SPECTRUM - SHAHRIYAR UPDATE # 7, August 3, 2005

Action request: Write companies sourcing at collapsed factory

Dear Friends,
As reported in a recent update on the Spectrum-Shahriyar case in which a garment factory in Bangladesh collapsed on April 11th, more pressure is needed to ensure that the workers directly effected by this tragedy get the compensation they are entitled to, but also to see that this does not happen again. Please find below a sample letters that you can adapt and send to the companies who were sourcing at Spectrum-Shahriyar, to inform them of your concern and to urge them to take concrete steps to follow up on this case. Please send copies of your letters and responses to the Clean Clothes Campaign.

Please note that the demands may differ from company to company. This reflects the steps taken by each company to meet the demands of the workers and the unions in Bangladesh. In the Spectrum-Shahriyar case, some companies have clearly been more active than others in their commitment to help the workers.

Please read the update on this appeal >>

Take action now!

- Sample letter to the BSCI
- Sample letter to Carrefour
- Sample letter to Karstadt quelle
- Sample letter to Steilmann
- Sample letter to Cotton group
- Sample letter to Scapino

The French and Belgian CCCs are continuing a letter and postcard campaign throughout the summer. Please visit their websites if you would like to send a letter or postcard to French and Belgian companies that were sourcing at Spectrum-Shahriyar Bangladesh.

- www.vetementspropres.be
- www.schonekleren.be
- www.ethique-sur-etiquette.org

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1. SAMPLE LETTER TO THE BSCI

BSCI
168, Av. De Cortenbergh
B-1000 Brussels
Belgium
Dear Mr. Eggert and Mr. Berzau,

I was very pleased to learn that the BSCI has taken two missions to Bangladesh, to follow up on the April 11th collapse of the Spectrum/Shahriyar factory. Despite the fact that this didn’t happen until nearly two months after the factory collapse, and the death and injury of so many people, I do find it encouraging that the BSCI has taken some action to better understand the role its members who sourced at this factory can play in following up on their responsibility to these workers. I think in light of what was learned during these visits, you will agree that there is quite a lot that still needs to be done to help the Spectrum/Shahriyar workers and to prevent this from ever happening again.

I encourage the BSCI to continue to follow up on this matter, and specifically to see that:

- All BSCI member companies sourcing at Spectrum/Shahriyar immediately contribute to the compensation trust fund and work with local organizations to determine the appropriate level of compensation.

- Follow up on the issue of outstanding wages and unemployment benefits owed to the Spectrum-Shahriyar workers, who are now out of work. I understand that in meetings with the factory owner participants in the last BSCI mission to Bangladesh stressed the need to make these payments. At the same time, I also hold brands co-responsible for payment of outstanding wages and unemployment benefits. Therefore, please ask your members sourcing at Spectrum-Shahriyar to contact the owners to convey the same message. Follow-up to ensure that all unemployed factory workers from Spectrum-Shahriyar get new employment.

- Follow up on the demand for a structural review of multi-story buildings, including building permits and lay-out of machinery, and the establishment of a comprehensive safety programme in the garment sector in Bangladesh to ensure that a tragedy like this never takes place again. I understand that in meetings with the BGMEA and government representatives participants in the mission conveyed this message and that a "national agency" and several task forces will be set up to follow up on this issue. Could you clarify who will participate in this initiative, its aims, plans, and proposed way of functioning? Every company sourcing in Bangladesh must take action to see that the workplaces where their goods are produced are safe and healthy, therefore I expect the BSCI to not just rely on the BGMEA or the government to see that this happens, but to also take steps to see that occupational health and safety regulations and their implementation at their suppliers are sufficient.

- Initiate an immediate review and revamping of BSCI and member company policy and procedures for code implementation and compliance, including procedures for following up on labor rights violations. It is unacceptable that it has taken months for follow up on this case and that earlier reports of rights violations, including safety issues, at Spectrum-Shahriyar were not addressed. This should also include a review of purchasing practices, as they also have an impact on code compliance.

I hope that the BSCI will continue to work with the appropriate local stakeholders to see that the Spectrum workers and the families of those who needlessly perished in the factory collapse receive what is owed to them, and, importantly, to ensure that such a tragedy never happens again. Please let me know immediately what steps you have taken as well as a schedule for concrete future action to follow up on each of the items outlined above.

