

WORKER RIGHTS CONSORTIUM FACTORY ASSESSMENT

League Central America (El Salvador)

Findings, Recommendations, and Company Response



June 12, 2025



WORKER RIGHTS
CONSORTIUM

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I. Introduction and Executive Summary

This report details the findings and results of an investigation by the Worker Rights Consortium (WRC) of violation of workers' right to protection from sexual harassment on the job at League Central America ("LCA"), a garment factory producing collegiate apparel in the American Industrial Park Free Trade Zone in El Salvador. To their credit, the factory and its owner, the collegiate licensee, L2 Brands, following extensive engagement with the WRC, have committed to take steps that, when fully implemented, will positively resolve this violation. The LCA factory has also been disclosed as a supplier of collegiate apparel by another university licensee, Graphically Speaking.¹

The WRC initiated its investigation at LCA after receiving a complaint from the labor union, Sindicato de Trabajadoras y Trabajadores Sastres, Costureras y Similares (SITRASACOSI), alleging that three factory employees were fired in violation of their rights under Salvadoran law and university codes of conduct in December 2022. As discussed in detail below, the WRC ultimately determined that only in the case of one of these workers did their termination violated university labor standards.

That worker is a woman employee who had, prior to her dismissal, reported to the WRC, L2 Brands, and LCA that she had been sexually harassed by her supervisor. This harassment involved an LCA supervisor inappropriately touching and propositioning her and then, after she repeatedly rejected his advances, retaliating against her through changes in her job assignment that reduced her earning capacity.

After two successive investigations—first by the WRC and then by an investigator retained by L2 Brands—found that the worker's complaint that her supervisor had sexually harassed her was valid, the factory transferred the harassing supervisor to another area of the factory. The worker, fearing that she would face repercussions for reporting the harassment, indicated that she did not want the supervisor to be terminated over her complaint. However, LCA ultimately ended the supervisor's employment, and he no longer works at the factory.

The worker who had been harassed by her supervisor subsequently faced retaliation for having filed this complaint from other employees who were friendly with the supervisor who was her harasser. The WRC found that hostility from these other employees toward this worker, for having reported the sexual harassment by her supervisor, led to interpersonal conflicts between the worker and those other employees. However, in December 2022, LCA terminated this worker on the grounds of her failing to get along with other employees.

As discussed below, the worker's termination failed to uphold the right of employees to a workplace where they feel safe to report sexual harassment without suffering negative consequences in their employment. The background of the worker's case and the findings reached by the WRC, after an exhaustive investigation, and consultation with an outside expert are the subject of this report and are described in greater detail in Section III.

¹ Because the LCA factory is directly owned by the university licensee, L2 Brands, the WRC focused its efforts in securing remediation in this case on engagement with L2 Brands, rather than with Graphically Speaking. Graphically Speaking's disclosure of LCA as a collegiate apparel supplier is therefore noted here for purposes of reference only.

The WRC recommended that, to correct this violation, LCA provide the worker who was sexually harassed by her supervisor and subsequently fired an offer of reinstatement, with payment of back wages. Initially, LCA only agreed to make a partial payment of back wages to this worker, which was paid to her in July 2024, but was not willing to offer the worker reinstatement. However, after further engagement with the WRC, L2 Brands and LCA ultimately agreed, despite this disagreement, to implement the WRC's recommendation of reinstatement and additional back pay for the worker.

These corrective actions, when implemented, will positively resolve the violation – and are a demonstration of commitment to compliance with university labor standards on the part of this licensee. As discussed in this report, these remedial measures not only vindicate the rights of this individual employee, they also send a message to other workers that the factory and its owner are committed to respecting their right to a workplace free from sexual harassment.

In the case of the other two employees whose terminations were the subject of the union's complaint, the WRC ultimately determined that there was insufficient evidence to conclude that their dismissal by the factory violated their rights. The SITRASACOSI union alleged, in the case of one of these workers—a factory employee who the company fired for having acted in a sexually harassing manner toward one of his coworkers—that LCA's termination of this worker represented discrimination against the worker based on his sexual orientation.

The union charged that the company's decision to dismiss this worker was discriminatory, alleging that the factory did not fire other male workers who acted in a similar manner but did not share his sexual orientation. The WRC thoroughly investigated this complaint through worker interviews, extensive communication with the company, and consultation with outside experts, and ultimately determined that there was insufficient basis for finding that LCA had discriminated against this worker, since the conduct he had engaged in would have represented a fireable offense regardless of the sexual orientation of the employee involved, and there was not substantial evidence that comparable conduct by other employees actually had been knowingly tolerated by LCA. Therefore, the WRC did not recommend that LCA take any corrective action with regard to the dismissal of this employee, who did, it should be noted, receive statutory terminal compensation (severance) from the factory.

