

U.S. Warns Big Retailers About Sweatshop Goods

The New York Times

August 15, 1995, Tuesday, Late Edition - Final

Copyright 1995 The New York Times Company

Distribution: National Desk

Section: Section A; ; Section A; Page 14; Column 5; National Desk ; Column 5;

Length: 731 words

Byline: By KENNETH B. NOBLE

By KENNETH B. NOBLE

Dateline: LOS ANGELES, Aug. 14

Body

In a widening investigation of the apparel industry, the Labor Department has notified more than a dozen of the nation's largest retailers that goods made by immigrants working in virtual slavery may have ended up in the retailers' stores around the country, the Labor Secretary said today.

The department is reviewing accusations that the retailers, which include Sears, Macy's and Neiman Marcus, may have sold items made at a sweatshop in El Monte, Calif., where nearly 72 illegal immigrants from Thailand worked in prison-like conditions. The workers were released in a predawn raid by state officials two weeks ago.

"We traced the invoices and found that the garments are likely to have ended up in the stores of these major retailers," Labor Secretary Robert B. Reich said in a telephone interview today. "Presumably, most consumers would rather not buy garments produced by slave labor in the United States and retailers would rather not sell them."

Mr. Reich said the apparel retailers who received the goods had been asked to attend a meeting in Washington next month to discuss ways to prevent goods made by slave labor from being sold. He said several retailers had already agreed to attend.

"It is time for major retailers and brand-name manufacturers to assert some control and responsibility, and I'm pleased that the initial response has been very positive," Mr. Reich said.

Among the retailers who have agreed to attend the meeting, he said, are Federated Department Stores, which includes Macy's West and Rich's; the May Department Stores Company, which includes Filene's and Hecht's. Other retailers, like The Limited Inc. and Neiman Marcus, have indicated that they are considering the idea, the Secretary said.

Mr. Reich's announcement coincided with word that the California Labor Department had subpoenaed records from 16 Southern California garment makers that investigators believe have connections with the El Monte operation.

Before the Thai workers were released, they lived a life in which they were locked up and guarded each night, officials said. They worked up to 22 hours a day for as little as 50 cents an hour, Mr. Reich said, adding that they were threatened with rape or death if they tried to escape.

U.S. Warns Big Retailers About Sweatshop Goods

When law-enforcement officials approached the site, they found it ringed with barbed wire and spiked fences and the doors tightly locked from the outside.

Federal Labor Department officials said that among the companies notified that they may have received **goods** from the El Monte operation, were: Foley's Petites, Macy's West, Meier & Frank, Robinsons-May, Hecht's, Filene's, Kaufmann's, Neiman Marcus, the Dayton Hudson Corporation, Mervyn's, Broadway Stores Inc., Rich's, Speciality **Retailers** Inc., Montgomery Ward & Company, Sears, Fred Meyer, Venture Stores Inc. and Lerner.

Among the companies that have been subpoenaed by the California Labor Department are: F40 California Inc., Tomato Inc., L.F. Sportswear, Ms Tops of California, Balmara Inc., New Boys Inc., Point Zero, Excuses Sportswear, the Paragraff Clothing Company, Bermo Enterprises, A & M Casuals, Us Boys, BUM International and Diane Samandi.

The growing investigation into the Thai **sweatshop** could result in a daunting amount of litigation, Labor Department officials said today, as the parties tried to determine who was responsible for conditions at the compound.

On Friday, Montgomery Ward announced that it had sued a Los Angeles garment manufacturer for supplying **goods** in violation of the company's policy not to employ slave, prison or child labor. Montgomery Ward, a Chicago-based **retailer** and one of those identified by the Labor Department today as having bought garments from the **sweatshop**, said it was removing all merchandise supplied by the vendor, New Boys Inc., from its stores nationwide.

A lawyer for New Boys, Michael Dave, said in a statement that the company did not know it had bought garments made under **sweatshop** conditions.

All 72 of the Thai workers were initially held by Federal immigration officials as potential witnesses against the eight men accused of running the ring. Six of the men were charged with harboring illegal immigrants; the other two were charged with bringing illegal immigrants into the country. All eight were denied bail and may face additional charges, possibly including Federal slavery charges.

Classification

Language: ENGLISH

Subject: LABOR DEPARTMENTS (90%); GARMENT WORKERS (90%); TALKS & MEETINGS (89%); CONSUMERS (78%); LAW ENFORCEMENT (78%); SUBPOENAS (78%); US STATE GOVERNMENT (78%); **SWEATSHOPS** (78%); INVESTIGATIONS (78%); ILLEGAL IMMIGRANTS (72%); INTERVIEWS (72%)

Company: MACY'S INC (96%); MONTGOMERY WARD & CO INC (83%); L BRANDS INC (66%); VENTURE STORES INC (60%); BROADWAY STORES INC (60%); MACY'S WEST INC (54%); LABOR DEPARTMENT (US) MACY'S INC (96%); MONTGOMERY WARD & CO INC (83%); L BRANDS INC (66%); VENTURE STORES INC (60%); BROADWAY STORES INC (60%); MACY'S WEST INC (54%); US DEPARTMENT OF LABOR (90%)

Organization: US DEPARTMENT OF LABOR (90%); LABOR DEPARTMENT (US) US DEPARTMENT OF LABOR (90%)

Ticker: M (NYSE) (96%); LTD (NYSE) (66%); LB (NYSE) (66%)

U.S. Warns Big Retailers About Sweatshop Goods

Industry: **RETAILERS** (93%); GARMENT WORKERS (90%); APPAREL MFG (90%); DEPARTMENT STORES (89%); CLOTHING & ACCESSORIES STORES (78%)

Geographic: CALIFORNIA, USA (93%); **UNITED STATES** (92%); THAILAND (72%)

Load-Date: August 15, 1995

End of Document