

# International Labor Rights Forum

## Sweatshop Hall of Shame 2010

The Sweatshop Hall of Shame 2010 highlights apparel and textile companies that use sweatshops in their global production. Hall of Shame inductees are responsible for evading fair labor standards and often are slow to respond or provide no response at all to any attempts by the International Labor Rights Forum (ILRF), workers, or others to improve working conditions.

The official inductees of the 2010 Sweatshop Hall of Shame are: **Abercrombie and Fitch, Gymboree, Hanes, Ikea, Kohl's, LL Bean, Pier 1 Imports, Propper International, and Walmart**. This list also includes an Honorable Mention to the American Apparel and Footwear Association, a national trade association representing apparel and footwear companies. This association has exhibited a flagrant disregard for workers' rights by primarily focusing on maintaining trade with Honduras in the middle of a military coup.

Most of the companies listed employ laborers who toil for long hours under dangerous working conditions for poverty wages. When these workers attempt to form a union to voice their collective concerns, they face threats from management and risk being fired or even beaten. Many of this year's inductees use suppliers that practice illegal tactics to suppress workers' rights to organize. Some of the companies mentioned weave shame into their clothing by continuing to use cotton sourced from Uzbekistan where harvesting is accomplished through forced child labor.

Though this list highlights the most abhorrent of companies, they are certainly not the only offenders. They represent a mere sample of a global industry in which brands have persistently flouted the rights of workers for more than a decade.

Don't despair - not all is bad news in the clothing industry. For many years, the International Labor Rights Forum and SweatFree Communities have published the **Shop with a Conscience** Consumer Guide – a list identifying “sweatfree” options for the ever-increasing number of consumers interested in buying clothing made under ethical and worker-friendly conditions. You can find out more at [www.Sweatfree.org/shoppingguide](http://www.Sweatfree.org/shoppingguide). Also, be sure to follow the Act Now links below to let the companies on this shameful list know you are fed up with their irresponsibility.

### THE HALL OF SHAME

#### **Gymboree, Hanes, LL Bean: Guess who's working for them now -- forced child labor.**

Uzbekistan is the world's second largest exporter of cotton. The Uzbek government has [mandated children as young as seven to work in cotton fields](#) during the late summer harvest, when they would normally begin school each year. Some children are even forced to stay in dormitories in remote areas while they pick cotton.

While over 25 companies have committed to boycotting the use of Uzbek cotton until the government ends its abusive labor practices, there are still many companies that haven't stepped up to the plate. Gymboree, Hanes,



and LL Bean have been contacted and yet they refuse to concretely address this pervasive problem.

Act NOW!

Urge these companies to boycott Uzbek cotton and institute a company-wide (which includes their cotton suppliers) human rights policy, banning child labor and upholding core labor rights.

For more information visit [ILRF's Uzbek cotton webpage](#).

### **Propper International: Treating Workers like Machines**

Propper International produces uniforms for state police, local government agencies and the federal government. It is the largest military uniform supplier in the U.S. Even the most hardened soldiers wearing these uniforms would likely be appalled at the conditions workers face at Propper's suppliers in the Dominican Republic and Puerto Rico.

Struggling to reach excessive production quotas in the Dominican Republic, workers toil 12 hours or more a day, are forced to skip breaks and are prevented from using the bathroom, according to a recent [report by SweatFree Communities](#). Workers have reported extreme exhaustion in the stifling heat of the factory and unhealthy working conditions from the thick fabric dust clogging the factory's air. In Puerto Rico, workers barely earn above the minimum wage and have filed a lawsuit against Propper because the company refused to allow for vacation and sick days in accordance with the law.

Factory personnel have placed extreme pressure on union organizers and supporters, who have been harassed, fired and blacklisted from future employment. The factory's anti-union campaign includes holding workers in anti-union lectures and hanging anti-union banners outside the facility. According to the Dominican Labor Department, in 2000 nearly 200 union members were unjustly fired and only 30 were reinstated.



Act NOW!

Contact CEO Tom Kellim at [tomk@propper.com](mailto:tomk@propper.com) to let him know that workers have a right to freedom of association and to organize a union to bargain for better wages, benefits and working conditions. Urge the company to cease its harassment of union supporters and let the workers decide for themselves whether they want to form a union, in an environment free of fear and intimidation.

### **Pier 1 Imports: Importing Vile Labor Practices Illegal suspensions, poverty wages**



According to [Pier 1 Imports' Code of Ethics](#), "Pier 1 Imports is committed to conducting its business with a high standard of business ethics, in compliance with applicable laws and with a regard for human rights and fair labor practices."

