Letter calls Gucci stores ‘sweatshops’


GUANGZHOU - The Italian brand Gucci became the subject of criticism after five former employees at its Shenzhen flagship store publicly released an open letter claiming that the company was a “sweatshop”.

In the letter, which was addressed to Gucci senior executives, the five former workers said they had been maltreated at Gucci's Shenzhen outlets in the previous months. They contended that they had to work overtime without fair compensation and had to obtain permission before they could drink water or go to the washroom.

As a result of the overtime and late night shifts demanded at the outlets, more than one pregnant saleswoman had a miscarriage, said the letter, which was published online in late September. The five employees have since resigned.

The letter also claims that workers at the shops had to stand for more than 12 hours a day and would still not receive overtime pay. The company's outlets usually close at 10 pm but, according to the letter, workers had to stay from 2 am to 3 am to conduct inventory checks.

One of the letter writers, who would only state his surname, He, said that if wares were stolen from a certain store, employees there had to pay the company compensation.

Staff members at Gucci's Shenzhen stores lost more than 70,000 yuan ($11,111) from their salaries when 16 items in their charge were found to have disappeared from 2009 to the end of August.

He said that happened even though Gucci had had its products insured.

“Gucci gets double compensation (from its staff and the insurance company) when its products are stolen or lost,” He was quoted by Xinhua as saying.

In the letter, the five employees asked for the overtime pay they said is owed them and for compensation for health damages.

Gucci China declined to comment on the case, only saying by e-mail on Monday that the company is investigating the accusations.

According to Xinhua, Gucci has issued a notice asking staff members to avoid speaking to reporters about the matter.

Insiders said the accusations will impede Gucci's expansion in the Chinese mainland.

“Chinese people should no longer purchase Gucci products,” said a netizen who used the name “an angry bird”.

Yang Qianwu, a lawyer from the Shenzhen-based Dacheng Law Firm, encouraged the city's labor supervision departments to take steps to protect workers' legal rights and interests.

“Relevant labor departments have the right and obligation to help workers and protect their legal interests,” Yang said.

Wang Hongli, deputy director of the Shenzhen Trade Unions's rights and interest protection department, said many international companies never allowed their employees to form unions in Shenzhen, making it difficult for union officials to collect evidence in labor disputes.

He encouraged Gucci employees to report maltreatment to the Shenzhen Trade Union.

An official from the Shenzhen Luohu district bureau of labor and human resources has promised to investigate the case.