Minutes

Attending: Kristen Ablauf, Jason Bates, Steven Brunn, Siobhan Harlow, Marian Krzyzowski, Greg Marquis, Larry Root (chair), Brian Talbot, Ada Verloren (staff to committee).

Absent: Ana Quinones

1. Approval of minutes  
   The committee approved the minutes of the November 27 meeting.

2. Follow up on visit by Gregg Nebel  
   There was a good turnout for the public presentation by Gregg Nebel. Although he provided a very informative overview of adidas’ workplace standards and social responsibility program, committee members pointed out that there were some outstanding questions concerning wage levels, price increases and unionization.
   Ø Larry Root will follow up with Gregg Nebel to find out if he can provide the committee with information about wage trends and unionization in supplier plants.
   It was pointed out that adidas adheres to its own code of conduct rather than seeking to enforce the all of the variations found in individual university of conduct. This concern will be addressed if the committee perceives that there is a substantive difference between adidas’ code of conduct and UM’s code. The committee would have to determine if there are significant and substantive differences. The view of adidas’ appears to be that its own code sets higher standards than most other codes. Their rationale is that by setting a minimum standard that is high, adidas is trying to move production as a whole to a certain level of compliance.

3. FLA’s enhanced licensee program  
   The committee felt that the enhanced licensee program was a good step towards monitoring companies’ capacity and strengthening it. At the same time, the committee recognized that it will have to look carefully at the results of the pilot program. The committee reviewed the e-mail notice it will receive from the FLA as soon as its licensees complete their self-assessment.
   Ø The committee will find out whether the report will have the name of the company.

4. New Era  
   The committee discussed the impasse between New Era and the WRC. New Era has offered the WRC an opportunity to select a mutually agreeable third party auditor to conduct a review of the facility, and to allow university representation at the audit. The WRC, on the other hand, claims that New Era should allow the WRC, as monitoring agent of universities, to conduct an independent assessment of the facility.
   The committee raised several questions, including the following:
   Ø What should the committee’s actions be in the face of an NLRB complaint?
   Ø What are the complaints at the NLRB?
   Ø What is the status of -New Era’s response to the request by the WRC for further information regarding the regression model used by the New Era consultant to reach his conclusions that there is no evidence of discrimination (including the basis of, and related documentation for the figures presented in the consultant’s summary letter)?
   Ø What is the status of contract negotiations?

5. National Labor Committee’s report on metal and plastic products factory  
   Ø The committee discussed the report by the National Labor Committee. It was noted that while Team Golf (a UM licensee) was mentioned in the report, they report that they did not place any order for medallions with Full Start, the Hong Kong company whose invoice for a UM medallion was included in the report. Team Golf has used Full Start as a supplier of packing materials. The committee would like to get more information about whether it was a UM licensee who was using Full Start to order such medallions.

6. Announcements; other business  
   Steven Ratner withdrew from the committee due to increased responsibilities at the Law School. Mary Gallagher will join the
committee.

The committee discussed organizing a public event next term that would be of interest to the broader University community. A possible panel could include purchasing agents of other universities, retailers who make decisions about purchasing (e.g. Walmart or Target), or firms who incorporate innovative social and environmental responsibility into their corporate strategies (e.g. Patagonia).