April 26, 2012

Tessa Fast
Monica Shattuck
Joseph Varilone
University of Michigan United Students Against Sweatshops

Dear Ms. Fast, Ms. Shattuck, Mr. Varilone,
and University of Michigan United Students Against Sweatshops:

President Coleman has asked me to respond on her behalf to your letter of April 13, 2012, concerning the closure of the PT Kizone factory, a supplier to Adidas.

As I said when you delivered your letter to the President’s Office, President Coleman and the administration share your concerns for the affected workers, and we are in agreement that Adidas’s response to this situation has been thus far inadequate. The University is committed to ethical and fair labor practices, as spelled out in our Code of Conduct for University of Michigan Licensees, as well as in The Collegiate Licensing Company Special Agreement Regarding Labor Codes of Conduct, under which the University conducts its licensing activities. We are committed to finding an appropriate resolution to this situation.

As you know, the President’s Advisory Committee on Labor Standards and Human Rights (ACLSHR) has been investigating this matter and has submitted recommendations to President Coleman, and she has them under consideration. She expects to respond to those recommendations soon.

The ACLSHR is an established, thoughtful and effective committee, and President Coleman puts great stock in the committee’s deliberations. We believe that the ACLSHR has an excellent track record in dealing successfully with matters involving the University’s Code of Conduct for Licensees. For example, in the recent case involving Russell Athletics and the Jerzees de Honduras factory, committee recommendations led to a very successful resolution. It is President Coleman’s intention, therefore, to rely on the committee’s recommendations in handling this situation, as she has relied on it in the past. This is not to say that she will accept all recommendations from the committee. However, she will not adopt a recommendation that has not been endorsed by the committee.

Consequently, she is unable to accept the University of Michigan USAS recommendations.
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You indicate in your letter your desire to work with the administration on this important matter. The best way for you to do so would be to work with the ACLSHR, through your representative on the committee and in discussion with the committee chair Sioban Harlow and members of the ACLSHR. As a way of facilitating thoughtful interaction, I would be happy to arrange a meeting for a group of you with Professor Harlow, committee members, and myself, for discussion of the rationale behind the approach recommended by the committee, in contrast with the approach that you have recommended.

Sincerely,

[Signature]

Gary D. Krenz
Special Counsel to the President

GK/sle
cc: Mary Sue Coleman
    Sioban Harlow