Agreement Reached with Forever 21
December 2004

Forever 21, Inc., the Garment Worker Center, Sweatshop Watch, and the Asian Pacific American Legal Center, on behalf of several Los Angeles garment workers represented by it, have reached an agreement to resolve all litigation between them. In addition, the parties have agreed to take steps to promote greater worker protection in the local garment industry. The parties are pleased to announce the resolution of this matter as a positive and symbolic step forward in demonstrating respect and appreciation for garment workers. Under the parties' agreement, the national boycott of Forever 21 and related protests at the Company's retail stores, initiated by the Garment Worker Center in 2001, have ended. The parties share a belief that garment workers should labor in lawful conditions and should be treated fairly and with dignity. Forever 21, the Garment Worker Center and Sweatshop Watch all remain committed to ensuring that the clothing Forever 21 sells in its stores is made under lawful conditions.
Los Angeles Garment Workers Announce Settlement with Major Manufacturer

Workers and Advocates Denounce Defamation Suit by Forever 21

On March 12, 2002, 19 garment workers announced a settlement reached with O&K, Inc. dba One Clothing, a major Los Angeles manufacturer, in their lawsuit alleging that they worked in sweatshop conditions and that the manufacturers and retailer for whom they sewed engaged in a pattern and practice of selecting, using, demanding and perpetuating sweatshops conditions.

The 19 workers sewed in six different factories in and around downtown Los Angeles. With representation from the Asian Pacific American Legal Center (APALC), the workers filed a lawsuit in September 2001 against their immediate contractors, the manufacturers for whom they sewed and Fashion 21, Inc. - more popularly known by its retail name Forever 21 - the label for whom all six factories were producing brand name garments in sweatshop conditions.

After months of negotiations, one of the manufacturers, One Clothing, agreed to a settlement of $175,400. The settlement includes an unprecedented consent decree which provides, among other things, that One Clothing and any of its successors will: 1) establish a multilingual toll-free number where workers can call the manufacturer directly to report sweatshop conditions; 2) require that all of its factories post the toll-free number; 3) conduct annual trainings for all of the workers in the factories they use on workers' rights under federal and state laws; 4) conduct annual trainings for the garment factories with whom they contract on workers' rights under federal and state law; 5) ensure that garment factories with whom they contract provide clean bathrooms, potable water, and appropriate sanitation facilities.

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WHAT YOU CAN DO:

Help the workers pressure Forever 21 to follow One Clothing’s example. Tell Forever 21 to face their responsibilities to the workers who sew their clothes.

Call Forever 21 at (213)-747-2121 to demand that they pay the workers who sew their clothes what they are owed. Ask for President Do Won Chang or his consultant Chris Lee. You can also email them a message from their web site at www.forever21.com.

If you live in Los Angeles, join protests at Forever 21 stores. Check out our website for upcoming actions at www.sweatshopwatch.org/gwc or call the Garment Worker Center at 888-449-6115.

Organize events in your own community. Download information at www.sweatshopwatch.org/gwc or call 888-449-6115.

Join over 50 others in endorsing the boycott. You can endorse online at www.sweatshopwatch.org/gwc.

Organize a Forever 21 label collection and mail it to Forever 21!

Welcome to our New Staff!

Sweatshop Watch is very pleased to announce the hiring of Victor Narro as our new Co-Director based in Los Angeles. Victor will be joining our current full-time staff—Nikki Fortunato Bas, our Co-Director based in Oakland and Marissa Nuncio, our Program Coordinator based in Los Angeles. For the last five years Victor has been the Workers’ Rights Project Director for the Coalition for Humane Immigrant Rights of Los Angeles, as well as a board member of Sweatshop Watch. Victor brings extensive experience and knowledge in workers’ rights, immigrant rights, policy, organizing, and legal issues. He will begin his work with Sweatshop Watch in June 2002. Also joining our staff are Peter Tadao Gee, our Public Education Coordinator who is also a first-year student at the University of California at Berkeley; and Jasmine Gonzalez, our Administrative Assistant who is also a senior at Mills College in Oakland.

Editor: Nikki Fortunato Bas.
Contributors: Marissa Nuncio, Matt Gosney, Claudia G. Martinez/Asociación de Trabajadores Fronterizos.
Design: Peter Tadao Gee.

