President’s Advisory Committee on Labor Standards and Human Rights
February 18, 2009, 2:30-4pm,
Palmer Commons, Boardroom 1

MINUTES

Attending: Amy Cocuzza, Brad Farnsworth, Siobán Harlow (Chair), Allen Hicken, Brian Talbot, Nancy Vander Kuyl (staff to committee), Leigh Wedenoja, two observers.
Absent: Kristen Ablauf, Peter Jacobson, Jennifer McLaughlin, Ada Verloren

AGENDA

1. Welcome, Announcements, Review of Agenda
   The chair announced that Matt Welch has resigned from the committee because of a job offer in Chicago.

2. Review of minutes and next meeting dates
   Minutes from the last two meetings were approved.

3. Operational Leadership
   · March 19th FLA visit van Heerdan and Coleman
      An 8:30-10am breakfast meeting will be arranged with the Committee. A public forum will be arranged with the help of SOLE. It was suggested that we invite Nova’s successor at the WRC to also visit and participate in the forum. Committee members were asked to generate a list of questions that the Chair can forward to FLA/WRC in advance of their visit. Classes that should be contacted for potential interest in attending include Brad Farnsworth’s Global Interdependence class and Frank Thompson’s Global Justice class.

   · Knights Apparel (Jan 21 email from WRC)
      Knights Apparel is opening up a factory in the Dominican Republic that will adhere to strict standards for code compliance. Duke has committed to make a substantial order and Penn (which didn’t have a contract with Knightsis signing a contract with this company. Knights Apparel is a UM licensee. The Chair will ask Kristen to provide information about options we may have available to encourage use of this supplier, or respond proactively, without creating conflicts with other suppliers who are licensed to manufacture UM goods.

4. Compliance issue: Jerzees de Honduras
   Kristen Ablauf forwarded the news that she had sent official notice to CLC to terminate Russell’s license with Michigan effective 3/31/2009. The committee reviewed the memo from the February 12th FLA Board Resolution and letters from Russell. The committee then discussed potential next steps.
   Questions remain about appropriate steps and procedures post a decision to not renew regarding communication and evaluation of a company’s response. In regards to the Russell case, questions emerged about how to measure their performance if they have no unionized factories elsewhere in Honduras. If Russell stated that the reason they closed JDH was for economic purposes, but then they open another factory elsewhere, what then? When economic conditions permit them to expand, the ideal is that they would adhere to freedom of association rights regardless of location of the factory. It
was agreed that Russell has the opportunity to take a strong leadership stance with respect to freedom of association and to not accept cultural norms in the locales of their production companies. They have the opportunity to develop a model approach and we would welcome that especially noting that Russell is in a unique position since they own and control these companies directly.

5. Enhancing Curricula and Educational Opportunities in the Area of Labor Standards and Human Rights
   - An invitation to Liz Kennedy, new Compliance Officer at the CLC, is outstanding. She may participate in a planned CLC meeting to UM’s campus on April 2. Chair will ask Kristin if the committee may participate in this meeting.
   - Chair to meet with HRTE Students on March 12 to elicit their opinion on strengths/weakness of current curricular offerings on human rights.
   - Chair met with John Chamberlain, Center for Ethics in Public Life, to discuss possible ways the LSHR can integrate its educational objectives into this already established program and strengthen CEPH and others in the process.

6. Review outline of report to the President
The committee discussed and reviewed the outline of the report to the President. Discussion considered rationale for continued UM affiliations with both the FLA and the WRC. The report should address, as it does each year, how the committee views these affiliations knowing that they carry an annual cost (based on annual sales of licensed goods sales, so cost is self-adjusting to sales) and thoughts on the necessity of continuing both memberships. UM has been affiliated with both since their inception (approximately 1999). Committee expressed concern over cutting ties with either one because of the complimentary information they offer on licensee issues. They were both of tremendous support during the JDH case. Leigh expressed concern that the WRC may be jeopardized if UM ends affiliation as other big schools may follow suit and WRC’s primary source of income is from schools. In recognition of the growing expectation of review of licensees, it may become important to add staff to licensing or the committee and consideration of the relative costs and benefits of in-house review versus external monitoring may be needed. FLA has a training system, WRC finds out about breaches in the code. Both approaches build company compliance from different vantage points. The two have different mandates that set up a system of checks and balances. Committee suggested that we need to consider the following questions:
   - What is UM’s leadership worth?
   - What is the university’s societal obligation in terms of its outreach to the world?
   - What is the bad publicity worth to UM?
   - How does it work at other schools that only have one affiliation? Can we find out the percentage on this across the US?

Committee would like the report to include a clause on what it learned through the process of discussion and taking a stance on the Russell case.

7. New Business
   - International Partnership Building Grant 2009-2010 Call for Proposals
     Committee asked to review this proposal for later comment.

Meeting ended at 4pm