

WORKER RIGHTS CONSORTIUM

To:Primary ContactsFrom:Scott NovaDate:October 26, 2007Re:Update: Russell Athletic

The WRC met with representatives of Russell Athletic and the company's parent, Fruit of the Loom, on Wednesday. I am glad to report that the meeting was productive.

Russell has agreed to a series of additional steps with respect to the reinstatement and compensation of fired workers and has also clarified a number of issues that were not previously clear. With these additional commitments and clarifications, Russell has now agreed to take the actions necessary to achieve the fullest remediation that can be accomplished at this juncture in terms of the violations of associational rights at Jerzees Choloma and Jerzees de Honduras. Russell representatives met this morning with the union to hammer out a number of logistical details essential to the smooth and timely implementation of corrective action. These details will be incorporated into a new corrective action plan that, we understand, will be available in a matter of days.

Among the new commitments, Russell has agreed to offer reinstatement to the group of workers most recently dismissed from Jerzees Choloma; to offer reinstatement to workers dismissed from the second factory, Jerzees de Honduras; to provide full back pay, from the date of dismissal, to all of the fired workers from both factories, including those workers who are unable or unwilling to accept offers of reinstatement; to allow representatives of the monitoring organizations to be present at the factories to observe the reinstatement of those workers who choose to return; and to enhance the program of communications that the company is planning to use to assure its Honduran employees that there will be no retaliation in the future against those who seek to exercise their associational rights. <u>Click here</u> to read the WRC's memo to Russell, memorializing all of the points of agreement arising from the meeting (note that Russell has confirmed the accuracy of the list).

Obviously, the key issue now is implementation. We will monitor the remediation process closely and will update you as the work proceeds. Should any significant problems arise, we will let you know.

Our main concern at this point is that only a relatively small number of workers will be willing and able to accept reinstatement offers, because of the amount of time that has passed since workers were dismissed. This is the main reason why we have emphasized, over the last month, the importance of timely remediation and why we have been concerned about the long delays that have occurred. Unfortunately, despite the constructive approach Russell has now adopted, we cannot turn back the clock. The delay of remediation means fewer workers will return and also means that it will be difficult to locate some workers in order to provide them with back pay. Russell can help the situation by moving forward expeditiously and aggressively with the outreach process, which we trust they will do.

I am glad that we are able to report progress on this case and hopeful that we will see swift and full implementation of the remedial action that has been agreed. Unquestionably, the intervention of Russell's university licensors has done a great deal to move this case toward a positive resolution. I will keep you posted.

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