The WRC also investigated the dismissal of another worker who was fired in what the union alleged to be a violation of this worker's rights, given that the worker suffered from health issues, which, the union argued, protected her from dismissal. Again, the WRC carefully reviewed all evidence, including worker testimony, documents issued by health authorities, documents issued by the factory, and Salvadoran labor law.

In the case of this worker, the WRC again determined that LCA had not acted outside the parameters of the law and had not violated university codes of conduct when it dismissed this second worker in December 2022, because the health issues affecting this worker raised were not ones that, under Salvadoran law, require employers to refrain from terminating employment for other legitimate reasons. Again, the WRC did not make any recommendation for corrective action for the company's termination of this worker, who also received terminal compensation (severance) from the factory.

II. Methodology

The WRC's findings in this report are based on the following sources of evidence:

- Interviews with dismissed workers from LCA, other employees at LCA, and representatives of the Sindicato de Trabajadoras y Trabajadores Sastres, Costureras y Similares (SITRASACOSI);
- A review of documents issued by LCA to the workers who were the subjects of the union's complaint, documents issued by Salvadoran health authorities, and a report prepared for L2 Brands by its third-party investigator;
- A review of written and verbal communications with representatives of L2 Brands and LCA factory management;
- A review and analysis of applicable Salvadoran law and university and buyer codes of conduct; and
- Consultation with an external independent expert in workplace sexual harassment.

III. Findings and Recommendation: Discriminatory Dismissal of a Factory Employee Who Reported Sexual Harassment by Her Supervisor²

A. WRC Investigation Finds League Central America Supervisor Sexually Harassed Woman Worker, and Retaliated against Her for Rejecting His Advances

In January 2023, the WRC received a complaint from the SITRASACOSI union on behalf of a worker who was fired from her position at LCA in December 2022. The worker, who is referred to as “Maria” in this report in order to protect her anonymity, had filed a previous complaint in March 2022, alleging actions by her LCA supervisor that constituted sexual harassment.

At the time she filed her initial complaint, Maria reported to the WRC that her line supervisor at LCA would frequently approach her at her workstation to touch her shoulders. Maria reported that the supervisor would frequently ask her if she had a boyfriend or if she was married.

The worker gave testimony that, on one occasion when she arrived at work upset about a personal issue, the supervisor approached her to find out what was wrong and to offer consolation. Maria reported that her supervisor hugged her and said to her, “I don’t care if other people call this harassment.” The supervisor then allegedly told the worker that he would take care of her and told the worker that, as long as he was her boss, her job would be secure.

However, Maria informed the WRC that she had no romantic interest in her supervisor and did not want him to have personal conversations with her or to engage in any physical contact with her. Maria made it known to the supervisor, on multiple occasions, that she was not interested in any kind of romantic relationship with him.

Maria testified to the WRC that, after she had rejected the supervisor’s advances many times, the supervisor began to treat her differently with regard to her work assignments. Maria told the WRC that the supervisor then stopped making harassing statements to her but began to move her from one area to another and to give her undesirable assignments that did not include work on her sewing machine (i.e. sweeping, folding garments), all of which, according to Maria, negatively impacted her ability to earn production-based bonuses. In response to this abusive treatment, Maria filed a complaint—first with the WRC, in March 2022, and, subsequently, with the factory management—reporting the sexual harassment that she had faced and the retaliation she was still experiencing from this supervisor.

² The fact that the WRC’s investigation, as reported in this document, did not yield findings of violations in any particular areas of the factory’s labor practices should not be construed as an affirmation of the factory’s overall compliance with respect to its practices in those general areas.

B. L2 Brands' Investigation Confirms Factory Supervisor's Harassing Conduct toward Woman Worker, Orders Supervisor Transferred

After providing testimony to the WRC concerning the supervisor's harassing and retaliatory conduct, the worker decided to speak, confidentially, with representatives of L2 Brands, the factory's owner. In response, L2 Brands hired a third-party investigator to assess the worker's allegations of sexual harassment by the supervisor.

On June 9, 2022, L2 Brands' third-party investigator issued a report whose findings were consistent with the testimony that Maria had shared with the WRC concerning her mistreatment by the supervisor. The third-party investigator's report stated that the supervisor denied that he had sexually harassed Maria, but he did admit that he had spoken to Maria about personal issues and that he often used sexual innuendos when speaking to workers under his charge.

