



FAIR LABOR
ASSOCIATION

March 10, 2011

Interim Report Regarding the Ocean Sky Apparel Factory in El Salvador

On January 24, 2011, the Institute for Global Labour & Human Rights (formerly the National Labor Committee, NLC) issued a report regarding labor practices at the Ocean Sky Apparel factory in El Salvador.¹ The report, based on research jointly conducted by the Central American office of the Institute and Mujeres Transformando, a women's rights organization based in El Salvador that supports maquila workers, alleges a range of violations of worker rights in the factory, including harassment or abuse, forced overtime, improper recording of working time, contaminated drinking water, and very low wages.

The factory in question is owned and operated by Ocean Sky International Limited, a supplier affiliated with the Fair Labor Association (FLA) since 2008. Several brands also affiliated with the FLA (adidas/Reebok, Puma, and Columbia Sportswear) are identified in the report as buyers from Ocean Sky. As an FLA Participating Supplier, Ocean Sky must adhere to the FLA Workplace Code of Conduct and fulfill the FLA obligations, including remedying any violations of the FLA Code in its factories.

The FLA and its affiliates take these allegations very seriously and will work with Ocean Sky to ensure that the violations identified are fully remediated. Towards this end, the following actions have taken place:

- February 8-12, 2011: The FLA organized an independent investigation through COVERCO, a Guatemala-based monitoring organization. The investigation confirmed a range of noncompliances at the factory.
- February 23, 2011: The Department of Process Technology and Systems of the Universidad Centroamericana "José Simeón Cañas" (UCA) conducted an investigation of water potability at the Ocean Sky plant. Results of the water potability study are expected around March 10th.
- Currently, Ocean Sky International is in the process of developing a corrective action plan to be submitted to the FLA and sourcing brands (both FLA-affiliated and non-affiliated brands) that addresses all noncompliances and risks of noncompliances.
- The FLA has organized a series of meetings to ensure participation of stakeholders, especially around remediation. The FLA and the sourcing brands will closely monitor the execution and effectiveness of the remediation measures taken. Reports of the two investigations as well as the corrective action plan will be published the week of the 21st of March.

¹ The report is available at <http://www.nlcnet.org/alerts?id=0310>. Updates were also issued on January 31 (<http://www.nlcnet.org/alerts?id=0313>) and February 26 (<http://www.nlcnet.org/alerts?id=0325>).