President’s Advisory Committee
On Labor Standards and Human Rights

MINUTES
November 2, 3:30 p.m. – 5:00 p.m.
2074 Fleming Building

Attendees: Ravi Anunpindi (chair), Kristen Ablauf, Omolade Adunbi, Sabrina Bilimoria, Michael Counts, Khaled Eid, Mary-Catherine Goddard, Nicholas Rine, Rebecca Wren, Britney Rashleigh (staff to committee), Kristy Demas (staff to committee).

Absent: Sioban Harlow

Guests: President Mark Schlissel, Lisa Connolly

Introduction of Mary-Catherine Goddard and Kristy Demas.

Committee Business

October 11, 2016 minutes

After correcting the ESP Program to the ESEP (Ethical Supplier Engagement Program) in the minutes, there was unanimous support to approve them.

Operational Leadership

Kristen Ablauf, Director of Licensing, Intercollegiate Athletics, shared that quarterly renewals are due Friday, November 11. Electronic update will be sent out.

Monitoring and Compliance

Chair Anupindi reported that he has inquired with Scott Nova, Executive Director of the Workers Rights Consortium (WRC) for an update on the Nike Hansai Factory investigation to be conducted jointly with the FLA. Apparently the investigation visits were completed at the end of October and they are in the process of writing their report. We should get an update by the end of November.

Chair Anupindi reminded that we also need to review, perhaps in future meetings, the ACCORD (on Fire and Building Safety in Bangladesh) website to update ourselves on the status of ACCORD’s work on building and fire safety in Bangladesh. In the context of Bangladesh, Chair Anupindi mentioned an article from the Daily Mail about continued safety gaps – many in Bangladesh – that continue with regard to the manufacturing of products other than licensed goods.

Research and Education
Chair Anupindi brought up the need to review calls for graduate student internships and the travel award. Copies of calls for 2016 applications were provided to the committee for review. The committee discussed changing the application due-dates. Nicholas Rine suggested that the late January deadline is appropriate as students think about summer internships before the holiday break. Mary-Catherine Goddard agreed, saying that the deadline is adequate as SPH students are already looking at internships in November. She recalled that when she applied she had started the process in January, which was too late. Given her experience, she feels the January 11 deadline is appropriate. Omolade Adunbi shared that the travel awards should be opened up to all students without listing specific departments. Such a change might generate more responses.

Chair Anupindi conveyed that he will connect with Summera to discuss specific projects with regard to the undergraduate summer internship and bring it to the committee. He also mentioned project ideas proposed by the FLA.

Chair Anupindi also presented a draft of the call for research assistant opportunity for the non-licensed goods project. The project description will focus on the two categories of food and electronics. The team would be tasked with investigating core issues, external partners such as other universities that would possibly be interested, and what internal and external structures would need to be, etc.

Michael Counts brought up the President’s response letter to the committee regarding this project in which he emphasized the need to include as part of the position’s duties assessment of the impact/and estimate of goods and services v. cost of measures. Other aspects that the research team needs to address include identification of internal or external support structures are necessary to be in place to ensure social responsibility, other willing university partners, etc. Chair Anupindi highlighted that this is a research project and that the team is not charged to make specific recommendations to the President.

Applications should be open to both undergraduate and graduate students. An ideal team would comprise of two undergraduate and two graduate students. The committee agreed that the deadline of applications for this project engagement be early December, preferably before the December 5 meeting, so committee can review applications and finalize a team before the holiday break.

Visit from the President

President Schlissel and Lisa Connolly joined the meeting. Introductions were made.

The President conveyed that he is proud of the proactive work of the committee on behalf of the University in providing oversight into licensed goods and more broadly on social justice issues in all procurement. The President also appreciated the committee’s work regarding Nike, the University’s new athletic licensee. He stated
that Nike shouldn’t be judged by its past. Nike was one of three contenders along with Adidas and Under Armour that was under consideration as a supplier for Athletics.

President Schlissel reminded that Nike’s insistence to adhere to their own approach to labor standards and human rights, rather than embrace our code comes with a risk. Such risk, however, is mitigated because we have mutually established that Nike’s code is at least as good as our University’s code and it has been made clear to Nike that we will hold them to their word. Michigan has a strong reputation of upholding its values and Nike knows they’re being watched and will adhere to our standards. The President thanked the committee for having the confidence to let Nike uphold our standards using their approach to social responsibility.