Mission Statement:
Sweatshop Watch is a coalition of labor, community, civil rights, immigrant rights, women’s, religious & student organizations, and individuals committed to eliminating sweatshop conditions in the global garment industry. We believe that workers should be earning a living wage in a safe and decent working environment, and that those who benefit the most from the exploitation of sweatshop workers must be held accountable.

Sweatshop Watch’s newsletter is published quarterly. Membership dues, which include a subscription, are $20.
Oakland office: 310 Eighth Street, Suite 303, Oakland, CA 94607
Tel: 510.834.8990 Fax: 510.834.8974
Los Angeles office: 1250 So. Los Angeles Street, Suite 206, Los Angeles, CA 90015
Tel: 213.748.5945 Fax: 213.748.5875
Email: sweatwatch@sweatshopwatch.org Web site: www.sweatshopwatch.org
Commentaries, articles, and letters are welcome and should be accompanied with your name, address, and telephone or email.
Forever 21—continued

water, a clean space for workers to eat and take breaks, adequate ventilation and adequate lighting.

A consent decree such as this is a huge victory for the 19 workers and for garment workers throughout Los Angeles because One Clothing has agreed to take proactive measures to improve working conditions in the factories they use. They have set an example that garment manufacturers should and can accept responsibility for the working conditions of garment workers.

Another manufacturer named in the lawsuit, Sany Fashion dba Vanilla Ville, also settled with the workers and entered into a consent decree earlier this year.

Forever 21 Attempts to Silence Workers and Advocates

On March 4, 2002, the garment workers were confronted with a major challenge. Federal district court judge Manuel Real granted a motion by Forever 21 to dismiss the workers' lawsuit against them. "The decision to dismiss the case, before any opportunity for discovery as to whether Forever 21 knew about the sweatshop conditions in which their clothes are made, is an unfortunate one that has no legal support," said APALC attorney Julia Figueira-McDonough. "We will appeal the decision to dismiss."

Then, on March 6, in a shameless attempt to squelch free speech and prevent the workers' stories from coming to light, Forever 21 filed a defamation lawsuit against each of the workers, the Garment Worker Center, Sweatshop Watch, the Coalition for Human Immigrant Rights of Los Angeles (CHIRLA) and certain staffmembers. The lawsuit alleges libel and interference with business advantage, claiming that the workers' and advocates' exercise of their First Amendment rights had cost Forever 21 business.

Nonetheless, the workers have remained united and are determined to appeal Judge Real's decision and fight the defamation lawsuit. Araceli Castro, one of the workers in the campaign, said at a recent press conference "Forever 21 shouldn't sing victory yet... They may think the fight is over but actually it's just begun... This [lawsuit] only gives us more anger to fight with."

"Forever 21 has the power to improve working conditions in Los Angeles factories and ensure their clothes aren't made in sweatshop conditions, but the company has chosen not to do anything about it," states Joann Lo, an organizer with the Garment Worker Center. "Instead, they are paying enormous attorney's fees to silence their critics."

"We will fight Forever 21 to the end because it is not just our free speech rights that are in jeopardy," said Nikki Fortunato Bas, director of Sweatshop Watch. "The rights of anyone who has spoken out, organized a protest, or handed out a leaflet to defend workers' rights and social justice are at stake."

With over 100 stores around the country and earnings of $400 million last year, Forever 21 stands at the top of the hierarchy of power in the garment industry and has the greatest ability to ensure the workers' wages and to improve conditions in the factories they do business with. Together with the Garment Worker Center, the workers who sewed the Forever 21 label launched a campaign against Forever 21 in September 2001. They have organized weekly protests at various stores and have spoken to students at high schools and universities to tell their stories and build support for their campaign. In November 2001, the workers called a boycott against the company urging the public not to shop at the popular retailer of young women's clothing until it settles the lawsuit and ensures that its clothing is not made under sweatshop conditions. Every week more and more people join the protests and student and community support is growing tremendously. Now, more than ever, the workers need your support. Please join the boycott against Forever 21!

Got passion?
GET INVOLVED in the Boycott of F21!
Check out how you can help on pg.2
Bebe Caught Using Sweatshop Labor in Los Angeles

Last summer, the high-end California private-label retailer, Bebe, was caught using sweatshop labor in the production of their garments. Seven Chinese garment workers filed a lawsuit against the pricey clothing company in December 2001, filing for unpaid minimum wage and overtime, as well as retaliatory firing and blacklisting. All seven workers sewed at Apex Clothing Corporation, a factory in El Monte, California that sews exclusively for Bebe.

