

## WORKER RIGHTS CONSORTIUM

January 16, 2009

Chris Champion General Counsel Russell Corporation 3350 Riverwood Parkway, Suite 1600 Atlanta, GA 30339

Via Electronic Mail

Dear Chris,

I write to you urgently, on behalf of the Board of Directors of the Worker Rights Consortium, to ask that Russell suspend any further steps toward the closure of Jerzees de Honduras until your university licensors have had the opportunity to receive and review both the WRC and FLA reports on the case.

The suspension of the closure process is clearly warranted. Russell itself has asked universities to wait until the FLA issues its report before reaching conclusions as to the legitimacy of the closure decision. In a November communication to universities, Russell stated the following:

"FLA has arranged an independent audit that is beginning today...At this point, we believe it is prudent to let the independent investigation run its course and the resulting report speak for itself. We would respectfully request your continued patience while that process is completed."

Russell has asked universities to suspend judgment, insisting that the labor rights questions are not settled, and that universities should be patient, yet Russell has continued to act in Honduras as if the issue is already settled – by proceeding with the closure of the factory. Russell has already terminated the majority of the workforce and rumors are rampant of an imminent shut-down. Russell seeks to protect itself from adverse action by universities by asking that no action be taken until "the process is completed" and the investigation has "run its course," but Russell has not afforded the same protection to workers, who continue to be dismissed en masse and who now face the de facto permanent closure of their place of work.

As a practical matter, once a factory is officially closed, a reversal of the closure process becomes substantially more difficult – even if such a reversal is the remedy both the WRC and the FLA ultimately conclude is warranted. Proceeding with closure while a university inquiry is still underway therefore prejudices the outcome of that inquiry and treats university codes of conduct as if they were irrelevant.

The problem is resolvable: Russell should suspend the closure process until those universities that want access to both organizations' reports have those reports in hand and have had an opportunity to consider them. Whatever logistical inconvenience this may involve for Russell is minor in comparison to the consequences for workers of a premature closure. As you know, both the FLA and the WRC have documented violations, by Russell, of the rights of many of these same workers. In view of this, the burden of ensuring a fair process must surely fall on Russell.

I am also sending you another letter, under separate cover, concerning an additional and more urgent reason not to proceed with final closure at this time.

Please reply at your earliest opportunity.

Sincerely,

Scott Nova

**Executive Director**