The President thanked the group for its engagement with Sir Fazle Abed, Founder / Chairman of BRAC, when he visited the University in April 2016 to receive the Thomas Francis, Jr. medal. The President fondly recalled the humility of Sir Fazle, who has changed the world through his work, and the impact he had on faculty scholars and the students during his visit here.

President Schlissel then discussed the non-licensed goods project and asked if we can find ways to align our purchases with our standards and not have it cost a lot. He suggested that the research try to find a way to use our University as a wedge to drive change that will allow us to operate with costs that are observed at an absorbable level. He agreed that food and electronics are two important verticals to focus our attention and provide opportunities to improve our purchasing practices. The President was interested to know of existence of external organizations to assist with monitoring supply chains in these sectors as well as participation of other universities. Chair Anupindi shared that these were exactly the issues the research team will explore. President Schissel liked the idea of a university consortium for ensuring ethical standards, and thanked the committee again for its work and for keeping him informed.

In addition, the President reiterated the charge of the committee to monitor our new and ongoing partnerships with providers of new and licensed goods. He emphasized that it is vital that we open the lines of communication between the committee and the President.

**Student Presentations**

The committee has sponsored three summer internships in 2016. Two of these students presented their summer work to the committee. The third is scheduled to present at the committee’s December meeting.

Mathematics student **Michael Jenuwine** reported to the committee on his project “Supply Chain Assessment”, completed at Sumerra, Inc. in Portland, OR. This is the
second summer project with Sumerra, a social auditing company. Sumerra also performs audits for universities who participate in the Ethical Supplier Engagement Program. Michael’s project was to analyze audit data collected between August 2014 and May 2016 of 234 factories. In that time, he found a total of 2,430 violations, with labor violations being less severe than health & safety violations. The analysis considered many factors including location, factory, size, product category, and licensee type. His analysis of audit data suggest that on aggregate, fewer violations were observed in US factories than in Chinese factories, the two largest countries in the data set. Also, smaller sized factories (#of employees) tend to have more violations than larger factories. There was no strong trend in the product category other than there were slightly more violations in gifts and accessories and fewer in headwear. No difference was found between licensed good and blank goods. Highest risk factories were those supplying to Category D (FLA category) licensees, operating in China, and having between 100 and 499 employees. Safest factories were those supplying to Category B licensees, operating in the US, and having more than 500 employees. Because promotional products source from a variety of sources, they tend to exhibit higher violations.

Chair Anupindi wondered whether there was a relationship between licensee and product type and non-compliance. He also suggested investigating further why Category D licensees were more non-compliant and exploring how this study can be used in university licensing operations.

The second student presentation was by Erin Collins, Law student and student in CMENAS, whose topic was, “Understanding Women’s Access to Justice in Tunisia.” During the summer 2016, Erin worked with the International Commission of Jurists (ICJ) as a legal intern in their Tunis office exploring the lack of adequate standards for victims of gender based violence in the home and workplace. Erin’s handout from the International Commission of Jurists focused on the Obstacles to Access to Justice for Women in Tunisia in Light of International Law and Standards. Legal obstacles to justice for women include laws failing to criminalize certain violations of women’s rights and laws exist that discriminate against women.

During her internship, Erin worked with the International Commission of Jurists: conducting background research on the Tunisian legal system, including existing legislation found in the code of personal status, civil code and criminal code; assisted in interviews and focus group discussions of both Tunisian women who have suffered obstacles when using the justice system as well as Tunisian lawyers and advocates who have assisted women in navigating the justice system; worked to organize a conference on women’s access to justice that included over 30 Tunisian judges, lawyers, and two ICJ experts on international law and women’s rights; and drafted a memorandum identifying the most prevalent obstacles Tunisian women face, providing potential measures that Tunisia could implement in order to eliminate these obstacles.
Through this internship, she was able to help to identify major legal, administrative, and societal obstacles related to gender stereotypes, economic and social realities, and general societal norms.

The meeting adjourned at approximately 5:00 p.m.