



FAIR LABOR
ASSOCIATION®

INDEPENDENT EXTERNAL ASSESSMENT REPORT



COMPANIES: vineyard vines LLC
COUNTRY: United States
ASSESSMENT DATE: 12/11/17
ASSESSOR: Miriam Rodriguez
PRODUCTS: Apparel
NUMBER OF WORKERS: 30

Summary of Code Violations

Companies that join the FLA agree to uphold the FLA Workplace Code of Conduct throughout their entire supply chain. The Code of Conduct is based on International Labour Organization (ILO) standards, and defines labor standards that aim to achieve decent and humane working conditions.

While it is important to note when violations of the FLA Workplace Code of Conduct occur, the purpose of these assessments is not simply to test compliance against a particular benchmark, but rather to develop an understanding of where and how improvements can be made to achieve sustainable compliance. Code of Conduct violations can be found throughout the course of an assessment of the employment and management functions, and are addressed in companies' action plans.

Findings and Action Plans

FINDING NO.1

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Policies & Procedures (Macro)

Finding Explanation

- 1.The factory has no written policies for the following employment functions: Personnel Development, Workplace Conduct and Discipline, Termination and Retrenchment, Environment, or Freedom of Association.
- 2.The factory has some formalized procedures and systems in place for Recruitment and Hiring, Hours of Work, Discrimination and Harassment, Grievance Procedures, and Safety, ER.1.1; ER.25; ER.31.1; 32.1
- 3.The factory has written policies and procedures for Recruitment and Hiring, however there are no written policies or procedures for Personnel Development. The factory does not perform any performance reviews. ER.1.1; ER.1.3; ER. 28; ER. 29; ER.30
- 4.The factory's safety policy does not include any language indicating compliance with local law or FLA; nor does the policy, captured in the employee handbook, include language around: Steps for workers to raise health and safety concerns, protection against retaliation for workers who raise health and safety concerns. ER. 31

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1, ER.25, ER.28, ER.29, ER.30, ER.31.1 ER.32.1)

FINDING NO.2

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Communication & Worker Involvement (Macro)

Finding Explanation

- 1.The factory offers no communication to the workforce, in any form, for these employment functions: Recruitment, Hiring, and Personnel Development, Termination and Retrenchment, Freedom of Association or Environmental Protection. Factory sometimes communicates its Compensation procedures to the workforce. ER.1; ER.17.1; ER.17.3; ER.29; ER.30.
- 2.The Open-Door policy is communicated in the employee handbook, and at orientation, but there is no subsequent communication on the policy. ER.1.2; 16.1
- 3.In the event of a layoff, management does not consult with workers prior to making a final decision. ER.32

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.2, ER.16.1, ER.17, ER.29, ER.30, and ER.32)

FINDING NO.3

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Training (Macro)

Finding Explanation

- 1.The factory has no specific training, whether initial or ongoing, for supervisors or workers in the following employment functions: Recruitment, Hiring, and Personnel Development, Compensation, Hours of Work, Termination and Retrenchment, and Environmental Protection, Freedom of Association. ER.1.2; ER.15.2; ER.17.1; ER.17.3
- 2.The factory offers no general orientation training for new hires that communicates the company policies or procedures. Workers are trained at their workstations, once on payroll, for their specific operations. There is no Freedom of Association training to new hires at orientation. ER.15.1; ER.15.2
- 3.Neither workers nor supervisors receive any specific training on Recruitment, Hiring, or Personnel Development. ER.1.2; ER.17.1; ER.17.3

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.2, ER.15 and ER.17)

FINDING NO.4

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Responsibility & Accountability (Macro)

Finding Explanation

- 1.The facility has not documented in writing any verbiage that clearly communicates managerial roles to the general workforce for these employment functions: Recruitment, Hiring and Personnel Development, Compensation, Hours of Work, Workplace Conduct and Discipline, Grievance System, Health and Safety, Environmental Protection. However, the workforce is aware of the accountable person(s) for all the above-listed employment functions, and management is well-recognized. ER.1.2
- 2.Workers are aware of the persons with full accountability, i.e. Senior Management. However, workers are unaware of the accountable person(s) for Freedom of Association and Retrenchment who is the owner of the factory. ER.1.2

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.2)

FINDING NO.5

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Recruitment, Hiring & Personnel Development