Bebe is a large and growing chain, with 160 stores in 30 U.S. states and Canada, and some recently licensed stores in overseas countries. They had predicted earnings in 2001 of $290 million dollars. As explained on their website, Bebe takes pride in their cutting-edge image and their mission “to satisfy the fashion needs of the modern, sexy and sophisticated woman.” Yet, the reality behind their “sexy” image was harsh exploitation of the immigrant women who sewed their clothes.

The seven workers who sewed from late 2000 through 2001, typically worked 10-12 hours a day, six days a week. The piece rates they were paid were often changed arbitrarily and their timecards and piece rate records were doctored to show fewer hours and less work than they actually did. The workers endured frequent verbal harassment and humiliation by factory management, that included insults such as “crazy,” “stupid,” and “pig.” The seven women stood up against these abuses in August of 2001, and requested copies of their piece rate records in order to prove the amount of actual work they had completed. They were all fired for exercising this right and subsequently, each of their photos was placed on a wall to humiliate and intimidate them. The factory owner threatened that they would never find work in the garment industry again. Since August, the women still have not found full-time work.

The Asian Pacific American Legal Center (APALC) represents the workers in their case, which seeks to hold not only Apex and its owners responsible for the exploitation the workers endured, but also names Bebe and its eight individual officers and shareholders.

Immediately after the case was filed, Bebe filed a motion to strike the word “sweatshop” from the lawsuit and to remove Bebe’s officers and shareholders from the case. They claimed that the word sweatshop was “scandalous” and “prejudicial.” Julie Su, director of the Worker’s Rights Unit at APALC said of the motion to strike “sweatshop” from the lawsuits, “Sweathops persist in large part because those who create, control, perpetuate, encourage, support and profit from them invest tremendous energy in trying to deny and disguise their existence. This was just another example of how retailers like Bebe will stop at nothing to obscure the reality of worker abuse in the industry.” A federal judge denied both of Bebe’s motions in February 2002.

The workers state, “We sewed only Bebe clothes and Bebe was in the factory every single day. There’s no question in our minds that Bebe was responsible for the conditions under which we worked.”

In fact, Apparel Resources Inc, a private monitor hired by Bebe, monitored Apex Clothing Corporation for labor law violations. Bebe also sent quality control representatives everyday to the factory to inspect their clothing. In response to an email sent to Bebe inquiring about the lawsuit, Bebe highlighted their use of monitors and replied that they are “committed to being a responsible corporate citizen” and “use ... monitoring agencies to ensure that the manufacturers are in compliance” with labor laws. Nevertheless, despite their daily interaction in the factory and monitoring efforts, Bebe failed to address the deplorable conditions the workers were experiencing.

Determined to take a stand against the abuses they endured, the workers have picketed outside Bebe’s Beverly Hills boutique and call on the support of others for their fight against Bebe.

bebe workers need YOUR help! more details on page 6 or visit: www.sweatshopwatch.org
Chinese Workers Organizing Center Opens in San Francisco

Earlier this year, the Chinese Progressive Association—one of San Francisco Chinatown's oldest community organizations—opened the Chinese Workers Organizing Center. The Center aims to build power among the community's low-income monolingual immigrant workers to influence local, state, national and international policies.

The Center has already claimed its first victory by reaching a resolution between Lee Mah Electronics, Inc. and its former workers. In September 2001, Lee Mah abruptly laid off over 200 Chinese immigrant workers when it closed one of its San Francisco plants. Federal law requires the owner to give at least 60 days notice or pay 60 days of severance, however the workers received neither. After contacting the Chinese Progressive Association (CPA) and other community groups for help, the workers launched a campaign to win a just settlement. They organized actions at city hall and at the Lee Mah headquarters, drawing strong media and community attention to their cause. After months of negotiations with the company, the workers recently reached a mutually satisfactory resolution to issues raised by the plant closure. Today, two former Lee Mah workers are now peer organizers at the Chinese Workers Organizing Center. Wesley Huang and Chen Fei Yi are now leading the Center's current campaign to win justice for the Wins garment workers.

Wins Garment Workers Continue Fight for Unpaid Wages

Last summer, Sweatshop Watch helped to expose one of the worst cases of sweatshop abuse in San Francisco's garment industry. Over 200 garment workers—mostly monolingual Chinese immigrant women—labored for months without pay and are owed over $850,000 in unpaid wages. The workers sewed for three separate, but related, factories—Wins of California, Win Fashion and Win Industries of America. These San Francisco factories are owned and were operated by Anna Wong and her husband Toha ‘Jimmy’ Quan. [See December 2001 newsletter for more background.]

