

**Minutes of the WRC Board Meeting**  
**June 25, 2021**  
**(conducted by video conference)**

Present at the meeting are Jill Esbenshade, Mark Levinson, and Julie Martínez Ortega of the Advisory Council; Geoff Chatas, Rachel Duffy, Michael Ferrari, Alixe Holcomb, Kyle Muncy, and Craig Westemeier of the University Caucus; Victor Barratt-McCartney, Ketchel Carey, Sarim Karim, and Juliana Swift of USAS.

WRC staff members in attendance are Scott Nova, Ben Hensler, Jessica Champagne, Rola Abimourched, Penelope Kyritsis, Liana Foxvog, Kimberly Capehart, Laura Gutierrez, Tara Mathur, and Bent Gehrt.

Observers in attendance are Cal Watson, Georgetown University. Leigha Ellis and Jess Dampier, USAS. Sam Hoag and Maddy Langan, WRC interns.

Angeles Solis and Julie Farb of the Advisory Council and Blythe Serrano and Aria Wanek of USAS were absent.

Meeting was called to order at 11:09 by substitute Board Chair, Jill Esbenshade.

**Approval of Minutes of March Board Meeting**

Kyle moved to approve the March Board Meeting minutes. Juliana seconded the motion. There was no opposition to the approval of the minutes; all board members approved.

**Executive Director's Report**

***General Updates – Scott Nova***

Scott discussed personnel changes within the WRC. He reported that Chelsea Rudman, Development Director, and Penelope Kyritsis, Director of Strategic Research, are leaving the organization. He thanked both for numerous contributions to the WRC and expressed best wishes for both of them. He told Board members that job announcements are pending and asked Board members to circulate them when available.

***Alta Gracia – Scott Nova***

Scott discussed the recent closure of Alta Gracia. He confirmed that all Alta Gracia staff received their full severance, noting the level at Alta Gracia and the long tenure of most workers meant that the average severance was about five times what Dominican garment workers usually receive. Scott reported that the WRC was deeply engaged in the logistics of severance payment, in order to make absolutely sure that every worker received their funds, in full and on time. By agreement with Alta Gracia management, the WRC paid the workers directly, collecting funds from Alta Gracia and from a buyer that had purchased the brand's final inventory. While remarking on the sadness of the closure, Scott highlighted the unparalleled achievement of Alta Gracia in providing a living wage to workers for ten years, without fail. He discussed the lasting impact of the living wage on workers and their families. He acknowledged the central role of the factory's union, SITRALPRO, in Alta Gracia's achievements. Scott also thanked a number of

university licensing directors for their support of Alta Gracia, including Board members, and thanked members of the WRC staff and field team, especially Tara Mathur and Fátima Manzueta, for their extraordinarily diligent and effective work in verifying the factory's compliance with the living wage and its other labor rights obligations over many years.

### ***Bangladesh Accord – Laura Gutierrez***

Laura briefly reviewed the Bangladesh Accord's sweeping impact and then provided an update on the agreements' current status. Laura discussed the end-of-May agreement of the brand, union, and NGO signatories to address the Accord's imminent expiration by creating a three-month interim agreement, thus allowing more time for negotiations toward a new and, hopefully, expanded Accord. She updated the Board on the negotiations for this successor agreement, including continued insistence of some brands on weakening central provisions of the original Accord—provisions like the independence of oversight and enforceability of brand obligations that the WRC considers integral to the Accord's success. Laura and Scott expressed cautious optimism that a new agreement that preserves these provisions will be achieved over the summer.

## **Field Report**

---

### ***Myanmar Coup – Bent Gehrt***

Bent reviewed the recent coup in Myanmar and its aftermath, including the response of garment workers and unions. He noted the systematic attacks on labor activists by the coup regime, including retaliatory terminations, incarcerations of workers who engaged in peaceful protests, and killings. He reviewed the engagement of the WRC and other labor rights organizations to compel their suppliers in Myanmar not to collude with this repression.

### ***Natchi – Laura Gutierrez***

Laura reported on an investigation the WRC has been carrying out at a major textile supplier in Tamil Nadu, India, at the request of both buyer brands and worker representatives. The investigation focuses on alleged gender-based violence and harassment, in the wake of the murder of a worker, away from the factory, by a factory supervisor. She described the various challenges experienced in investigating this case, including a high level of fear among workers, the remoteness of the factory, the multiplicity of languages spoken by workers, restrictions on the movement of internal migrant workers, all further complicated by the enormous surge of Covid-19 across India in the spring. She explained that, while the factory is not collegiate, the case has relevance to university apparel because there is significant university apparel production in Tamil Nadu and because gender-based violence and harassment is a concern across the region. She explained that a report is forthcoming.