Not at the Paul Yu factory, a Pier 1 supplier in Lapu-Lapu City, Philippines, where [more than 200 workers were unjustly suspended for organizing a workers association](#). The extensive

use of temporary workers has resulted in five out of six employees being contract workers at the factory. Contract work, by law, can only be for a maximum period of six months, but many contractual employees at Paul Yu have been working at the site for several years. These workers earn lower wages, receive few benefits, do not enjoy security of tenure and do not have collective bargaining rights.

ILRF tried to communicate with Pier 1 but the company refused to take any meaningful action. Because of Pier 1's intransigence and the workers' dire need to support their families, the suspended workers eventually accepted a meager severance package from the factory. The workers of Paul Yu are a testament to how companies like Pier 1 continuously fail to meet their own Corporate Social Responsibility commitment.

### **Ikea, Kohl's and Walmart: Always Low Morals Harassment; Unsafe Conditions**

These furniture and discount giants all purchase bed linens from the Menderes Tekstil factory in Denizli, Turkey. At this factory, four workers died as a result of unsafe working conditions. In another example of disingenuous "corporate social responsibility," IKEA, the factory's primary buyer, commissioned an audit on labor conditions at the site and concluded that there were no major labor problems at Menderes.

Factory officials have adopted an [anti-union attitude by intimidating union organizers](#) and dismissing workers associated with the union.

Walmart, Ikea and Kohl's have all but ignored requests from ILRF and others to work together to resolve the factory issues; the companies have remained secretive and uncooperative. The buyers of this factory must send a direct signal to the factory management indicating the need to negotiate with workers.

Act NOW!

Write a letter or [send an e-mail to Walmart and Kohl's](#) urging them to take immediate action.

For more information on the Menderes Tekstil factory, visit [ILRF's website](#) or [Clean Clothes Campaign](#).



### **Abercrombie & Fitch—Illegal Suspensions; Delayed Bargaining**

Abercrombie and Fitch (A&F) clothing is manufactured at Alta Mode factory in the Philippines. Employees of the factory sought to form a union to address concerns and on the day the Alta Mode Worker's Union was to be certified, all of the more than 100 union members and officers were placed on forced leave, a clear case of employer interference in the exercise of the right to unionize and an unfair labor practice by law. Workers have struggled for a union as an antidote to a production quota set beyond human capacity.

It is essential for A&F to send a strong signal to the factory that freedom of association violations will not be tolerated. The A&F supplier has even filed criminal cases against the union members. This factory case is a clear example of the flagrant disregard for the law by garment factory owners in the Philippines.

Unfortunately A&F doesn't even have a public code of conduct and utilizes factory inspectors that have missed glaring issues such as the ones highlighted in the Alta Mode factory. One

major concern is that A&F shifts its production around from factory to factory which results in lack of stable orders at the factory. ILRF encourages A&F to build long term meaningful relationships with suppliers so that their standards around wages, overtime and freedom of association are clearly enforced.

Act NOW!

Next time you shop at Abercrombie and Fitch, take the time to ask about labor standards at the factories that produce A&F and Hollister clothing. Encourage the company to be more transparent about it's expectations for suppliers.

For more information, visit ILRF's [Alta Mode factory profile](#).



### HONORABLE MENTION 2010

In June 2009, Honduran President Manuel Zelaya was ousted from office by a military coup. Zelaya has supported workers' rights, for example, by passing an order six months prior to being removed from office which increased the [minimum wage to cover nearly 90 percent of basic needs](#), according to the AFL-CIO. This increase has benefitted many workers, namely the 25 percent of Hondurans who work in the apparel manufacturing industry and were previously paid poverty wages.

Honduran workers unions believed the coup regime would reverse such progressive measures and called on the international community to halt production, trade and transport with Honduras so as to isolate the regime and limit its power. In light of this, seven U.S. trade groups, including the American Apparel and Footwear Association (AAFA), collaborated on a [letter sent to President Obama](#) on July 10, 2009 urging him to "secure U.S. economic relations" with Honduras—a subtle way of requesting the avoidance an embargo and continue trading/purchasing goods from Honduras. It is of grave concern that through its letter, the AAFA was concerned solely for its business interests in Honduras—given that [Honduras is the fourth largest apparel supplier to the U.S](#), according to the U.S. Department of Commerce. For this reason the AAFA earns an honorable mention in the Hall of Shame.

On the other hand, another letter was sent by adidas Group, Nike Inc., Knights Apparel and Gap Inc. to U.S. Secretary of State Hilary Clinton on July 28, 2009 that took a different approach. The joint letter urged the US not to ignore the situation in Honduras and called for "restoration of democracy in Honduras." The letter pointed out the need to respect freedom of association and requested "peaceful, democratic dialogue" to end the conflict. ILRF applauds these companies for speaking out regarding the situation.