Mattel says China Labor Watch report of violations ‘unfounded’

Source: Bloomberg

Mattel Inc. (MAT), the world’s biggest toymaker, is investigating China Labor Watch’s report of legal violations at two suppliers’ factories in China and said an initial review showed “many of the allegations are unfounded.”

Legal and ethical violations were found at two factories making toys for Mattel in southern China, according to a statement on the website of New York-based China Labor Watch on Nov. 16. Employees at the suppliers’ factories “work under unsafe and exploitive conditions that violate numerous tenets of Chinese law,” according to the statement.

“Mattel takes allegations such as these seriously and have already begun to investigate the claims,” El Segundo, California-based Mattel said in an e-mailed statement today. “Mattel’s preliminary review of the November 16, 2011 report by China Labor Watch against past audits at the two named factories indicates that many of the allegations are unfounded.”