



TAZREEN FIRE AND BRAND COMPENSATION – ONE YEAR ON 20 November 2013

BRAND	RELATIONSHIP WITH TAZREEN (all information and references can be found in reports " Fatal Fashion " & " Still Waiting " unless otherwise stated)	COMPENSATION COMMITTED	INVOLVEMENT IN COMPENSATION DISCUSSIONS
<p>C&A (German/Belgian)</p> <p>CCC Position: "CCC welcomes the steps C&A have taken towards compensating the survivors and the families of the victims. Although there are still some areas of concern with regards the amounts of compensation being offered and the involvement of local trade unions, we commend C&A for these important steps forward steps and it's willingness to take responsibility for workers."</p>	<p>C&A have confirmed that they had commissioned the company to manufacture 220,000 sweaters to be delivered to C&A Brazil between December 2012 and February 2013.</p>	<p>To date C&A are the only brand to have made compensation payments and set up systems to distribute. Their compensation plan is as follows:</p> <p><u>For the injured:</u></p> <ul style="list-style-type: none"> ○ Monthly loss of earnings payments (backdated to December 2012) to 98 injured workers. These payments will continue until the workers are fit to return to work. ○ Assisting these workers to re-enter employment. ○ Covering medical costs for injured workers. ○ Set up a team of five – a doctor, nurse, trauma specialist and two social workers – who will conduct continued outreach to those workers with long-term injuries. ○ Working with Caritas Bangladesh. <p><u>For the families of the dead:</u></p> <ul style="list-style-type: none"> ● Paid a lump sum of BDT 100,000 (€949.48) through the BGMEA to each family of the deceased. ● Providing monthly payments of USD 15 (€11) to the same families. ● Planning additional long term support for families that have lost relatives, ● Will pay the same lump sum to families whose relatives are identified as victims in the future. ● C&A extended USD15 monthly payments to children who lost parents to all families of the deceased, including those yet to identify a body. ● An additional monthly payment of USD 35 (€25.89) is being paid into a savings account for children who lost a parent in the fire. These payments will become accessible when the child turns 18. The financial support programme to children who lost parents is a joint scheme with Li&Fung. <p><u>Shortfalls:</u></p> <ul style="list-style-type: none"> ● The contributions paid to date are not based on relevant international standards or established best practice nor are they sufficient to fully compensate the losses incurred by victims as a result of the fire. ● Local trade unions have not been consulted or involved in developing the scheme, meaning workers themselves have been 	<p>Attended meetings in April 2013 & September 2013.</p> <p>Are fully involved in the negotiation process.</p>

		excluded from having a voice in the process.	
LI & FUNG (Hong Kong)	Li & Fung confirmed with CNN that it had placed orders worth more than USD 100,000 (€74,000) with the Tazreen factory in 2012.	To date Li & Fung state they have distributed approximately USD 261,500 (€193,555) lump sum payments to injured and deceased through the Bangladesh Garment Manufacturers and Exporters Association.(BGMEA) This breakdown as follows: <u>Injured</u> <ul style="list-style-type: none"> • BDT100,000 (€949.48) payments to 89 injured workers <u>Deceased</u> <ul style="list-style-type: none"> • families of 99 deceased, with a provision for families of victims who are identified in the future. <u>Children who lost parents</u> <ul style="list-style-type: none"> • with C&A, providing financial support to 82 children who lost parents as described in the section on C&A above. 	Say they are liaising with the ILO regarding a potential compensation framework.
KARL RIEKER (German)	Karl Rieker confirmed that an order they placed with Tuba Group in the beginning of 2012 was produced by Tazreen Fashions, but without their prior knowledge. The last production of goods for Karl Rieker dated May 2012, according to the brand.	Karl Rieker claimed to have given a charitable donation to a children's home through its agents which is not a replacement for full and fair compensation. The company has shown a willingness to discuss an additional contribution to the compensation scheme. To date the company has yet to propose a realistic contribution to a compensation fund.	Attended Sept 2013 meeting Signaled readiness to contribute and participated positively in the discussions.
KiK (German)	KiK confirmed placing orders until November 2011, and stated that they did not source any garments from Tuba Group since August 2012.	Kik have stated they may make a voluntary contribution but have so far not done so or confirmed how much they will contribute to a fund.	Attended meeting on April 15, 2013 but failed to attend Sept meeting.
El Corte Ingles (Spanish)	El Corte Ingles wrote that its subsidiary Hipercor had a business relationship with Dhaka based vendor Texebo. Texebo had subcontracted Hipercor production to the Tuba Group between April 2011 and June 2012. The Tuba Group placed Hipercor production at Tazreen. The company further writes that "in June 2012 this indirect link to Tuba Group is definitely stopped."	El Corte Ingles have stated they will make a voluntary contribution but have so far not done so or confirmed how much they will contribute to a fund.	Attended meeting on April 15, 2013 Failed to attend the Sept 2013 meeting, but state they are engaging with ILO about the Tazreen compensation and are an active member of the Rana Plaza Coordination Committee developing the Rana Plaza compensation Arrangement.
Teddy Smith (French)	Teddy Smith told France24 that it was not aware that orders had been subcontracted to Tazreen Fashions. After the fire, Teddy Smith contacted its agent in Bangladesh, which acknowledged that production had been moved to Tazreen	Teddy Smith have not committed to any compensation.	Refused to attend April and Sept 2013 meetings. Did not respond to CCC request for commitment to the compensation fund.