Sincerely,

[insert name]
2. SAMPLE LETTER TO CARREFOUR

M. Luc VANDEVELDE
Président du Conseil de Surveillance
CC: M. José Luis DURAN
Directeur Général
Roland VAXELAIRE
Directeur Qualité et Développement Durable

CARREFOUR
6 avenue Raymond Poincaré
BP 2123
75771 Paris Cedex 16
France

Luc_vandevelde@carrefour.com
Jose_duran@carrefour.com
roland_vaxelaire@carrefour.com

Dear Mr. Vandevelde,

Carrefour was sourcing production at the Spectrum-Shahriyar factory in Savar, Bangladesh, which collapsed on April 11, 2005, killing 64 garment workers, leaving many more severely injured and thousands out of work.

Since the tragedy, the families of victims, survivors and local trade unions in Bangladesh have been mobilizing for their labor rights and for appropriate compensation.

I have been informed by the Clean Clothes Campaign that your company has provided to the NGO Friendship an aid amounting to 15,500 euros intended for the Spectrum-Shahriyar workers and their families and decided to include a review of construction permits as part of social audits conducted among its suppliers. While this aid is certainly appreciated and these steps useful, I believe that they remain very insufficient given the scope of the disaster and Carrefour’s position as a large corporation sourcing in Bangladesh.

I believe that your company should assume its full social responsibility and urgently take concrete initiatives concerning:

- Your participation in contributing to the assistance and compensation trust funds for victims and their families. This trust fund is currently being set up in Bangladesh and contributions will be based upon a comprehensive and transparent account of all persons concerned;
  - The payment by your supplier of all outstanding wages, severance payments and unemployment benefits owed to the workers now out of work and ensure follow-up so that all unemployed factory workers from Spectrum-Shahriyar get new employment;
  - Your participation in a concrete programme designed to provide workers in Bangladesh with a safe working environment and, in particular, the establishment of preventative safety measures in the garment sector.

I believe that this tragedy has shown that your evaluation system is insufficient. It also underlines the necessity for your company to review its current purchasing practices. It calls for an increased transparency in these matters, with your initiatives developed in close cooperation with local unions and representatives of workers as well as labor rights organizations.

Best Regards

[Your name],

Please read the update on this appeal >>

3. SAMPLE LETTER TO KARSTADT QUELLE

Karstadt Quelle
Attn.: Maren Boehm
KarstadtQuelle AG
Corporate Headquarters
As you know on April 11, 2005 dozens of garment workers at the Spectrum/Shahriyar factory in Savar, Bangladesh, from where your company has sourced production, were killed and many more were injured when the building collapsed on top of them. Not only was there enormous loss of life and injury as a result of this, but also many workers have been left jobless.

Since KQ participated in both BSCI (Business Social Compliance Initiative) missions to Bangladesh in June, you are aware that Spectrum-Shahriyar workers are still owed compensation and wages they are legally entitled to. Despite KQ’s initial indifference in light of what they learned during these visits to Bangladesh, I was pleased to learn that after the second mission to Bangladesh KarstadtQuelle has agreed to contribute to a compensation fund for Spectrum-Shahriyar workers. KarstadtQuelle’s contribution should be based on the workers’ expected lifetime earnings and the number of dependents. Consideration should go into the needs of the families of the dead and severely injured workers.

There are still a number of outstanding issues that you must resolve by taking immediate action, specifically:

- Follow up on the issue of outstanding wages and unemployment benefits owed to the Spectrum-Shahriyar workers, who are now out of work. I understand that in meetings with the factory owner participants in the last BSCI mission to Bangladesh stressed the need to make these payments. At the same time, I also hold brands co-responsible for payment of outstanding wages and unemployment benefits.

- Follow-up to ensure that all unemployed factory workers from Spectrum-Shahriyar get new employment.

- Follow up on the demand for a structural review of multi-story buildings, including building permits and lay-out of machinery, and the establishment of a comprehensive safety programme in the garment sector in Bangladesh to ensure that a tragedy like this never takes place again. I understand that in meetings with the BGMEA and government representatives participants in the mission conveyed this message and that a “national agency” and several task forces will be set up to follow up on this issue. Could you clarify who will participate in this initiative, its aims, plans and proposed way of functioning? Meanwhile, I believe that every company sourcing in Bangladesh must take action to see that the workplaces where their goods are produced are safe and healthy, therefore I expect Karstadt/Quelle to not just rely on the BGMEA or the government to see that this happens, but to also take steps to see that occupational health and safety regulations and their implementation at their suppliers are sufficient.

- Initiate an immediate review and revamping of your policy and procedures for code implementation and compliance, including procedures for following up on labor rights violations. It is unacceptable that it has taken months for follow up on this case and that earlier reports of rights violations, including safety issues, at Spectrum-Shahriyar were not addressed. This should also include a review of purchasing practices, as they also have an impact on code compliance.

I think that the above list presents your company with many concrete steps that can be taken to alleviate the suffering of the Spectrum/Shahriyar workers. I strongly urge you to take action today!

