

Wal-Mart

Price range for a pair of jeans: \$8 to \$19.94

The process: This American superstore buys its garments from supplier factories around the world. In one Nicaragua factory, a garment inspector for Wal-Mart jeans inspected 20,000 jeans each week, earning less than 40 cents an hour. Another worker in a garment factory in the Philippines was forced to work 24 hours straight, creating clothing for Wal-Mart brands such as No Boundaries. In Bangladesh, children between the ages of nine and 12 have been found working in Wal-Mart sweatshops. In Honduras, children worked up to 13 hours a day for 25 cents an hour, sewing jeans to be later sold in the U.S. for 20 dollars apiece.

The spin: “Wal-Mart strives to do business only with factories run legally and ethically.” —Wal-Mart's official statement on sweatshops

The record: In order to keep their prices low, Wal-Mart employs workers abroad in 48 different countries. Millions of workers in Wal-Mart's many sweatshop factories regularly experience health and labor violations, including routine overtime without pay and a minimum wage up to 30 percent below their country's minimum. In 2005, 15 workers from six different countries filed a lawsuit against Wal-Mart for not controlling sweatshop labor conditions. The company agreed to toughen standards for overseas suppliers, but did not outline any concrete measures to take. In fact, Wal-Mart will not terminate its contract with a factory even if that factory was found to have violated the corporation's code of conduct—only after a factory fails inspections three times in a row will Wal-Mart not renew its contract.

Did you know? More than 80 percent of Wal-Mart's merchandise suppliers are in China. If Wal-Mart were a country, it would be China's fifth largest export market. In 2004, Wal-Mart earned more than 250 billion dollars, making it the world's largest corporation. Its earnings accounted for two percent of the U.S. annual gross domestic product. That same year, Wal-Mart CEO H. Lee Scott, Jr. made more than 17 million dollars.



Guess?

Price range for a pair of jeans: \$79 to \$168

The process: In the 1990s, Guess? was a notorious labor rights violator in the U.S., with an estimated 80 sweatshops in Los Angeles. Workers, mostly Latina and Asian immigrant women, made less than the minimum wage and often worked 10 to 12 hours a day for fewer than 50 dollars. It cost Guess? less than five dollars in wages to make a pair of jeans that sold for more than 10 times that amount.



The spin: While being accused of forcing workers to labor in sweatshop conditions, Guess? ran full-page ads in major daily American newspapers, proclaiming that their contractors were “guaranteed 100 percent free of sweatshop labor.” It even sewed “sweatshop free” labels into their jeans.

The record: In 1992, the U.S. Department of Labor accused Guess? contractors of failing to pay their employees overtime or the minimum wage. Guess? paid the back wages and promised to more carefully monitor its operations. But soon the company was busted for illegal sweatshops. In 1996, the company fired workers attempting to organize a union, shut down their California plants and moved its sewing operations to Mexico and Latin America in order to avoid labor abuse citations. The company still advertises itself as “All-American.”

Did you know? Sweatshops exist in the U.S., too. In Los Angeles, the leading garment manufacturing center in the United States, workers continue to labor overtime for less than minimum wage, while corporate owners such as George Marciano of Guess? take home multi-million-dollar bonuses.

Levi Strauss & Co.



Price range for a pair of jeans: \$14.98 to \$192

The process: Sweatshop workers in Saipan, a U.S. commonwealth exempt from American labor laws that stamps its clothing with “Made in the U.S.A.” tags, were forced to pay recruitment fees of thousands of dollars. To work off the debt, they were kept in indentured servitude at factories. When a lawsuit against 26 of America’s largest clothing retailers—including the Gap, Target and Lane Bryant—over sweatshop abuses was settled in 2002, Levi Strauss was the only company that refused to settle.

The spin: “We believe we can operate profitably and operate with principles at the same time. We've done that for many years. A business needs to be profitable. The question is, how does one implement tough business decisions with compassion, while avoiding decisions that have a negative impact on stakeholders?”—Linda Butler, Levi Strauss spokesperson

The record: In 1992, *The Washington Post* exposed the company’s exploitation of Chinese prison labor to make jeans. Levi Strauss responded by creating a code of labor standards. But when the venerable American brand shifted all of its manufacturing overseas in 2002, laying off thousands of workers, it resorted once again to relying on labor from China, Bangladesh and nearly 50 other countries. Many of these factories, including a Levi Strauss supplier in Durango, Mexico, have been accused of violating the company’s ethical code by not allowing labor organization, forcing workers to work more than 12 hours a day and withholding overtime pay. In 2005, workers fired from the Durango supplier for organizing successfully won their jobs back, with overtime and back pay.

Did you know? Factory workers in Saipan making Levi’s blue jeans earned three dollars an hour in 2001. That same year, Levi Strauss CEO Philip Marineau made 25.1 million dollars—amounting to 11,971 dollars an hour.

The Limited, Inc.

Price range for a pair of jeans: \$59.50 to \$98

The process: The Limited, Inc. buys from sweatshops around the world, including many similar to the one seen in CHINA BLUE. In one Chinese factory, workers produced jeans for the Limited-owned brand Structure, living in cramped dorm rooms and working up to 70 hours a week.

The spin: “Limited Brands holds its employees, suppliers and vendors strictly accountable for compliance with all applicable laws and our own business policies, including those relating to labor standards.”—A statement from the Limited, Inc. after it was accused of numerous labor violations at a Mexican plant creating Express jeans

The record: In 2003, the company settled in a lawsuit which accused it and other multinational brands of forcing thousands of garment workers in Saipan to work more than 12-hour days, seven days a week, in a “racketeering conspiracy” that required workers to sign contracts waiving their rights. By settling, the Limited, Inc. admitted no wrongdoing in the case.

Did you know? The Limited, Inc. is one of the largest corporate apparel retailers in the U.S., owning brands including the Limited, Express, Bath and Body Works, Victoria’s Secret, Structure, Lane Bryant and Abercrombie & Fitch.

Tommy Hilfiger

Price range for a pair of jeans: \$62.50 to \$125

The process: Workers at the Tarrant blue jean factory in Ajalpan, Mexico manufacturing Tommy Hilfiger jeans reported working in slave labor conditions, earning 40 dollars a week working more than ten hours a day. In 2003, workers who protested and formed an independent union were fired.

The spin: “I think it’s absurd that people make clothes in places in the world that are not of U.S. standards.”—Tommy Hilfiger, in response to accusations of using sweatshop labor

The record: When management at the Tarrant factory unjustly dismissed workers in 2003, Tommy Hilfiger responded by pulling their business out of the factory without acknowledging the problems at hand. Sweatshop advocates claimed the incident was a classic “cut-and-run” response to labor problems. The company continues to use sweatshop labor in Latin America and Asia.

Did you know? The hourly wage for workers producing Tommy Hilfiger garments ranges from 23 cents to 1.75 dollars. CEO Tommy Hilfiger’s hourly wage is 10,769 dollars.