### ***Deaths of Workers in Haiti – Tara Mathur***

Tara reviewed the investigation of two Haitian garment factories, making collegiate goods, that failed to make legally required contributions to the country's public healthcare and pension systems, resulting in workers' access to healthcare being impeded. She reported that this contributed to the avoidable deaths of two workers that occurred after each was denied access to lifesaving medical treatment. She reported that the WRC engaged with Gildan, which supplies products from both factories to university licensees, and, as a result of this engagement, the

owner of both factories, Palm Apparel Group, agreed to provide significant financial compensation to the families of the deceased workers. Tara explained that the problem is not isolated to these two factories and is widespread in the Haitian garment sector. She reported that the WRC has reached out to all licensees sourcing from the country to seek concrete commitments to address this issue with suppliers.

### **Economic Update: United States-Mexico-Canada Agreement (USMCA) and Global Economic Disorder – Mark Levinson**

---

Mark presented on the economic impact of the Covid-19 pandemic globally. He noted that excess deaths in the developing world outpaces those in high income countries. He revealed that many economies globally are rebounding, however, they are not back to pre-pandemic levels of output and that millions are still out of work. Mark also outlined the impact of government stimulus funds on disposable income rates in the US, noting that the US government's economic response has been one of the most successful anti-poverty and anti-hunger initiatives in US history, providing the US population with significant protection from the impact of the pandemic. He underscored the essential nature of this support, given that the US never fully rebounded economically from the 2008 financial crisis and that, while the US economy is headed back toward its pre-pandemic level of production, it is not near its pre-2008 level.

Mark then reviewed the history and differences between USMCA and NAFTA. He highlighted the rapid response, workplace-specific mechanism of the new USMCA in cases of labor rights violations. Mark cautioned that while the new USMCA is an improvement over the labor rights approach of past trade agreements, this does not mean that it is the ideal approach.

### **Executive Session**

---

An executive session was held to discuss confidential financial and other matters.

### **Set Next Board Date**

---

Next Board Meeting: September 24, 2021.

Board members discussed logistical plans for future WRC Board Meetings, in the light of the pandemic. The Board created an informal group within the Board, with a representative from each constituency, to develop proposals in consultation with the staff. Kyle, Sarim, and Jill will be part of this group.

### **Responding to the Global Pandemic**

---

#### ***Din-Han – Bent Gehrt***

Bent reported on labor rights violations at Din-Han Enterprise, a collegiate factory in Cambodia producing for Triform Apparel, a licensee of adidas. Bent stated the factory had suspended operations after an estimated 600 workers contracted Covid-19 at the factory. Due to delays and a lack of clarity regarding compensation during this period, some workers and their families reported challenges accessing food. Bent reviewed the WRC's ongoing engagement with adidas to address this issue, with workers ultimately receiving partial wages for the suspension period, and to improve the pandemic health and safety measures at the factory.

***K.P. Textil – Ben Hensler***

Ben recounted the events surrounding the death of a worker at K.P. Textil, a factory in Guatemala. He revealed that in May 2020, approximately 200 workers at the factory contracted Covid-19 due to a lack of adequate pandemic safety measures. After learning of this outbreak and the resulting death of a worker, Ben described the WRC's engagement with licensee, Tailgate, and with another buyer, Gap, to ensure both proper compensation for the worker's family and appropriate safety measures by the factory going forward.

***Severance Report – Liana Foxvog***

Liana gave a brief recap of the WRC's Covid-19 response and discussed the organization's recent work to identify cases of unpaid severance, both in the collegiate sphere and across the global apparel supply chain. She noted this ongoing research has resulted in a recent report on the massive severance theft garment workers are experiencing globally. She reviewed the findings of the WRC's recent report on severance theft during the pandemic (titled "Fired, then Robbed: Fashion brands' complicity in wage theft during Covid-19") and the WRC's work to develop a proposal for a global Severance Guarantee Fund that would protect workers from this theft in the future.

The meeting was adjourned at 4:01 p.m.