, as well as industry shows and green festivals, RUGMARK reached millions of consumers and raised its label recognition with an emphasis on socially concerned consumers, some 63 million and growing.

The *New York Times* called this consumer segment “the largest market that you have never heard of.”

How large? In 2004, consumers spent \$225 billion on socially responsible products. The number of fair trade certified products in the United States leaped 46 percent.



These consumers are dedicated: “A man called and asked if we had RUGMARK rugs and of course I said yes,” says Marit Kringstad at Nordic Home. “He was about four hours south of Minneapolis and drove here that day and bought an 8-by-10 foot rug.”

What is the cost of such social capitalism? Approximately \$10 a rug. The investment is well worth it: for the consumer, the retailer, the manufacturer and, of course, the workers.

Slowly, companies are beginning to recognize this new bottom line. Pressure for corporations to focus on their social impact is growing, coming from shareholders and customers on the outside as well as from concerned employees and sympathetic officers within. In 2004 RUGMARK USA expanded its strategy to stock RUGMARK rugs at some of the nation’s largest retail outlets, including Bloomingdale’s, Macy’s and Marshall Field’s, and will continue to intensify these efforts.

“Now that our business has grown and we are working with many contractors, it is imperative to have RUGMARK making sure that there is no child on the looms. We want to know that our rugs are made under good working conditions abroad, just as they are here.”

Angela Adams
CEO, Creative Director
angela.adams, RUGMARK Importer

Partners for Change

RUGMARK's Marketing Partnership Program, launched in 2001, provides participating retailers with tools to tap this burgeoning market and to educate consumers at the same time. Point of sale materials explain that the RUGMARK® stands for independently verified labor conditions and support for weaving communities. In 2004, 10 retailers joined RUGMARK as Marketing Partners – industry advocates leading the movement.

Marketing Partners are highlighted on RUGMARK's Website – the leading source of information on ethical rugs that receives over 5,000 page views per month. By providing a certified option, RUGMARK enables consumers to use their purchasing power to effect change.

“Becoming a RUGMARK Marketing Partner helps to differentiate Packards West from others in the market,” notes Gary Coles-Christensen in Santa Fe, New Mexico. “Membership sets our showroom apart as the source for socially responsible rugs.”

2004 RUGMARK MARKETING PARTNERS

Christiane Millinger/Oriental Carpets
Portland, Oregon

Creative Flooring
Houston, Texas

Driscoll Robbins Oriental Carpets
Seattle, Washington

Ghiordes Knot
Troy, Michigan

Packards West
Santa Fe, New Mexico

Stephen Miller Gallery
Menlo Park, California

Steven King, Inc.
Boston, Massachusetts

The Rug Source in Denver
Denver, Colorado

Weisshouse
Pittsburgh, Pennsylvania

Wes Kuske Carpets
Minneapolis, Minnesota

2004 RUGMARK LICENSED IMPORTERS

angela adams
www.angelaadams.com

CariniLang
www.carinilang.com

Crescent Moon Fibers
www.crescentmoonfibers.com

Delinear Rugs
www.delinear.net

Durbar Square Rugs
www.durbarsquarerugs.com

elson & company
www.elsoncompany.com

Emma Gardner Design
www.emmagardnerdesign.com

Joan Weissman Studio
www.joanweissman.com

Lapchi
www.lapchi.com

Madeline Weinrib Atelier

Masterlooms
www.masterlooms.com

New Moon
www.newmooncarpets.com

Nordic Home
www.nordic-home.com

Northfield Carpets International
www.northfieldcarpets.com

Odegard
www.odegardinc.com

Peddada
www.peddada.com

Ring Mountain Imports
www.ringmountain.com

Story Rugs

Zoë Luyendijk Studio
www.zoeluyendijk.com

“Environmentally conscious, socially conscious consumers are a small but growing niche. They know that the rug they buy didn't just somehow end up in a shop, but that it has a whole story. RUGMARK helps tell that story—and is also part of the story, raising awareness among consumers in this country and providing an objective measure of what is happening in our factories and other factories abroad.”

Joseph Carini
President

CariniLang, RUGMARK Importer

RUGMARK Supporters

RUGMARK IS GRATEFUL TO THE INDIVIDUALS, FOUNDATIONS, AND ORGANIZATIONS THAT HAVE MADE FINANCIAL AND IN-KIND CONTRIBUTIONS THROUGHOUT THE YEAR. THESE INCLUDE:

\$50,000+

*Anonymous
Odegard*

\$20,000 - \$49,999

Ramsay Merriam Fund

\$10,000 - \$19,999

*CariniLang
Lapchi*

\$5,000 - \$9,999

*Arthur B. Schultz
Arthur B. Schultz Foundation
The Helena Rubinstein Foundation
New Moon
Reebok Human Rights Foundation
US Fund for UNICEF
The Woodbury Fund*

