

# USAS | united students against sweatshops

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## Students and Workers Beat Industry Giant

Student campaign forces Nike to pay millions in severance to subcontracted workers for the first time in history

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**Portland, OR** – In an unprecedented victory, students and workers have forced Nike, the largest sportswear company in the world, to compensate 1,800 formerly subcontracted workers at Hugger and Vision Tex, two Honduran factories it closed in January 2009. The total compensation Nike has negotiated with the CGT union in Honduras is the total amount demanded by its former workers, and it includes \$1.5 million in legally mandated severance pay, priority hiring by Nike's other Honduran suppliers, a commitment to expand its sourcing in Honduras as its overall business expands and priority hiring to the 1,800 affected workers, nine months of medical care through the country's social security system, and the provision of a paid job training program. Only months ago, Nike had falsely claimed that they did not even source any university apparel from Hugger and Vision Tex, and had publicly declared it would never pay the severance owed to workers.

The company's decision to compensate its subcontracted workers for the first time in history is a victory of the "Just Pay It!" campaign led by United Students Against Sweatshops, the same student movement that forced Nike to disclose its factory locations and recognize garment worker unions a decade ago. The campaign reached its height after students went on tour with two former Nike workers to more than 40 campuses around the country - getting two major universities, the University of Wisconsin and Cornell University, to decide to end their lucrative licensing contracts with the sweatshop giant - and speaking to crowds of thousands in front of a massive banner reading "Just Pay It!" draped over Nike's flagship store in their hometown of Portland, Oregon. Actions also included flyering at dozens of Niketowns by students across the country and flooding Nike's online Twitter and Facebook pages to publicly shame the company.

The Nike victory comes on the heels of another historic student campaign against Russell Athletic– the largest international university boycott of any company - in which students and workers forced the collegiate apparel producer to re-open a unionized factory they illegally closed in Honduras, pay a multi-million dollar settlement to workers, and, as the largest private employer in Honduras, adopt a stance of union neutrality at all their Honduran plants.

The Just Pay It! Campaign marks the first time a U.S. university has ever cut their contract with Nike after decades of labor violations in their overseas factories. "This is a watershed moment for the student anti-sweatshop movement," says USAS International Campaigns Coordinator Linda Gomaa. "Our university officials told us contract cuts wouldn't work, but we've proven twice in less than a year that the only way these brands take responsibility is when universities cut their business – money talks."

Noticeably absent from the field in this sweatshop skirmish was the Fair Labor Association, a notoriously weak-kneed factory monitoring organization created by Nike and other brands with the Clinton administration. While the FLA's persistent attempts to exonerate apparel companies for wrongdoing has significantly delayed and disrupted workers getting justice in past cases, their absence and refusal to hear out complaints brought by workers led to a speedy and fair resolution.

*United Students Against Sweatshops (USAS) is a student organization with chapters at over 150 universities, colleges and high schools across North America. We campaign in support of service workers on our campuses and factory workers making apparel for our schools.*

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