



**Clean
Clothes
Campaign**



**ADIDAS OWNS
THE REALITY**

#PayYourWorkers

THIS GUIDE IS DESIGNED TO HELP YOU USE THE SHORT FILM **ADIDAS OWNS THE REALITY TO SPARK DISCUSSION AND TO PUSH FOR LASTING CHANGE IN THE GLOBAL GARMENT INDUSTRY. WE ARE ALL CONNECTED TO THE INDUSTRY THROUGH THE CLOTHES THAT WE WEAR.**



Together, let's work to end impunity for brands, bring an age of accountability and transform the industry into one that puts people over profit. **Your voice can help make a difference.**

ADIDAS OWNS THE REALITY

PRANKSTER ACTIVISTS PERFORM AN ELABORATE HOAX TO IMPROVE CONDITIONS FOR GARMENT WORKERS IN THE ADIDAS SUPPLY CHAIN. STAGING A SHOCKING RUNWAY SHOW AT BERLIN FASHION WEEK, THEY USE HUMOUR AND MISCHIEF TO MAKE THE WORLD PAY ATTENTION TO LABOUR AND ENVIRONMENTAL ABUSES THAT THE MASSIVE SPORTSWEAR BRAND IS TRYING TO HIDE.

(21 MINUTES, 2024, GERMANY/CAMBODIA, DIRECTOR: KEIL ORION TROISI AND IGOR VAMOS)

1. Garment Worker Center at the Hulu Garment US worker tour outside the adidas office in L.A., USA - 2022

2. Campagna Abiti Puliti at the Pay Your Workers Global Week of Action in Milan, Italy - 2022

This film shows one of the actions of the PayYour Workers coalition, which consists of over 285 unions and labour rights organisations around the world, together with the Yes Men to try to convince adidas to systematically start addressing severance theft. We did this by showing a reality that does not yet exist.

Unfortunately, despite this and other actions confronting adidas' leadership, consumers, and investors since 2022, the brand is still refusing to carry out our demand: Pay the Hulu Garment workers and sign the Pay Your Workers agreement.



HULU GARMENT FACTORY

In March 2020, when Covid-19 disrupted global supply chains, the Hulu Garment Factory in Phnom Penh, Cambodia, where adidas clothes were made, suspended its entire workforce of 1,020 workers.

At the end of the suspension period, the workers were **tricked into signing a resignation letter** concealed under a payslip, conning them out of the \$1 million in payments they would have been owed if they had been officially fired.

The next day, when workers realised that the factory hoodwinked them into resigning in order to avoid paying severance, more than 300 workers organised a week-long strike demanding reinstatement. A month later the factory reopened but half the workforce was never rehired.

Despite international pressure, **adidas refused to engage with the case and pay the US\$1 million still owed to the Hulu Garment workers.** They additionally refuse to listen to activists telling them that workers being left without severance is not a freak incident in one factory: it is a structural problem caused by brands quickly shifting orders to other locations, especially in times of crisis. It needs a structural solution, which unions have developed: but adidas has thus far shown unwilling to sign the Pay Your Workers agreement.



“WE DID NOT WANT TO STOP WORKING, BUT THEY FORCED US TO SIGN WITH A THUMBPRINT OR OUR WAGES WOULD NOT BE PAID.”

3. Hulu Garment workers interviewed outside the factory – Credit: Chor Sokunthea / [Khmer Times](#), April 23, 2020

Quote: Anonymous former Hulu Garment worker

WHAT IS SEVERANCE THEFT?

Garment workers, 60-70% of whom are women, typically work long hours, six or seven days per week, often in unsafe conditions and for this they earn poverty pay that barely meets their essential needs, let alone providing anything extra to put aside in savings.

Severance pay is the **essential safety net** catching workers in countries where there are few or no social security measures in place to support those who are unemployed. It's a vital **financial buffer** that enables workers, should they lose their jobs, to pay their bills and keep their kids in school while looking for a new job.

Severance pay is a lump-sum of money linked to length of service, for example, two weeks of wages for every year worked in a specific factory. It is a right that is recognised internationally by the International Labour Organisation and is mandated in many national labour laws, meaning that employers have an obligation to pay severance if workers are dismissed without cause.

Although **severance pay is a right**, many workers don't receive it and the impact of severance theft can be devastating, leaving women facing impossible choices between paying rent and buying food, or being forced to pull their children from school due to mandatory fees they cannot afford. Finding new work may not be easy if, for example, the factory was the main employer in an area and, following closure or bankruptcy, thousands suddenly find themselves out of work at the same time. Garment workers may face age discrimination when it comes to finding new jobs, or the potential of being blacklisted from other factories and labelled as a 'troublemaker' if they demand their right to severance pay.



WHAT ARE BRANDS' RESPONSIBILITIES IN TERMS OF SEVERANCE PAY ?

Garment workers are usually not directly employed by the brands and retailers whose clothes they make. Therefore it's easy for brands to escape direct accountability for workers and to deny responsibility when human rights violations are uncovered in their supply chains, even though international standards say differently.



