President’s Advisory Committee on Labor Standards and Human Rights
February 6, 2009, 9:00-10:30pm
Palmer Commons Boardroom

MINUTES

Attending: Kristen Ablauf, Stan Bies (Assistant General Council), Amy Cocuzza, Siobán Harlow (Chair), Allen Hicken, Peter Jacobson, Brian Talbot, Ada Verloren, Leigh Wedenoja, Nancy Vander Kuyl (staff to committee).
Tony Pelaski, Sr. V.P. of Human Resources, Stan Blankenship, Director of Social Compliance for Fruit of the Loom/Russell and Matt Murphy, Senior VP Licensed Products joined in on conference call from 9:30-10:15 am

Absent: Matthew Welch

1. Welcome, Review of Agenda

Chair reported that the regular February meeting would take place on February 18 as planned but subsequent meetings would be rescheduled to accommodate Leigh’s change in course schedule.

The Chair noted that the agenda for the meeting was to review the Jerzees de Honduras situation and decide on whether or not to make a recommendation regarding this contract with potential options outlined. The Chair reviewed discussions from conference calls with the FLA and the WRC that had taken place earlier in the week regarding their respective reports on their investigations of the Jerzees de Honduras situation and informed the committee that the Jerzees de Honduras plant was closed on 1/31/09. Georgetown, Rutgers and the University of Miami have terminated their contracts with Russell. At the request of the chair, Talbot and Cocuzza provided evaluative comments from business and legal perspectives.

2. Conference call with Russell

Tony Pelaski, Sr. V.P. of Human Resources, Stan Blankenship, Director of Social Compliance and Matt Murphy, Senior VP Licensed Products joined by conference call at 9:30 to provide their perspective and to address the committee’s questions. They stated that Russell is fully committed to the process of remediation in the 10 areas outlined by the FLA. They indicated that they will be providing a report on February 16 describing a model Russell plans to implement that will emphasize freedom of association rights throughout the supply chain. They noted that a grievance policy, open door policy, and hotline to report any problems are currently in place but the company plans to step up managerial education and aim for greater corporate social responsibility.

The committee queried the Russell representatives regarding how the company planned to create significant change given the history of violations of work rights at both plants, Jerzees de Choloma and Jerzees de Honduras; the need for greater corporate responsibility in the Honduran environment where there is much anti-union sentiment; how Russell educated the workforce in those plants and if they held forums on good faith bargaining; if Russell continues to work with other companies in Honduras to educate the general population on these issues; how company handled allegations towards senior managers and what educative steps took place there; how they deal with plant closings and payment of indemnities.

3. Committee Conference Call Follow-up Discussion

Each member of the committee presented their perspective on the issue and what they thought would be an appropriate recommendation.

Chair moved that the University not renew the Russell Corporation contract on March 31st, expressing a willingness to consider an application in one year if Russell Corporation demonstrates that they meet the standards of our code of conduct. Additional specifications of our expectations will be specified following review of the February 16th report from the Russell Corporation.

Seconded by Jacobson.

Vote 6 in favor.

Chair will solicit email votes from three members who had to leave the meeting early and email a draft letter for the committee to comment on and approve. (NOTE: Following email vote 8 in favor, 1 opposed).

Attachments: Letter to Kristen Alblauf, Licensing Director