\$2,000-\$4,999

*angela adams
Christiane Millinger/Oriental Rugs
Creative Flooring
Driscoll Robbins Oriental Carpets
Evangelical Lutheran Church in America
The Gere Foundation
Joan Weissman Studio
The Rug Source in Denver
Stephen Miller Gallery
Steven King, Inc.*

\$1,000-\$1,999

*William & Frances Ackerly
Blum-Kovler Foundation
Massimo Calabresi & Margaret Emery
David Christy & Shari Friedman
Pamela Ebsworth
elson & company
Sara Goodman & David Hyerle
Peter Kovler
Todd Page
Aldo & Helene Parcesepe
Lizann Peyton
Bruce Rich
Angelo Tomedi
ULWT of Gladys Borrus
Weisshouse Showrooms
Women's Division, United Methodist Church
Zoë Luyendijk Studio*

\$500 - \$999

*Carolyn Foundation
Delinear Rugs
Emma Gardner Design
Ghiordes Knot
Bob & Jean Kloos
Lilian Leong
New Age Customs Clearance
Stewart R. Mott Charitable Trust
Walden Asset Management
Wes Kuske Carpets*

\$200 - \$499

*John Ackerly
Darlene Adkins
Becky Breckenridge
Boston Common Asset Management
Cherry Creek West Middle School
Jacqueline Dedell
JD Doliner & Steven Kaufman
Kimberly Elliott
Laurel Ferris
Fidelity Charitable Gift Fund
Paola Gianturco
Natalie Halich
Denise Hamler
Stefanie Haug
Hollis Hope & David Chapman
Judy Hyde
Jocelyn Johnson
Eric Kessler & Sharapat Sarsenova
Charles Lyons
Nordic Home
George & Margaret Ortenzo
Dan Pennie
Peter Reber
Richard Snow
Michael Sydney, Ltd.
Dennis & Pat Zerega*

\$100 - \$199

*Kamesh Aiyer
Toby Armour
Hilary Ball
Annabel Bartlett
Kathy Borrus
Robin Broad
Frida Burling
Calvert Asset Management Company
Terry Collingsworth & Sufie Berger
Sandra Coliver*

*Joe Collonge
Dave D'Agostino
Stephen Fein
Linda Golodner
Hadley Griswold
Therese Guadagno
Kari Hamerschlag
Chris Harvey
Pharis & Jane Harvey
Zakhir Husain
Lisbeth Jones
Joshua Kaufman
Ellen Kennedy & Kent Marcoux
Chuck Klein
Craig Lamb
Arthur Lehman
Sara Meling
David & Mary Parker
Peddada Rugs
Nick Salafsky & Julie Segre
Gerald Seck
Jim & Jean Silk
Timothy Smith
Richard Solloway
Bruce Stokes & Wendy Sherman
Cynthia Stone
Michelle & Louis Stone-Collonge
Lisa Tittlemore & Rob Cooke
Gretchen Ventura
Craig Zanot*

IN-KIND DONORS

*AFL-CIO Broadcast Office
Atomic Ranch
Co-op America
Covington & Burling Law Firm
Dwell
Interior Design
Jimmy Buffet's Margaritaville
National Geographic
Natural Home
RESCUE
Rug Insider*

INDIVIDUAL DONORS

Nearly 500 individuals provide generous financial support to RUGMARK. A complete list of these donors appears at www.rugmark.org

RUGMARK Foundation - USA

FINANCIAL INFORMATION FOR YEAR ENDING DECEMBER 31, 2004

STATEMENT OF FINANCIAL POSITION

December 31, 2004

ASSETS

CURRENT ASSETS

Cash	\$ 56,367
Licensee payments receivable	50,766
Grants receivable	46,500
Retail marketing partnerships receivable	5,005
Contributions receivable	5,031
Other receivable	75

TOTAL CURRENT ASSETS **163,744**

OTHER ASSETS **591**

PROPERTY AND EQUIPMENT

Property and equipment, net of accumulated depreciation of \$3,995	505
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TOTAL ASSETS **\$164,840**

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable and accrued expenses	\$ 5,608
Grants payable	43,366
Sub-grants payable	35,000

TOTAL CURRENT LIABILITIES **83,974**

NET ASSETS

Unrestricted	80,866
Total net assets	80,866

TOTAL LIABILITIES AND NET ASSETS **\$164,840**

STATEMENT OF ACTIVITIES

TOTAL REVENUES	\$ 386,270
Licensing payments	99,726
Sub-grants	66,000
Foundation grants	57,000
Major gifts	34,250
Individual contributions	17,950
Corporate sponsorships	17,781
Events	10,709
Cancellation of grants payable	10,323
Bequests	3,000
Other revenue	2,109
Interest	310
In-kind contributions	67,112

TOTAL EXPENSES **\$ 354,308**

Program services **324,766**

International programs	96,894
Consumer awareness	97,126
Sub-grants	66,000
Carpet industry outreach	61,347
Events	3,399