Please let me know what progress you make in relation to each of the important issues for follow-up outlined in this letter and keep me informed about the outcomes of your second mission to Bangladesh.

Sincerely,

[insert your name here]

Please read the update on this appeal >>

4. SAMPLE LETTER TO STEILMANN
Dear Mrs. Steilmann,

As you know on April 11, 2005 dozens of garment workers at the Spectrum/Shahriyar factory in Savar, Bangladesh, from where your company has sourced production, were killed and many more were injured when the building collapsed on top of them. Not only was there enormous loss of life and injury as a result of this, but also many workers have been left jobless. I have been informed by the Clean Clothes Campaign (CCC) that your company has yet to take sufficient concrete action to help these workers. I find this unacceptable.

The CCC has informed you that workers are still owed compensation and wages they are legally entitled to. Since the collapse survivors and families of the dead have had to take their children out of school and have been evicted from their homes because they are unable to pay their rent. (This situation was confirmed during an early June visit to the site and meetings with workers undertaken by representatives of some of the brands sourcing at the factory and the Business Social Compliance Initiative, BSCI). It is extremely urgent to take immediate and concrete action.

In June, two missions including representatives from Inditex (Zara), Cotton Group, Karstadt Quelle and the Business Social Compliance Initiative (BSCI), visited Bangladesh to follow up on the Spectrum case. The missions met several times with the unions participating in the BNC (an umbrella organisation of ITGLWF member unions) as well as with the NGWF union and with relevant NGOs. The mission visited the site of the Spectrum factory in Savar to talk with workers who survived the April 11 collapse and their families. Meetings were also held with the BGMEA, and the delegation attended two roundtable meetings, one organized by the trade unions and one by German Ministry of Development Assistance, GTZ.

Even though Steilmann was sourcing at the Spectrum-Shahriyar factory, and was informed about the mission initiative through the Clean Clothes Campaign, you did not accompany the missions to Bangladesh, and as far as I know have taken no other action to follow-up on your responsibility to the workers who produced your garments. I believe that all companies that have sourced production at Spectrum-Shahriyar in the past four years have a duty to take steps to see that the needs of these workers are met and Steilmann is no exception. I believe that it should be obvious to you that workers and their families would be in a desperate situation. Steilmann must acknowledge that it has a responsibility to take immediate action on this matter, specifically:

- Contact the Bangladesh Garment Manufacturers and Exporters Association (BGMEA) to see that they make good on their promise to set up a compensation trust fund out of which compensation based on expected loss of income over future working life will be paid to the families of the dead workers and to the survivors. The BGMEA should also agree to an oversight committee that will include the relevant trade unions. I believe that the brands sourcing at the factory should do more than just call upon the BGMEA to pay into this fund; I think they should all pay into the compensation fund. Inditex, Karstadt/Quelle and Cotton Group have agreed to pay into this fund, and I hope that Steilmann will follow their example. Steilmann's contribution should be based on the workers' expected lifetime earnings and the number of dependents. Consideration should go into the needs of the families of the dead and severely injured workers.

- Call upon the Spectrum/Shahriyar group to immediately pay any outstanding wages and unemployment benefits it owes to the workers who are now out of work. At the same time, I hold the brands collectively responsible for payment of outstanding wages and unemployment benefits. For your reference, according to the law, notice of termination of employment should be given four months in advance and the workers should be paid four months salary plus one month for each year worked.

- Follow-up to ensure that all unemployed factory workers from Spectrum-Shahriyar get new employment.

- Contact the BGMEA and the Bangladesh government to push for a structural review of multi-story buildings, including building permits and lay-out of machinery, and more broadly for the establishment of a comprehensive safety programme in the garment sector in Bangladesh to ensure that a tragedy like this never takes place again. Every company, including Steilmann, should be treated as responsible for this aspect of its business.

Sincerely,

[insert your name here]

P.S. I have informed the Clean Clothes Coalition Network of these concerns and asked them to write to Steilmann's management for action on these points. I hope that you will also call upon Steilmann to take appropriate action on the above.

Klaus Steilmann GmbH & Co. KG
z.Hd. Frau Steilmann
Feldstraße 4
44867 Bochum
Germany
Tel. +49-(0)2327-940-0
E-mail: ute_steilmann@steilmann.com
Call upon the Spectrum/Shahriyar group and the BGMEA to immediately follow up on the issue of outstanding wages and unemployment benefits. Follow up on the demand for a structural review of multi.

Please let me know what progress you make in relation to each of the important issues for follow-up outlined in this letter.