Since last summer, Sweatshop Watch, the Chinese Progressive Association, the Women's Employment Rights Clinic of the Golden Gate University School of Law, the Asian Law Caucus and others have advocated for the workers. We have coordinated workshops to assist the workers in recovering their wages, organized protests at the factories and at the California Labor Commissioner's office, and advocated that the state and federal labor agencies expedite their handling of the workers’ cases.

With the opening of the Chinese Workers Organizing Center, the Wins garment workers now have a home for their organizing campaign. In February 2002, the workers delivered letters to California Labor Commissioner Arthur Lujan and to U.S. Department of Labor Regional Director George Friday demanding meetings to discuss their cases. In March 2002, the workers met with both state and federal labor agencies.

On March 1, the California Labor Commissioner finally took action on the Wins workers’ case. That afternoon, the workers met with staff of the Labor Commissioner's office and learned that the Labor Commissioner filed a lawsuit against Anna Wong and others involved in operating the factories. The lawsuit seeks over $2.1 million in unpaid wages and penalties, and also seeks to freeze the assets of the defendants. While this long-overdue action is a step in the right direction, the Labor Commissioner should also pursue the manufacturers and retailers whose goods were sewn by the Wins workers. Those labels include J.C. Penney, Sears, and Kmart among others.

The U.S. Department of Labor's (DOL) investigation of the Wins workers' case is at a very frustrating junction for the workers. At a meeting with DOL Regional Director George Friday on March 13, the Wins workers learned that the DOL has collected over $400,000 in a "lock box" from the manufacturers who contracted with the Wins of California factory. However, because the factory has filed for bankruptcy, the bankruptcy court must approve the distribution of the funds. In addition, other entities are trying to claim the "lock box" money according to DOL. The Internal Revenue Service...
WINS—continued

vice is claiming the money because the factory owes taxes, and GE Capital, who financed Wins’ operations, is also claiming that the money.

At their meeting with the DOL, the Wins workers expressed frustration at having to survive so long without their wages. Many have not yet found full-time jobs and are struggling to pay their basic living expenses. They are outraged that over $400,000 has been collected and that the DOL cannot tell them when they will receive the money. The workers’ demanded the DOL do its job and protect the interests of workers. Regional Director George Friday and Secretary of Labor Elaine Chao should negotiate with the IRS and GE Capital to ensure the money DOL has collected goes to the workers for their months of unpaid work. If either the IRS or GE Capital are allowed to claim money that was intended to pay workers’ back wages, the DOL will be setting a dangerous precedent. Other creditors will be lining up to claim their debts before the workers whose labor was stolen. Please help support the workers by urging the governmental labor agencies to do their job and by holding accountable the corporations who profited from the workers’ labor.

WHAT YOU CAN DO: Help the Wins Workers!

✦ Urge Secretary of Labor Elaine Chao to ensure the Wins garment workers receive the money the Department of Labor has collected from garment manufacturers as soon as possible. Secretary Chao should make sure the IRS and GE Capital do not receive that money. Elaine L. Chao, Secretary of Labor, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210, fax: 202-693-6111.

✦ Demand that GE Capital withdraw its claim on the money collected by the Department of Labor. The “lock box” money should be paid to the Wins workers for their back wages. Dennis D. Dammerman, Chairman, GE Capital Services, 601 S. Figueroa Street, Suite 3690, Los Angeles CA 90017, fax: 213-615-1606.

✦ Urge the California Labor Commissioner to hold accountable the manufacturers and retailers whose goods were sewn by the Wins workers, including J.C. Penney, Sears and Kmart. They should guarantee the workers are paid for their labor. Labor Commissioner Arthur Lujan, 455 Golden Gate Ave., 9th Fl., San Francisco CA 94142, fax: 415-803-4806.

✦ Contact Sweatshop Watch to learn about other actions to support the Wins workers www.sweatshopwatch.org, 510-834-8990.

✦ To contact the Chinese Workers Organizing Center, call 415-931-6986.

WHAT YOU CAN DO: bebe workers must be paid!

✦ Call bebe and tell them to settle the lawsuit against them and pay the workers who sewed their clothes. You can reach Bebe at 877-bebe-777 (877-232-3777) or askus@bebe.com.

