

President's Advisory Committee on Labor Standards and Human Rights

MINUTES

December 10, 2013, 8:30-10:00am

Ross School of Business, R5020

Attendees: Ravi Anupindi (chair), Kristen Ablauf, Kelsea Ballantyne, Arjun Bhalla, Khaled Eid, Jim Gannon, Allen Hicken, Maya Menlo, Nicholas Rine, Susan Waltz

Guests: Kelly Cunningham and Steve Busch

Committee Business

November minutes were approved. In 2014, committee meetings will be on Fridays 11:30-1:00pm. Staff will send out a doodle poll to determine specific dates.

Research and Educational Leadership

Committee welcomed visitors Kelly Cunningham, Director of Public Affairs, and Steve Busch, Brand Manager, Global Communications and Strategic Initiatives. Group discussed strategies for communicating PACLSHR issues of interest to the broader campus community and public. Some specific topics of communication could include interviews with past members, PtKizone/adidas story, upcoming conference, and updating the website.

Chair provided an update regarding the November 26 visit to the Ross School by CEO of Knights Apparel, Mr. Joe Bozich. Mr. Bozich visited U-M as the guest lecturer for a session on "Social Issues in Global Supply Chains" for a course "TO 701 Topics in Global Operations" at the Ross business school. Mr. Bozich also met with a few faculty members including PACLSHR members and a group of students from the Erb Institute. He also gave a video-taped interview¹ conducted by Prof. Anupindi (Chair) for the Center for Positive Organizations at the Ross School. U-M licensee Knights Apparel has recently signed the Fire and Building Safety Accord.

The committee decided to postpone the conference to commemorate the 15th anniversary of PACLSHR until Fall 2014. They agreed that there is more momentum in the fall for conferences and time to plan more dialogue in the Spring semester following the conference. The additional preparation time allows committee members to consider how to include students and faculty of ongoing related courses into the event, to identify other universities and campus organizations that may want to collaborate and to develop ideas. During today's meeting, committee members proposed organizing a case competition and inviting speakers from varying perspectives including that of factory management personnel and representatives of the Alliance and Accord,

The PACLSHR will partner with the law school's Program for Law and Development in Cambodia for summer internships. Up to three internships will be available to graduate students from business, economics, law, natural resources/environment, political science, public health, public policy and social work. Committee staff will complete the call for applications draft, circulate and then finalize and send out to the schools and departments before winter break. Deadline will be the third week in January. Allen Hicken and Nick Rine will review the applications. Award decisions will be made in February. Applicants will be required to purchase the international health insurance plan offered through the university.

¹ <http://positiveorgs.bus.umich.edu/videos/ceo-interview-joe-bozich-2/>

Operational Leadership

KAblauf reported on licensing office communications to U-M licensees on the Accord and Alliance. CLC's LKennedy provided Ablauf with a report on U-M licensees that conduct business in Bangladesh. U-M licensees tend to fall into three categories: 1. Conduct business in Bangladesh and have an awareness of the Accord and Alliance 2. Do not conduct business in Bangladesh but aware of the Accord and Alliance 3. No business in Bangladesh and no awareness of either document. This third category represents the majority of licensees.

Monitoring and Compliance

The committee discussed facts about the Alliance and the Accord. A WRC 12/5/2014 Summary of the Inspector Report announces Duke as the first university to require its licensees to sign the Accord. NYU is the second. Committee pointed out that the Accord and the Alliance are not equivalent agreements for protecting brand. The Accord is more of a binding agreement. The Alliance is a corporate-run initiative. Chair brought up Jeff Krilla, CEO of the Alliance, who affirms that the Alliance is a five year member commitment. Committee posed various perspectives and comments including information gathered from JBozich's recent visit to campus during which he mentioned that the Accord is the only document within his awareness that had found common support among factory workers, union representatives, labor rights activities, factory management, factory owners and companies. From the perspective of brand protection, he argues in favor of the Accord. SWaltz linked in the media attention from the last week which has been centered on Nelson Mandela's life. She mentioned the Sullivan Principles which were designed to increase the active participation of corporations in the advancement of human rights and social justice at the international level. She asked that committee members consider the question why not have licensees sign the Accord? What is U-M's goal? What are licensee perspectives? Is there a legal burden, undo costs? Committee members agreed to give licensees opportunity to present their views on the issue. KAblauf will contact LKennedy to draft a brief questionnaire and gather more information on licensee perspective. For January's meeting, committee will assemble questions for a discussion with representatives speaking on the Accord and Alliance. Committee members requested the Chair to have representatives from both the Accord and the Alliance for Q&A at the next meeting.

FLA news: congratulations to LSHR student committee member Kelsea Ballantine who has been selected as a member of the student committee of the FLA University Advisory Council. The student committee consists of 16 students representing 11 FLA affiliated universities across the country.

No new business reported. Meeting adjourned.