Specifically, L2 Brands' third-party investigator concluded the following:

“[The supervisor] certainly had an inappropriate approach and [had] conversations with [Maria], which go beyond a boss-worker employment relationship, so much so that he himself understood that this behavior could result in problems with [Maria's] boyfriend....

Although [the supervisor] does not admit that in the conversations he asked if [Maria] had a boyfriend or that on one occasion he hugged her . . . it is possible that this did occur[,] considering the aforementioned, so that there was behavior from his part that could be considered sexual harassment and therefore his behavior is reprehensible[.] ... [H]e told the investigator that he does not know where the limit is between acceptable behavior within the framework of the employment relationship and a personal one . . .”³

The report issued by L2 Brands' third-party investigator made a series of recommendations, including relocation of the supervisor to another area in order to separate him from Maria.⁴ The worker, Maria, made clear at that time that she was opposed to LCA terminating the harassing supervisor because she was concerned that this would create further repercussions for her at work.

C. LCA Discriminatorily Terminates Worker Who Was Sexually Harassed by Factory Supervisor, Violating University Codes of Conduct

Maria was fired by LCA on December 22, 2022, eight months after she brought a complaint against her supervisor for sexually harassing her. The factory informed Maria at the time of her dismissal that she was being fired as part of staff restructuring.

Following her termination, however, Maria submitted a complaint to the WRC charging that her termination was related to her having reported that her supervisor had sexually harassed her. Upon

³ “Report Requested by L2 Brands” issued by Ena Núñez O'Brien on June 9, 2022.

⁴ L2 Brands subsequently informed the WRC that the supervisor who committed the harassment is no longer employed at LCA.

receiving the worker's complaint, the WRC contacted L2 Brands to inquire as to the reason LCA had terminated this worker.

L2 Brands and LCA responded to the WRC's inquiry by denying that Maria's dismissal was in any way related to her having brought a complaint against her supervisor for sexually harassing her. LCA asserted that Maria was terminated because she had instigated multiple conflicts with her coworkers. In support of this claim, the company provided copies of disciplinary notes that were issued to Maria between May 2022 and November 2022, prior to her dismissal in December 2022.

In a June 2023 email to the WRC, L2 Brands claimed that Maria was selected for dismissal because she "has severe attitude problems and the inability to work well in a team environment, which is an essential skill to meet module efficiency and production goals." The company went on to assert that, Maria was also noted by other workers as saying inappropriate things such as she is untouchable because she has a relationship with the WRC. L2 Brands concluded, by stating that, "Even though [Maria's] dismissal was part of a larger lay-off, her interactions with other workers from April through December [2022] is one of the main reasons why she was flagged for retrenchment."⁵

LCA provided a description of several incidents involving Maria that led the company to include the worker in the end-of-year staff reduction:⁶

- **May 2022.** There was conflict between Maria and another worker assigned to the same production module. Both workers ultimately signed a statement in which they committed to avoid further disagreements going forward. LCA reported that, even after the meeting was held, there continued to be incidents between these two workers.
- **August 2022.** Another worker, who was also in the same production module as Maria, complained that Maria approached her in the factory restroom and said, "I want to ask you one thing." When this worker did not answer, Maria allegedly grabbed her arm. Management claimed that Maria initially admitted to her line supervisor that she had grabbed the other worker's arm, but, in an interview with upper management, denied having done so. LCA issued a written warning to Maria for the incident in the factory restroom.
- **September 2022.** Two other workers who were also in the same production module reportedly told a factory manager that Maria was rude to and made fun of other workers on her module, used vulgar language, and sold items to other workers in the factory restrooms.
- **October 2022.** Maria reportedly sought out the support of the LCA human resources manager regarding a personal situation related to a coworker who was a friend of her husband.
- **November 2022.** One of the workers from Maria's module complained to the management that Maria said to her, "You'd better hurry to work so you don't get reprimanded."

⁵ Email from L2 Brands to the WRC, June 7, 2023.

⁶ Email from L2 Brands to the WRC, February 23, 2023.

LCA claimed that these incidents showed that Maria was a source of interpersonal conflicts with other factory employees and that this justified the company's termination of her employment in December 2022.

When interviewed by the WRC, Maria reported that the conflicts she encountered with other workers in her production module started *after* she filed a complaint of sexual harassment with factory management. Maria stated in her testimony to the WRC that, despite her request that her complaint about the supervisor's sexual harassment be handled by factory management in a confidential manner, this did not occur, and, soon after the LCA managers became aware of her complaint, other workers in her module *also* knew about the fact that she had filed a complaint about their supervisor, whom they liked, and with whom one of them reportedly had a romantic relationship.