✦ Leaflet Bebe stores in your town & educate the public about the sweatshop conditions of workers who sewed Bebe clothes. Download information at www.sweatshopwatch.org or call Sweatshop Watch at 510-834-8990.

Express yourself!!

The word “sweatshop” immediately brings up graphic images—a woman worker chained to a sewing machine, a fire trapping factory workers inside a locked building, the disappointed face of a garment worker who realizes that she herself cannot afford the very clothes she sews. For each person, the images and feelings are different. For this reason, Sweatshop Watch is creating a new section in our newsletter dedicated to expressing your views on sweatshops. Please send us your poems, stories, illustrations and other creative works which you would like us to consider publishing. Mail works to: Sweatshop Watch, 310 Eighth Street, Suite 303, Oakland CA 94607. Please, let us know if you would like your work returned.
Gap Inc. stalls Saipan sweatshop settlement

Gap Inc. is blocking an $8.75 million settlement between 19 retailers and Saipan garment workers & labor rights advocates. In January 1999, former and current garment workers, Sweatshop Watch, Global Exchange, Asian Law Caucus and UNITE filed three separate lawsuits against retailers and Saipan garment factories to challenge sweatshop abuses on Saipan, a U.S. island in the Pacific. Since then, 19 retailers have agreed to settle the lawsuits, which would include making payments to Saipan garment workers and setting up an independent monitoring system to prevent future workplace abuses in Saipan garment factories.

According to an article which appeared in the San Francisco Chronicle on March 2, 2002, “Tensions are growing among holdouts and defendants who would like to avoid further litigation costs. David Schwarz, a Los Angeles attorney representing retailer J. Crew, which seeks to settle, told the court in February that he supports Gap’s internal efforts to improve factory conditions. But he said he did not understand ‘their decision to stand in the way of a consensual agreement’ as provided in the settlement.”

For more information, visit www.sweatshopwatch.org/marianas.

The companies who have settled the lawsuits so far are:

Those who have not settled are:

Asociación de Trabajadores Fronterizos launches boycott against the VF Corporation

Since the passage of NAFTA, the El Paso/Juarez, Mexico border has lost more than 26,000 jobs in manufacturing plants. Recently the VF Corporation that manufactures brands such as Lee, Wrangler, Gitano, Vanity Fair, etc. decided to lay off approximately 1,800 workers from their factories in El Paso. These factories are the last of the garment industry—leaving a capable and experienced workforce jobless, with no time for transition and little hope of finding similar jobs.

We have reason to believe they intend to close these factories completely. The VF Corporate Plan will eventually leave 5,000 families of Mexican origin without economic support, and at the same time take advantage of low wages in Mexico. Faced with no other opportunities, this workforce will likely be forced into sweatshop conditions.

The workers have formed committees in the different VF factories to demand corporate accountability. They urgently ask for your help.

Please sign their petition: http://gopetition.com/info.php?petid=752. For more information you can also visit our recently launched website: www.affelpaso.org.

—Claudia G. Martinez, Asociación de Trabajadores Fronterizos

Resources

- We Spend Our Days Working in Pain: A Report on Workplace Injuries in the Garment Industry is a new report by the Asian Immigrant Women Advocates, 510-268-0192, aiwa@igc.org.

- We Are Not Machines is a new report which finds that Indonesian Nike and Adidas workers are paid so little they are forced to separate from their children. Available at www.caa.org.au/campaigns/nike/reports/machines/presskit/index.html.

- La Lucha Sigue: Stories from the People of the Kukdong Factory is a recent report by the Mexican Centro de Apoyo al Trabajador and the U.S. Collegiate Apparel Research Initiative available at www.usasnet.org.

Working Assets will donate over $4 million to 50 nonprofits, including Sweatshop Watch. If you are a Working Assets long distance or credit card customer, you can support our work by voting for us on your Working Assets Donation Ballot by December 31, 2002. The grant allocation is determined solely by the number of votes each organization receives.

To learn more about Working Assets, visit www.workingforchange.com or call 800-788-8858.

To receive additional copies of this newsletter, or back issues, please contact Sweatshop Watch at 510-834-8990 or visit our web site at:

www.sweatshopwatch.org

Join Sweatshop Watch!

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☐ Yes! I want to join Sweatshop Watch. Enclosed is my $20 membership.

Name: __________________________________________________________
Address: ________________________________________________________
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