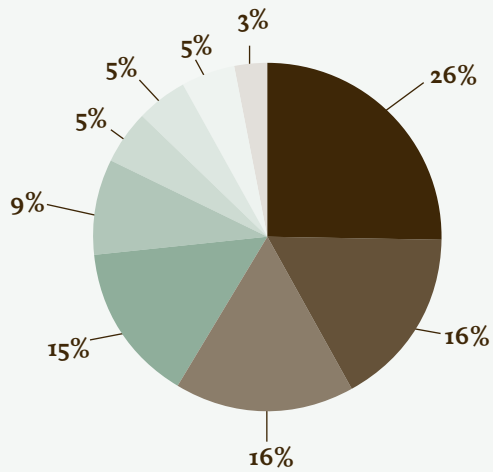
Supporting services **29,542**

General & administrative	21,928
Fundraising	7,614

PROGRAMS TOTAL **\$ 324,766**

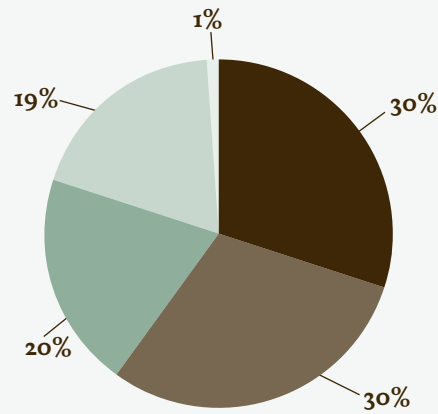
ADMINISTRATION **\$ 21,928**

FUNDRAISING **\$ 7,614**



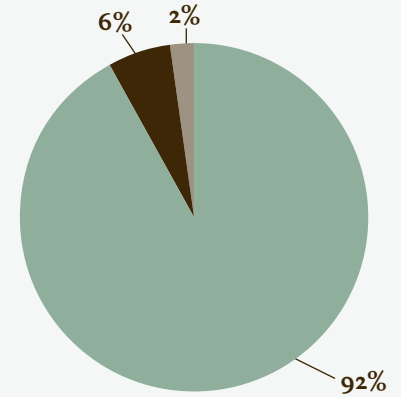
2004 Revenue

- 26% LICENSING PAYMENTS
- 16% SUB-GRANTS
- 16% IN-KIND CONTRIBUTIONS
- 15% FOUNDATION GRANTS
- 9% MAJOR GIFTS
- 5% INDIVIDUAL CONTRIBUTIONS
- 5% CORPORATE SPONSORSHIPS
- 5% OTHER REVENUE
- 3% EVENTS



2004 Program Expenses

- 30% INTERNATIONAL PROGRAMS
- 30% CONSUMER AWARENESS
- 20% SUB-GRANTS
- 19% CARPET INDUSTRY OUTREACH
- 1% EVENTS



2004 Expenses

- 92% PROGRAMS
- 6% ADMINISTRATION
- 2% FUNDRAISING

BOARD OF DIRECTORS

Darlene Adkins
National Consumers League/Child Labor Coalition

Terry Collingsworth
International Labor Rights Fund

JD Doliner
Opus 4

Sara Goodman
Fiber artist

Natalie Halich
International Finance Corporation

Denise Hamler
Co-op America

Sen. Tom Harkin
US Senator, Iowa

Pharis Harvey
Stolen Childhoods

Stefanie Haug
Socially responsible investment consultant

Charles Lyons
US Fund for UNICEF

Stephanie Odegard
Odegard, Inc.

Lizann Peyton
Organizational development consultant

James Silk
*Orville Schell Center for Human Rights
Yale Law School*

BOARD OF ADVISORS

Sen. Howard Metzenbaum
Consumer Federation of America

Maureen Orth
Vanity Fair

Charles Porter
Crispin Porter + Bogusky

Caroline Ramsay
Ramsay Merriam Fund

Phil Schlein
US Venture Partners

STAFF

Nina Smith
Executive Director

Julie Peterson
Director of Business Development

Cyndi Janetzko
Director, Marketing Partnerships

Pinki Shah
Marketing Associate

McQuade Brennan, LLP
Accountant

RUGMARK INTERNATIONAL

RUGMARK International Board

Terry Collingsworth, *Chair*
Malini Mehra, *Vice Chair*
Sharda Subramaniam, *General Secretary*
Bijaya Bahadur Shrestha, *Treasurer*

RUGMARK International
www.rugmark.net

RUGMARK NATIONAL OFFICES

RUGMARK Germany

Dieter Overath, *General Manager*
www.rugmark.de

RUGMARK Foundation India

Sharda Subramaniam, *Director*
www.rugmarkindia.org

Nepal RUGMARK Foundation

Ajay Singh Karki, *Executive Director*
www.nepalrugmark.org

RUGMARK Society Pakistan

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