

To: WRC Affiliate Universities and Colleges  
From: Tara Mathur and Ben Hensler  
Date: January 17, 2024  
Subject: Update on Remediation at Mex Mode (Atlixco, Mexico)

In 2022, the WRC investigated violations of workers' right to freedom of association at Mex Mode, a garment factory located in Atlixco, Mexico, which is disclosed as a supplier of collegiate apparel to the university licensees, Fanatics and Lakeshirts. Fanatics and Lakeshirts both have informed the WRC that, for reasons unrelated to labor rights compliance, they no longer source apparel from the factory, however, both licensees did engage with the factory management to help secure the remediation achieved in this case.

The WRC's investigation, which was conducted based on a complaint filed by the Liga Sindical Obrera Mexicana ("Liga union"), found that Mex Mode had violated workers' right to freedom of association by: threatening workers for participating in associational activities with the Liga union, which had recently formed a branch at the factory; refusing to recognize the Liga union as a representative of workers at the factory who had joined the union; and failing to comply with requests from workers to discontinue collecting union dues from their pay for an incumbent union at the factory, called Sitemex.

After reaching these findings, the WRC engaged extensively with the factory's buyers, including the university licensees, Fanatics and Lakeshirts, as well as the workwear brand, Carhartt, which sources non-collegiate apparel from the factory, to seek remediation of these violations. The WRC's [October 2022 report](#) made recommendations for remediation and noted that, despite the WRC's engagement with the factory's buyers and the buyers' engagement with the factory management, these violations had been only partially remedied by Mex Mode.

Following the issuance of this report, the WRC has continued to monitor the factory's compliance with Mexican labor law and university and buyer codes of conduct. Interviews with factory workers and representatives of the Liga union have confirmed that, since this report was published, the violations that the WRC's investigation found have been substantially remedied.

This memo summarizes the WRC's October 2022 recommendations for remedial action and the current status of the factory's remediation with regard to each of these recommendations.

#### **A. Issuing a statement concerning respect for freedom of association and nonretaliation**

The WRC recommended that Mex Mode issue a statement to all factory employees affirming their legal right to exercise freedom of association by joining the union of their choosing or refraining from joining any union. Workers and their representatives confirmed that, following the WRC's investigation, Mex Mode shared a statement on freedom of association with the

entire workforce. The statement was posted throughout the factory and the Liga union reported to the WRC that representatives of human resources informed the workforce that the statement should not be removed or disturbed so that all workers had the opportunity to read it.

### **B. Issuing a statement concerning voluntary deduction of union dues**

The WRC recommended that Mex Mode issue a statement informing factory employees that they could choose whether or not to have union dues deducted from their payroll and, should an individual worker choose to make a dues deduction, he or she could select which of the factory's two unions would receive this worker's dues. The Liga union has confirmed that the factory complied with this recommendation by providing a written statement to employees regarding their right to select which union receives their dues deductions or to choose not to contribute dues to any union. Furthermore, the workers reported to the WRC that there have been no further deductions of dues from workers who no longer wish to contribute dues to one of the unions.

### **C. Correcting prior involuntary deduction of union dues from workers for Sitemex union**

The WRC recommended that Mex Mode refund union dues deducted for the Sitemex union from the paychecks of 51 workers who had previously requested that Mex Mode discontinue deduction of these dues. The factory and workers confirmed that employees were reimbursed for these deductions. Furthermore, the workers reported to the WRC that they have been assured by factory management that those workers who have chosen to discontinue dues deductions for the Sitemex union will be kept anonymous and the names of these workers will not be shared with the Sitemex union or with the Mexican political organization to which it is affiliated, Antorcha Campesina.

### **D. Recognition of the newly formed Liga union**

The WRC recommended that Mex Mode recognize the Liga union as a legitimate representative of factory employees who had voluntarily joined that union by holding regular meetings with union leaders, allowing Liga union leaders to represent employee members in addressing workplace issues, permitting the Liga union to hold meetings with its members in the factory during non-working hours, and providing the Liga union the opportunity to represent workers in obtaining benefits established by the factory's collective bargaining agreement.

Representatives of the Liga union confirmed that Mex Mode now allows them to represent their members when requested to do so by the workers. The union leaders do not suffer penalties, such as deductions from their pay, as they previously did, for the time they spend carrying out these representational functions. Workers who wish to be represented by a leader of the Liga union in meetings with the management are no longer interrogated as to the reason that they are requesting such representation.

The Liga union also is allowed to meet with its members during non-working hours, on the factory premises, and other forms of preferential treatment that Mex Mode previously gave to the Sitemex union have been eliminated. The Liga union also reports that it can represent its

members with regard to securing the benefits provided by the collective bargaining agreement at Mex Mode.

### **E. Labor-management meetings and dispute resolution**

The WRC recommended that Mex Mode arrange for an outside, independent labor rights ombudsperson to be present at the factory one day per week for a period of six months to assist in dispute resolution.

Although Mex Mode was unwilling to agree to the participation of an ombudsperson in its internal labor relations, the Liga union confirms that they have been able to maintain productive, regular meetings with factory management and do not report any recent violations of freedom of association in this regard, despite the lack of presence of an outside mediator. The union reports that when disputes arise between workers who are Liga union members and the factory's frontline supervisors, that cannot be resolved directly, the union brings these issues to labor-management meetings, where they have been successfully resolved.

### **Conclusion**

Based on the information provided by the Mex Mode workers and their representatives in the Liga union, the WRC finds that the violations documented in our [October 2022 report](#) have been substantially resolved. The WRC recognizes the important roles played by factory management, union leaders, and buyers to ensure that these issues were effectively resolved in accordance with the requirements of university codes of conduct. The WRC will continue to monitor compliance with freedom of association and other labor rights standards at Mex Mode.