Under guidelines of the United Nations **brands and retailers have a responsibility to protect the human rights** of all workers in their supply chains. In practice, however, when human rights violations are uncovered, brands often walk away from their failures to uphold their own labour standards.

Brands readily shift all blame for violations onto local factory owners, but this does not reflect the true power structure of the industry. Brands decide what is produced where and for what price, making them principal, if not direct, employers. Although brands may deflect responsibility for severance pay by pointing fingers at factory employers and governments, the truth is that **severance theft is often created or made worse by brands' business models.**

Under national law, the first responsibility to pay severance lies with the factory owner, **but in many cases they simply do not have the money to pay their workers' severance** as a direct result of the fact that brands have pushed prices down or suddenly shifted orders.

Brands push down prices to increase their profits, meaning factory owners are less likely to save money for severance, and workers are paid poverty wages which don't allow them to build up savings. If a brand decides to suddenly leave a factory because, for example, another factory is cheaper, this can result in factory bankruptcy. Even in a blatant case of deceit as in the Hulu case, adidas hides behind the fact that they paid for the orders they placed until mid 2020 and that they were not the only buyer at the factory. They basically walk away, watching their profits grow, leaving thousands of desperate workers struggling to survive in their wake. Put simply, **the current industry model allows brands to act with impunity and to prioritise profits above all else. It is the garment workers who shoulder the real risks and pay the true price.**

5. The workers of PT Kizone International, owed \$3.3 million in severance since 2011, call out their largest buyer adidas, who denied producing apparel at their factory. Workers only received what they were owed in 2013 after dozens of U.S. universities ended their licensing agreements with adidas. - Indonesia, 2012

Research has not identified any major brand that includes additional margins for severance pay in the amount it pays its supply factories or stimulates suppliers to save money for severance pay, even though all brands promise in their codes of conduct that they will ensure workers are paid all their legally-mandated wages and benefits.

This is often still what reality looks like, but things are changing. International standards, adopted ten years ago, very clearly indicate brands' accountability for what happens to workers in their supply chains. **Customers are increasingly holding brands to account on how they treat their workers.** As the primary profit makers in the value chain, brands and retailers have the moral obligation to intervene, and they have the money and power to do so.

Worker struggles and international campaigns have in the past compelled brands to take responsibility for the severance theft in their supply chains, and made them pay up millions of dollars to make workers whole. **Whether workers receive severance however should not depend on their ability to put up a fight or international campaigns taking up their cause.** It is time for a structural solution in which brands take responsibility.



“WHILE WORKING AT THE HULU FACTORY, I SENT MONEY TO MY MOTHER REGULARLY. AFTERWARD, I DIDN'T HAVE ANY INCOME TO SEND TO MY FAMILY”



6. Labour Day action organised by the Home-Based Women Worker's Federation (HBWWF) and the National Trade Union Federation (NTUF) in Karachi, Pakistan - 2023

7. Bangladesh - 2022

Quote: Chhorpesal Chhom, former Hulu Garment worker and labour rights activist


WORKERS LEFT IN THE COLD IN CRISIS TIMES

Severance theft has been a long-standing problem in the garment industry but the scope drastically increases in times of crisis. This was particularly visible during the pandemic and other crises such as the 2023 Turkey earthquake.

As shops closed around the world, brands cancelled and postponed orders and millions of workers lost their jobs, often without any severance payment. Workers and their families were forced to go hungry, skipping meals to feed their children and accumulating debt in order to buy food.

The impending climate crisis poses a huge threat to garment producing countries, many of which are among the most vulnerable to floods, fires and extreme heat. Such events are likely to again cause supply chain disruptions, causing factories to close and putting workers at risk of severance theft and even more debt.

While the pandemic hit most of us by surprise, the next crisis is looming in plain sight. Brands and factory owners can prepare themselves now to ensure that workers are not yet again paying the price if disaster strikes.



Food relief parcels were organized by NGWF in Bangladesh for workers left without wages during the COVID 19 pandemic in 2020.



During the severe financial and political crisis of 2022 in Sri Lanka, unions and labour rights organisations set up solidarity kitchens to ensure access to food.

WE MUST AND CAN CHANGE THE SYSTEM

Although a growing number of severance theft cases have been won through worker action, international solidarity and global campaigns, no workable cure for the supply chain-wide malady of severance theft can depend on a case-by-case resolution of violations with tremendous effort of workers and their allies.

Change is possible through a legally-binding and enforceable agreement between unions and brands, to establish a Severance Guarantee Fund and a grievance mechanism to ensure respect for basic union rights for textile, garment, shoe and leather workers. It might sound complicated but it's really not. One of the main structural failures in the industry is there are no effective mechanisms for enforcing labour standards. Voluntary initiatives simply do not work; which is to be expected, really.