Maria informed the WRC that after word of her complaint—and the resulting reassignment of the factory supervisor away from her production area—spread among the other workers on her production module, other workers in her production module began to verbally attack her, stating that she had caused problems for the supervisor. Maria testified that the worker who allegedly had a romantic relationship with the supervisor told Maria, after the supervisor had been transferred, “I am with [the Supervisor]. Everything that you are saying [about his sexually harassing you] is a lie.”

Maria stated that this worker was one of the employees who complained to management about Maria's interactions with other workers in their production module. According to Maria, the other workers who filed complaints against her or reported having conflicts with her between May to November 2022 were friends of the employee who was reportedly the supervisor's girlfriend.

The WRC observed that all, save one, of the incidents that were proffered by LCA as examples of Maria having conflicts with other workers occurred *after* she filed her complaint against her supervisor for sexually harassing her. Moreover, the WRC noted that Maria had worked at LCA for one-and-a-half years *prior* to reporting that her supervisor was sexually harassing her, and LCA did not provide *any* documentation to the WRC to show that Maria had been involved in *any* disputes with other workers or that *any* other workers had complained of her conduct during that entire period.

LCA claimed that one of the incidents that occurred between Maria and another worker, which took place in May 2022, had happened before other workers could have learned that Maria had brought a complaint against her supervisor for sexually harassing her. However, L2 Brands' own external investigator, who conducted the company's inquiry into Maria's complaint against her supervisor for sexually harassing her, concluded, based on testimony from four other workers, that Maria did not actually instigate this conflict and that it was, instead, caused by the other employee who was involved.

Finally, Maria reported to the WRC that, in September 2022, she complained to the factory management that she was being verbally harassed by other workers in her production module who were friends of the supervisor who had sexually harassed her. When the WRC inquired about this complaint with L2 Brands, the company responded that LCA had no record of this complaint.

Based on the totality of this evidence, the WRC concluded that the conflicts with other employees that Maria encountered, after reporting that her supervisor was sexually harassing her—and which, by the company’s own admission, were the reason it terminated her employment—were in fact retaliation against Maria for reporting the supervisor’s sexual harassment.

University licensing standards protect the right of workers to be free of discrimination and sexual harassment.⁷ In the case of LCA’s dismissal of Maria, the WRC found that the factory’s termination of this worker was related, in significant part, to her filing a valid complaint of sexual harassment against her supervisor, as she was dismissed because of conflicts with other employees that arose due to those employees’ hostility toward her for bringing this complaint. Indeed, since LCA produced no record of the employee, Maria, having had such conflicts with other employees during her 18-month tenure at the factory prior to reporting this sexual harassment, the available evidence indicated that Maria’s supervisor’s sexual harassment of her and her legitimate exercise of her right to resist and report this abuse were both “but-for” causes of her dismissal from employment.

If a factory fails to ensure that workers who truthfully report sexual harassment are protected from retaliation for doing so—whether such retaliation comes from its own managers or other employees—and fails to ensure that such retaliation does not result in the termination of the employee who reported the sexual harassment, workers at the factory, in general, also will not feel safe to report such abuse—especially if the perpetrator is someone liked by other employees. This is why allowing such retaliation, even if the management is not directly responsible for it, violates the right of all employees to be free from sexual harassment.

D. Recommendation for Corrective Action to Remedy Violation

To remedy the violations of workers’ rights that occurred as a result of Maria’s termination, the WRC recommended that L2 Brands and LCA management offer her reinstatement with back wages.

⁷ CLC Standard Retail Product License Agreement, Secs. 14(a)(ii)(g) (“Nondiscrimination. No person shall be subject to any discrimination in employment, including hiring, salary, benefits, advancement, discipline, termination or retirement, on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin.”)

IV. Response from L2 Brands and LCA, and Remediation of Violation

While both L2 Brands and LCA maintained the position that Maria's dismissal was *not* discriminatory, the licensee and the factory management ultimately agreed to implement the WRC's recommendation that they to ensure full compliance with university labor standards, by reinstating the worker to her former employment at LCA and paying her back wages.

As noted above, in July 2024, the worker, Maria, had received partial payment for back wages from LCA. Following further engagement by the WRC with L2 Brands and LCA, the factory agreed to reinstate the worker on June 23, 2025, and to make a further payment of back wages. When the worker has received these funds and has returned to the factory, the violation of university codes of conduct in this case will have been positively resolved.