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Kmart Design, Really?
**KMART GIVES THE WORLD AN INSIDE LOOK INTO THE INNOVATIVE, UNEXPECTED
KMART DESIGN CENTER**

An unscripted look via social media and the Web at a team of 200+ Kmart designers showcasing their quality-first approach; www.kmartdesign.com is centerpiece

Hoffman Estates, Ill. (June 22, 2009) – Now frugal fashionistas have a chance to go behind the scenes of a very different Kmart and be among the first to discover the passions, inspirations, skills and challenges of the design team tasked with transforming the way Kmart approaches its products, quality and design. While Twitter, YouTube and other social media are already buzzing with curious disbelief, www.KmartDesign.com offers a refreshingly honest, unexpected peek into the worlds of the outstanding talent at the Kmart Design studios in SoHo (New York) and Chicago.

This vastly diverse group of more than 200 designers from the world's top retailers, design and fashion schools passionately adhere to a core philosophy: develop aspirational apparel and home furnishings with a quality-first point of view, delivered at a truly affordable price. Included in this team is iconic actress, model and designer, Jaclyn Smith, who had the vision to offer high-caliber design at affordable prices nearly 25 years ago.

At KmartDesign.com, this spirit comes to life in a series of unscripted documentaries, captured by a team of filmmakers who have won awards at some of the film industry's pinnacles, like the Sundance Film Festival. Visitors to the site are greeted with friendly, first-name, "5 things about me" profiles and image galleries created by the designers themselves.
http://www.kmartdesign.com/designer_profile/kimberly/

"I think we started with a tweet," said Lisa Schultz, executive vice president of Apparel Design at Sears Holdings. "It just said, 'Kmart Design? You might be pleasantly surprised' and linked to the documentaries. It was exciting."

"What I love is that it isn't just an ad or a Web site with videos," added Sears Holding's Chief Home Design Officer, Theresa Strickland. "The designers are contributing inspirational photos, fashion tips and trend information, both on the KmartDesign.com and on Twitter.com/Kmartdesign sites. The video content is being shared with design and fashion blogs and uploaded to multiple video-sharing sites. We've even started developing our own blog."

The Kmart Design Team takes an international view, so Strickland allowed the documentary crew to follow her and a team of Home designers throughout Europe as they went on their bi-annual "trend trip" for the Spring 2010 line. "They wanted to film the process of how we go about putting together our ideas, our inspirations; it seemed like a real opportunity to show our customers how much thought is put into our design, quality and value. So I said, 'Sure.'"
http://www.kmartdesign.com/video/home_design/trend_trip/

The team shot in Chicago, New York, London and Paris and created a series of Webisodes exploring, as Strickland puts it, "the science behind the design."

"When the marketing team shared the pilot videos, I thought they were amazing," Strickland said. "I sat there watching the first episode and it began with me saying something about how 'Kmart felt old and stagnant.' I cringed at first, but we needed to be honest with ourselves and our customers in order to re-invent our brand stack and product-line -- starting with a quality-first mentality."

Unlike some other retailers that buy off the rack, Kmart home fashions and apparel are organically designed with the customer in mind. Both the apparel and home fashions collections are created collaboratively among all their top designers rather than being the result of a single influence. Clothing is created according to Kmart's exacting specifications for style, tailoring details, flattering fit and quality. Although the Kmart Design Team looks to the high-end brands for inspiration, they eschew producing high-end "knock offs" and instead bring the runway to real life by carefully considering the customer's personal style and lifestyle and applying Kmart sensibility, quality and affordability.

Where Kmart really stands out is in the details. At home, Kmart has redefined the quality and construction of its bedding and bath items, offering 600 thread count sheets and towels made of 100 percent Egyptian cotton loops, while Kmart apparel offers 100 percent cashmere sweaters, detailed stitching, fully-lined jackets, modesty panels on sheer blouses and skirts and faux leather that has the hand of real leather.

"Major fashion magazines are giving us credit for being trend-right but affordable," concluded Schultz. "Kmart is pleased to be recognized for bridging the gap between the runway extremes and the needs of real, but fashionable people. New technology has allowed us to react very quickly to market trends, even in-season, and new fabrications and design techniques have allowed us to develop fabulous fashions at more affordable prices than we ever thought possible."

The inside story of Kmart Design is being told at www.KmartDesign.com, www.Twitter.com/kmartdesign and throughout the Web.

About Kmart

Kmart, a wholly-owned subsidiary of Sears Holdings Corporation (NASDAQ: SHLD), is a mass-merchandising company that offers customers quality products through a portfolio of exclusive brands that include Jaclyn Smith, Joe Boxer, Martha Stewart Everyday and Route 66. For more information visit the company's Web site at www.kmart.com or the Sears Holdings Corporation Web site at www.searsholdings.com. Holdings' Web site at <http://www.searsholdings.com>.

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