Finding Explanation

- 1.There is no regular review of factory policies on Recruitment, Hiring and Personnel Development; Factory is compliant with state and federal laws; however, they do not ensure policies are compliant with FLA or FLA affiliate standards. ER.1
- 2.The factory does not maintain any job descriptions for current positions or when new personnel need to be hired. ER.1.1
- 3.The factory does not keep any employee files, therefore neither disciplinary nor grievance records are maintained. ER.27

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.27)

FINDING NO.6

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Hours of Work

Finding Explanation

Hand-stitching the back-side of ties is a daily operation conducted by five workers. Per Senior Management and worker interviews, the workers thread their needles at home on average from one to two hours nightly on the eves of their shifts. The workers are not paid for this work, nor does the number of hours worked at home calculate into total weekly hours when overtime would be warranted after 40 hours. Management is unaware if children or other residents participate in the threading process. NY state law dictates that home workers need to be certified, and that employers need to obtain permits for home workers. The facility did not provide any evidence of advising the state or obtaining a permit. ER.1.1; ER.2.1; ER.14; HOW 1.1

Local Law or Code Requirement

New York State Law, Restriction of Homework in all Industries, Part 160, Labor Law Article 13 Sections 351 and 362, articles 2 and 21; Fair Labor Standards Act, Fact Sheet #22 "Hours Worked Under the FLSA" Fact Sheet, Application of Principles; Code of Federal Regulations, §778.101, Maximum non-overtime hours; FLA Workplace Code (Employment Relationship Benchmarks ER.1.1; ER.2.1; ER.14; Hours of Work Benchmark HOW.1.1)

Recommendations for Immediate Action

For home workers to continue the practice, Company to comply with NY state law that discourages the use of home working. However, it is not illegal if Company obtains a permit from the state of NY and homeworkers obtain certifications.

FINDING NO.7

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Industrial Relations

Finding Explanation

- 1.Language in the employee handbook specifically states "Company Inc. is a non-union organization and in continuing to be union free, we try to provide the best possible working conditions. Should any disagreements or problems arise, we encourage employees to feel free to bring any concern(s) to management's attention and have confidence in voicing their opinions. We strive to maintain an environment of respect and teamwork for all employees." FOA.2
- 2.Company president stated in management interview that he is opposed to any union activity based on his prior negative experience with a union in another factory not related to the present Company. The general workforce is unaware of the person accountable for Freedom of Association who is the owner of the factory. ER.1.2 ER.1.1, ER.16.1
- 3.There is no system in place to ensure that workers are aware of their rights under the Freedom of Association FLA Code element. ER.1.1; ER.16.1; ER.25.1
- 4.Since the factory does not have policies or procedures on Freedom of Association, Senior Management does not conduct a periodic review or update policies/procedures according to local laws and regulations. ER.1.3.

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1.1; ER.1.2; ER.1.3, ER.16.1, ER.17.1, ER.17.3, and ER.25.1; Freedom of Association Benchmark FOA.2)

FINDING NO.8

IMMEDIATE ACTION REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

- 1.During the audit, a secondary exit at the southeast end of the of the building was boarded up and blocked by workers and machinery; this exit leads to a small area outside of the building but the area is surrounded by a cyclone fence. Furthermore, the fence is padlocked which does not allow egress out of the area. Presently, the facility has identified as the emergency exit, the main entrance of the building which provides egress to the street. All employees and visitors use this one entrance; it is also the door used for all shipments.
- 2.During the audit, the employer contacted the building owner to gain permission to open the second exit, however the padlock must be removed in order to be suitable for an emergency exit. It should be noted that there is a third door located in a small office in the north end of the building; it is adjacent to the main entrance and would require the workforce to crowd into the office in order to safely exit, if this door was in use. HSE.1; HSE.5
- 3.Factory uses an air horn as the alarm system to alert the workforce to evacuate the building. The air horn is located on the factory floor. There is no other centralized alarm system that links to the police or fire department during the day or night hours, nor are there any back up batteries. HSE.1; HSE.5
- 4.The factory does not have a sprinkler system. HSE.5
- 5.Exit signs above exits are not illuminated. HSE.5

Local Law or Code Requirement

OSHA 29 CFR 1910.36(b)(1), 29 CFR 1910.37(b), 29 CFR 1910.36(c)(1), 29 CFR 1910.36(c)(2), 29 CFR 1910.39(c); 29 CFR 1910.37(b)(6); FLA Workplace Code (Health, Safety, and Environment Benchmark HSE.1 and HSE.5)

Recommendations for Immediate Action

- 1.Open the second exit immediately.
- 2.Remove the padlock from the cyclone fence during business hours so that employees could evacuate into a safe area away from the building.
- 3.Exit signs to be replaced with illuminated signs.
- 4.Factory to install a centralized alarm system that is linked to the local police and fire stations; one that has a back up system, that can be tested regularly, and that is functional in all circumstances.

