

BLUE NILE INC
Form SD
June 01, 2015

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

FORM SD
Specialized Disclosure Report

Blue Nile, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	000-50763 (Commission File Number)	91-1963165 (I.R.S. Employer Identification No.)
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411 First Avenue South, Suite 700 Seattle, Washington (Address of principal executive offices)	98104 (Zip Code)
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Lauren Neiswender
General Counsel and Corporate Secretary
(206) 336-6700

(Name and telephone number, including area code, of the 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:

ý 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 Mineral Disclosure

Item 1.01 Conflict Minerals Disclosure and Report

Introduction

This Form SD of Blue Nile, Inc. is filed pursuant to Rule 13p-1 (the "Rule") promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for the reporting period January 1, 2014 to December 31, 2014 (the "Reporting Period"). Throughout this report, "Blue Nile", "we", "us" or "our" means Blue Nile, Inc. and its consolidated subsidiaries.

The Rule requires disclosure of certain information when a company manufactures or contracts to manufacture products for which the minerals specified in the Rule are necessary to the functionality or production of those products. The specified minerals (the "Conflict Minerals") are gold, columbite-tantalite (coltan), cassiterite and wolframite, including their derivatives, which are limited to tantalum, tin and tungsten. The "Covered Countries" for purposes of the Rule and this Form SD are the Democratic Republic of Congo (the "DRC"), the Republic of the Congo, the Central African Republic, South Sudan, Uganda, Rwanda, Burundi, Tanzania, Zambia and Angola.

Blue Nile is an online retailer of certified diamonds and fine jewelry. As part of the design of its jewelry, Blue Nile "contracts to manufacture" jewelry which may contain, in certain cases, gold, tungsten, tin and tantalum (the "Covered Goods"). Accordingly, Blue Nile has concluded that Conflict Minerals are necessary to the functionality or production of its products and, thus, Blue Nile believes it is covered by the Rule. Blue Nile's products are manufactured by its suppliers in accordance with its specifications. Following this determination, Blue Nile undertook a good-faith reasonable country of origin inquiry ("RCOI"), which was reasonably designed to determine whether any of the Covered Goods included in its products originated in the Covered Countries and whether any such Covered Goods may be from recycled or scrap sources. Gold is the most prevalent Covered Good supplied to Blue Nile, with a few suppliers supplying tungsten and tin.

Reasonable Country of Origin Inquiry

As part of its 2014 RCOI, Blue Nile performed the steps summarized below.

First, Blue Nile identified all suppliers that may have supplied Blue Nile with Covered Goods during the Reporting Period (the "Suppliers"). Then, on January 6, 2015, Blue Nile sent a letter to its Suppliers requesting they:

a. provide an attestation to the following representations:

- i. that to the best of the Supplier's knowledge it is compliant with the Rule for the Reporting Period; and
- ii. that to the best of the Supplier's knowledge it has provided Blue Nile with all necessary information regarding such Supplier's due diligence process;
review and complete a conflict minerals questionnaire designed by Blue Nile (the "Supplier Inquiry Report") or update the Supplier Inquiry Report previously completed and provided to Blue Nile by the Supplier (if a Supplier Inquiry Report was previously provided to Blue Nile by a Supplier, the previously provided Supplier Inquiry Report was attached to the letter and the Supplier was asked to update it, as necessary).

The Supplier Inquiry Report is a series of questions designed to determine: (1) whether the Supplier supplied Covered Goods during the Reporting Period; (2) if Covered Goods were supplied by the Supplier during the Reporting Period, whether the Covered Goods may have originated in one of the Covered Countries; and (3) the processes and procedures used by the Suppliers to determine the origin of the Covered Goods. Any Suppliers that were not part of our 2013 RCOI were also given a packet of information prepared by Blue Nile outlining the requirements of the Rule and Blue Nile's procedures and process to comply with the Rule.

Each of Blue Nile's Suppliers, performed steps (a) and (b) above. Once Blue Nile received the completed Supplier Inquiry Reports, high level employees at Blue Nile familiar with the Rule: (1) reviewed the responses in the completed Supplier Inquiry Reports from each Supplier; (2) where necessary, followed-up with Suppliers to ask additional

clarifying questions; (3) summarized the procedures and the results; (4) reported the results to Blue Nile's General Counsel and Blue Nile's Compliance Committee, which is a cross-functional committee of high-level employees responsible for compliance within Blue Nile, including the Rule; and (5) reported the results to Blue Nile's Chief Financial Officer.

Reasonable Inquiry Conclusion

Based on this RCOI, Blue Nile has concluded that it does not have reason to believe the Covered Goods used in its products may have originated in one of the Covered Countries or is otherwise from recycled or scrap sources. This Form SD is publicly filed with the Securities and Exchange Commission and is available at <http://investor.bluenile.com/sec.cfm>.¹

Item 1.02 Exhibit

Not required.

Section 2 - Exhibits

Item 2.01 Exhibits

None.

¹The content of the website referred to in this Form SD is included for general information only and is not incorporated by reference into this Form SD.

SIGNATURE

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.

Blue Nile, Inc.
(Registrant)
By: /s/ Lauren Neiswender
Lauren Neiswender, Esq.
General Counsel and Corporate Secretary

Dated: June 1, 2015