Sincerely,

[insert your name here]

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**5. COTTON GROUP**

In French

In Dutch
http://www.schoneklieren.be/trekhetjeaan/ Bangladeshinstorting.htm

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**6. SAMPLE LETTER TO SCAPINO**

Frans Deumens
Purchasing Manager
Scapino
P.O. Box 250
9400 AC Assen
The Netherlands
Tel: +31 592 240042
Fax: +31 592 344904
Frans.Deumens@scapino.nl

Dear Mr. Deumens,

As you know on April 11, 2005 dozens of garment workers at the Spectrum/Shahriyar factory in Savar, Bangladesh, from where your company has sourced production, were killed and many more were injured when the building collapsed on top of them. Not only was there enormous loss of life and injury as a result of this, but also many workers have been left jobless.

I have been informed by the Clean Clothes Campaign (CCC) that approximately two months after the collapse your company and Scapino employees will donate 5,000 euros to assist survivors with medical costs, with any remaining funds going to the compensation trust fund. I am pleased to learn of this action. Please note however that it may be necessary for Scapino to reassess its contribution to the compensation trust fund, since the final amount contributed should be based on the workers’ expected lifetime earnings and the number of dependents. Consideration should go into the needs of the families of the dead and severely injured workers.

While this encouraging news has been relayed to the CCC network, the Spectrum/Shahriyar workers and their families continue to suffer great hardship because of the slow pace of follow-up on this case.

There are still many outstanding issues concerning the workers of Spectrum-Shahriyar that need to be resolved in consultation with partner organizations in Bangladesh. While you indicated that the company Karstadt/Quelle would follow take immediate and concrete action, specifically:

- Initiate an immediate review and revamping of your policy and procedures for code implementation and compliance, including procedures for following up on labor rights violations. It is unacceptable that it has taken months for follow up on this case and that earlier reports of rights violations, including safety issues, at Spectrum-Shahriyar were not addressed. This should also include a review of purchasing practices, as they also have an impact on code compliance.

I think that the above list presents your company with many concrete steps that can be taken to alleviate the suffering of the Spectrum/Shahriyar workers. I strongly urge you to take action today!

Please let me know what progress you make in relation to each of the important issues for follow-up outlined in this letter.

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Bangladesh. While you indicated that the company Karstadt/Quelle would follow up on these issues on your behalf, I believe that Scapino, given the urgent nature of the difficulties facing the workers, has a direct responsibility to help the workers that made its products.

I urge you to take the initiative to act quickly to address the outstanding issues in this case, specifically:

- Call upon the Spectrum/Shahriyar group and the BGMEA to immediately pay any outstanding wages and unemployment benefits it owes to the workers, who are now out of work. I also believe that companies sourcing at Spectrum-Shahriyar should pay back wages to the workers that made their products. For your reference, according to the law, notice of termination of employment should be given four months in advance and the workers should be paid four months salary plus one month for each year worked.

- Contact the BGMEA and the Bangladesh government to push for a structural review of multi-story buildings, including building permits and lay-out of machinery, and more broadly for the establishment of a comprehensive safety programme in the garment sector in Bangladesh to ensure that a tragedy like this never takes place again. Meanwhile, I believe that every company sourcing in Bangladesh must take action to see that the workplaces where their goods are produced are safe and healthy. You recently informed the CCC that you had sent letters to your suppliers and importers, asking them to fill in and return a questionnaire on working conditions and safety aspects in their factories. Although I appreciate your efforts in this area, I would like to stress that independent verification is needed to ensure that labor standards (including safety issues) are complied with by the suppliers, and therefore stress the importance of working directly with local unions and organizations where you produce to address labor rights issues. I understand that you have also contacted the Fair Wear Foundation and I believe it would be a step in the right direction if you decide to cooperate with this organization in the future.

- Initiate an immediate review and revamping of your policy and procedures for code implementation and compliance, including procedures for following up on labor rights violations. It is unacceptable that it has taken months for follow up on this case and that earlier reports of rights violations, including safety issues, at Spectrum-Shahriyar were not addressed. This should also include a review of purchasing practices, as they also have an impact on code compliance. While you have asked Karstadt/Quelle to act on your behalf, I would like to stress again that you have a direct responsibility to the workers too. I urge you to follow up on the points that have been identified in consultation with partner organization in Bangladesh. As stated cooperation with the Fair Wear Foundation would be a huge leap forward into a credible social compliance system.

I think that the above list presents your company with many concrete steps that can be taken to alleviate the suffering of the Spectrum/Shahriyar workers. I strongly urge you to take action today!

Please let me know what progress you make in relation to each of the important issues for follow-up outlined in this letter.

Sincerely,

[insert your name here]