FINDING NO.9

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Health & Safety

Finding Explanation

- 1.The factory does not provide training to all workers regarding PPE usage and maintenance. Bar tacking and rapid movement machines are not equipped with finger or eye guards, nor are workers trained on the use of goggles and hand protection. HSE.7; HSE.8
- 2.None of the piece rate workers, (12 present the days of the audit out of 15 total production workers, 3 of which are hourly), are trained concerning the provision of first aid. Only one Senior Manager and one hourly worker is trained on first aid or CPR. HSE.6.2
- 3.There are no safety instructions posted for any machinery. HSE.14.3
- 4.There is no lock-out tag-out program in place. HSE.1; HSE.13
- 5.The factory is not taking any pro-active steps to reduce repetitive motion or stress injuries. The workers in the hand sewing area have repetitive stress and tired hands at the end of the day, due to the detailed work, they choose not to use gloves or band aids. HSE.1
- 6.There is no visible emergency contact information posted throughout the factory. HSE.1
- 7.There is no fire prevention plan in place. Factory has not commissioned a fire-risk assessment by a third party. Therefore, the results are not addressed nor is the factory making efforts to reduce its fire risks based on the results. HSE.1; HSE.5
- 8.Factory has not developed or posted evacuation maps. HSE 5.4
- 9.The factory has procedures for a response in the event of a fire, however there is nothing in writing to that effect nor a description of the evacuation procedures and plans. HSE.1
- 10.Factory does not update its Safety policy, nor ensure it is compliant with local law and FLA regulations. HSE.1; ER.1; ER.31

Local Law or Code Requirement

OSHA 29 CFR 1910.38; OSHA 29 CFR 1910.36(b)(1); 29 CFR 1910.36(c)(1); 29 CFR 1910.36(c)(2); OSHA 29 CFR 1910.37(b); OSHA 29 CFR 1910.38; OSHA 29 CFR 1910.132 (f); OSHA 29 CFR 1910 147(b) and (c); OSHA 29CFR.1910.39(b) and (c); OSHA 29 CFR 1910.38(c)(2); DHHS (NIOSH) Publication Number 97-117; FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.31; Health, Safety & Environment Benchmarks HSE.1, HSE.5, HSE.6.2, HSE.7, HSE.8, HSE.13, and HSE.14.3)

FINDING NO.10

SUSTAINABLE IMPROVEMENT REQUIRED

FINDING TYPE: Environmental Protection

Finding Explanation

- 1.Other than the recycling, there is no environmental protection program in place. There is no environmental protection policy, nor one that acknowledges compliance with legal requirements; no statements or procedures in place that acknowledge the factory management's general support of energy and water efficiency, and a commitment to minimize impacts with respect to air emissions, waste, hazardous materials and other applicable environmental risks. Nor are there procedures for reporting environmental emergencies. The factory recycles cardboard, paper, and bottles which is picked up by a credible transport company. HSE.1; ER.31.
- 2.Although the factory's operations pose minimal risk to the environment, there are no written procedures that encourage workers to raise environmental concerns, for reporting environmental emergencies, nor to protect workers that allege environmental violations.
- 3.The factory provides no training to any worker of any status on environmental awareness. Therefore, there is no ongoing training. ER.1
- 4.The factory maintains receipts from the cardboard recycler, but other than that, there is no documentation maintained in relation to environmental protection. HSE.2
- 5.There is no communication to workers upon hiring, or once on payroll on the factory's environmental protection commitment or practices. ER.1

Local Law or Code Requirement

FLA Workplace Code (Employment Relationship Benchmarks ER.1 and ER.31; Health, Safety, and Environment Benchmark HSE.1 and HSE.2)