



AS YOU SOW

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Levi's, Wal-Mart, and Gap Top Apparel Supply Chain Compliance Survey
Report provides scorecard of top apparel manufacturers

SAN FRANCISCO—Levi Strauss and Co., Wal-Mart Stores, The Gap Inc., Hanesbrands Inc., Gildan Activewear, Inc., and Nordstrom Inc. scored highest on a survey of global supply chain compliance programs of apparel brands and retailers released today by corporate responsibility group As You Sow.

“Towards a Safe, Just Workplace: Apparel Supply Chain Compliance Programs” features a scorecard and report that provides the first publicly available comparable baseline data with which to evaluate the compliance programs of many of the top apparel companies doing business in the U.S. The project was designed to provide information on the substance and scope of programs developed to improve factory working conditions.

The report ranks the resources allocated and actions companies are employing on key compliance actions such as factory auditing, remediation, continuous improvement, collaboration, company management accountability, and transparency.

“The report demonstrates that several major brands are employing an impressive amount of resources to address social compliance in their supply chains, but that other popular brands are lagging,” said Amy Galland, Research Director, As You Sow. “We were encouraged that companies are increasingly collaborating with one another via stakeholder engagement and working with local and regional governments, as this is key to improving conditions in factories, particularly in regions with less stringent rule of law.”

Major recommendations for companies include:

- Put more resources into continuous improvement, working with suppliers to build management capacity, training workers and managers on labor rights and health and safety, and tracking key performance indicators.
- Greater emphasis on initiatives specifically aimed at empowering workers.
- Integrate factory compliance performance into compensation for executives.
- Analyze purchasing practices to assess if internal policies exacerbate violations and commit more resources to improve practices. (As You Sow released a [report](#) on this challenge earlier this year.)
- Increase detailed public reporting on specific supply chain audit findings and remediation actions.

“We are pleased with the leadership shown by the top scorers in our survey. However, 18 companies did not participate. Global sourcing has sparked controversies over factory working conditions for more than a decade. More companies in this sector should be willing to publicly discuss how they are managing these issues,” said Conrad MacKerron, Senior Program Director at As You Sow, who conceived the project after involvement in shareholder dialogues with many companies on labor and human rights issues. The report offers valuable data for other companies to compare themselves with, and for stakeholders to use to further verify company claims.

As You Sow plans to follow up with companies that did not respond to the survey. In the past it has engaged companies in the apparel, electronics, footwear, and toy sectors on supply chain compliance as strong policies and transparency have been shown to be essential to the development of trade globalization without worker exploitation.

The report is available here: <http://bit.ly/SJWReport>

As You Sow is a nonprofit organization dedicated to a safe, just, and sustainable world through corporate dialogue, shareholder advocacy, grant making, and innovative legal strategies.

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