	Fashions before the summer of 2012.		
Walmart (USA)	<p>Walmart labels were found in the burned-down factory.</p> <p>Two days after the fire, on 26 November, Walmart said in a statement that the factory was no longer authorised to produce merchandise for Walmart.</p> <p>The company declined to say when exactly it had stopped working with Tazreen and for what reasons. According to Walmart, another supplier, which was later identified as Success Apparel, had subcontracted work to Tazreen “without authorization and in direct violation of our policies”.</p> <p>Documents from mid-September, found in the factory after the fire, indicate that five of the 14 production lines were making apparel for Walmart.</p> <p>There is documented evidence that subcontracting contracts for Walmart orders came to Tazreen Fashions and Tuba group through different Walmart suppliers, including IT Apparel in Dhaka (an agent used by one of Walmart’s former suppliers), Success Apparel in New York through Nimmi Apparels in Dhaka (belonging to Simco Group), and Topson Downs in Culver City, Canada) to Bismallah Sourcing in Dhaka.</p>	Walmart have not committed to any compensation.	Refused to attend April and Sept meetings.
ENYCE (USA)	<p>Among the labels found in the burned-down factory were labels carrying the ENYCE logo. ENYCE is a brand of Sean John Apparel, a company owned by US rapper and producer Sean Combs.</p> <p>ENYCE clothing was sourced from Tazreen through Li & Fung.</p>	ENYCE have stated they will make a voluntary contribution but have so far not done so nor confirmed how much they will contribute to a fund.	Refused to attend April and Sept meetings.

<p>DICKIES (USA)</p>	<p>Garments for US brand Dickies were found in the factory after the fire, but holding company Williamson-Dickie Manufacturing Co. stated that it had cut ties with Tazreen before the fire.</p> <p>The company has declined to say when exactly it stopped production at Tazreen and for what reasons.</p>	<p>Dickies have not committed to any compensation.</p>	<p>Refused to attend April or Sept meetings.</p>
<p>DELTA APPAREL (USA)</p>	<p>Activists in Bangladesh furnished to ABC News photos of order forms and design specifications for sweatshirts and tank tops with U.S. Marine Corps insignia and logos found at Tazreen. Both the U.S. Marine Corps and the North Carolina-based company that was making items under a licensing agreement with the Marines (Soffe, subsidiary of Delta Apparel) said they did not know about or approve of any arrangement to make garments there.</p> <p>Bob Humphreys, Chairman and CEO of Delta Apparel, said that his company had placed an order with Tazreen's parent company, Tuba Limited in 2011. When Soffe received a shipment of 11,000 garments from Tazreen at that time, Soffe officials complained to Tuba. "We told them no other garments could be made in that facility, it was not authorised," Humphreys said.</p> <p>In communication with the Worker Rights Consortium, Delta Apparel confirmed that there had been unauthorised production at Tazreen in 2011. Audits had been completed by Intertek in April and May 2011 at the Tuba Garment Ltd factory. Improvements were required with regard to health and safety, and according to Delta Apparel all requirements were met by 30 May 2011. No audits were carried out at Tazreen Fashions.</p>	<p>Delta Apparel have not committed to any compensation.</p>	<p>Refused to attend April or Sept meetings.</p>

<p>SEARS (USA)</p>	<p>Documents found in the factory showed the company was producing for Sears. Sears has said that another supplier had subcontracted Sears' production to Tazreen without authorisation. Sears said it had been working with Tazreen in the past but that it had ended the relationship.</p> <p>In response to the report "Fatal Fashion", Sears wrote to SOMO and CCC that "the merchandise found at Tazreen was not produced there with our knowledge". And: "our policies require vendors to register with us all factories producing our goods, including any goods subcontracted to another production facility. We rely on our vendors to follow policy, and provide us accurate and timely production information. These requirements were not followed in this case, and as a result, Sears terminated the vendor".</p>	<p>Sears have not committed to any compensation.</p>	<p>Refused to attend April or Sept meetings.</p>
<p>DISNEY (USA)</p>	<p>After several boxes of sweatshirts with Disney characters were found at the Tazreen factory, Disney released a press statement that Tazreen "was not an authorized supplier for Disney-branded product".</p> <p>Disney explained that Walmart obtained the rights to use Disney characters on some apparel product[s]. These products were not made in Tazreen Fashions. They were made in a different factory, belonging to the Tuba Group, and according to Disney only a small quantity of products were moved to Tazreen Fashions for storage purposes.</p>	<p>Disney have not committed to any compensation.</p>	<p>Refused to attend April or Sept meetings.</p>
<p>EDINBURGH WOOLLEN MILL (UK)</p>	<p>Sweaters from the Scottish label Edinburgh Woollen Mills were found in the factory after the fire, by labour activists and reporters. EWM was cited in the media confirming that they were sourcing from Tuba Group, however, the company state that no production was carried</p>	<p>Edinburgh Woollen Mill have offered a small voluntary donation to the CCC to give to victims; however, the amounts proposed, combined with their failure to participate in collective discussions on the issue, in no way meet expectations on compensation.</p>	<p>Refused to attend April or Sept meetings.</p>

	out for them at the factory.		
PIAZZA ITALIA (ITALY)	From CCC – Italy: After labels were found carrying the Piazza Italia logo, the company stated they buy only through trading companies who do not put them in contact with suppliers and therefore they have no control over their supply chain. Nevertheless, the company denies production at Tazreen and claimed to CCC Italy that although they did not recognise the products found at Tazreen, they could only be samples.	Piazza Italia initially committed to contributing to the compensation fund prior to the April 15 meeting, but backed out on that commitment in a follow-up meeting with the CCC. They have offered a small voluntary donation to the CCC to give to victims; however, the amounts proposed, combined with their failure to participate in collective discussions on the issue, in no way meet expectations on compensation.	Refused to attend April or Sept meetings.