There is a reason why the world is governed by laws and not our own personal voluntary codes of conduct that we carry around in our pockets, which brands like to claim is enough. When it comes to money and profits, companies will only do and spend what is absolutely necessary and legally required of them. In other words, companies are driven to minimise costs in order to maximise profits.

This is why brands and retailers must sign legally-binding agreements with worker organisations. Brands can then be legally compelled to provide financial support to their suppliers to help meet labour standards, and to stop doing business with suppliers who violate those standards. This is why unions and labour rights have worked hard since the pandemic to put a proposal on the table for a binding agreement starting severance guarantee fund. All brands have to do is show willingness to come to the negotiating table with unions in order to sign and make this happen together.

There are a growing number of examples of these legally-binding agreements which prove they work. However, companies are not very keen to move away from a voluntary system of labour rights enforcement, which looks good on paper but means nothing in reality. No surprise here: companies have only been willing to sign legally-binding agreements when there has been significant political pressure to do so. This is why it's critical for each of us to get involved and support worker campaigns that are demanding this essential change. Watching and sharing this film is a crucial first step.



HOST YOUR SCREENING

Some tips to help you make the most of your screening and to guide a productive discussion.

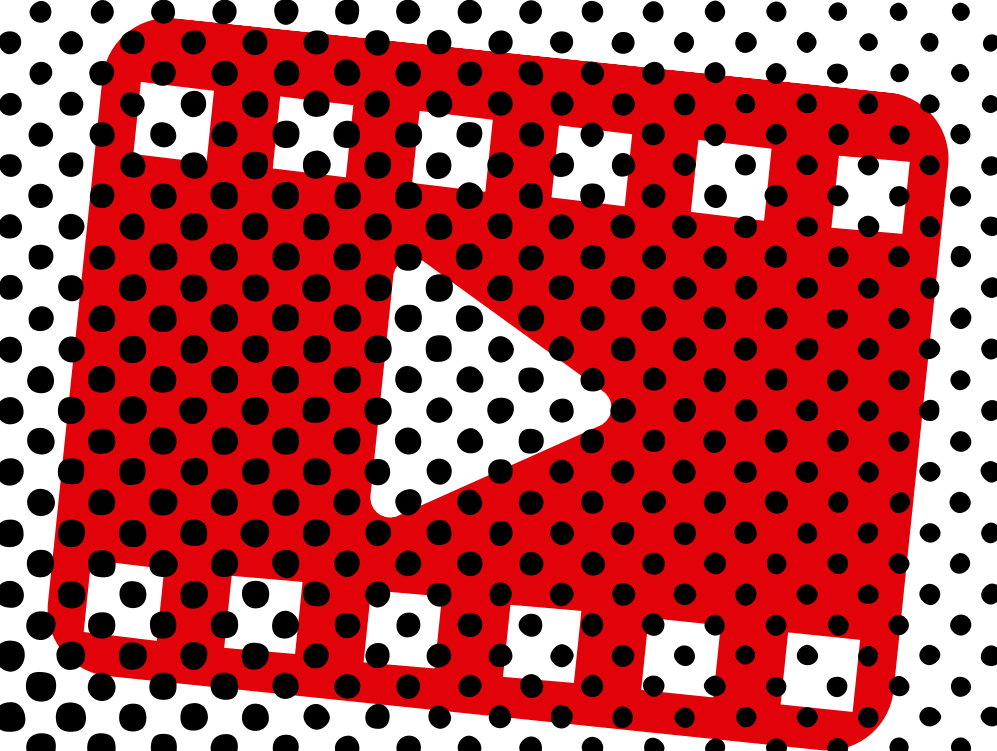
BEFORE THE EVENT:

- **Define your target audience:** Who are you inviting, which groups could benefit from the film, and how can the audience contribute to the conversation and campaign?
- **Choose the most appropriate and accessible place** for your audience to watch the film e.g. a community centre, a school, an office space, someone's house, or online.
- **Set a date and time** for the screening and ensure you have time to publicise the event.
- Ensure that you have **access to the film** and it is able to be played on the device used.
- Consider whether you will invite a speaker?
- **Develop a schedule** for the event e.g. introduction talk, film screening, Q&A and discussion and ways to take action.
- Think about how you will **advertise the screening and invite your audience.** Make use of social media platforms, WhatsApp groups, local press, and create posters/flyers. Follow-up by sending out a reminder or updating an event page close to the date.
- If advertising online **use hashtags to amplify the event** e.g. #PayYourWorkers and #AdidasSteals. Tag groups/organisations you think might be interested in your posts.

DURING THE EVENT:

- **Offer a way for the audience to share their thoughts on the film** and the event e.g. provide post-it notes for the audience to write messages on and display them on a board. Share photos online after as a way to keep the discussion going.
- **Make it interactive and encourage the audience to take action.** Bring a laptop to enable petition signing.

PLEASE CHECK
WWW.PAYYOURWORKERS.ORG
FOR FURTHER ACTIONS



DISCUSSION PROMPTS

Think about your audience when you are developing the pre-screening and post-screening questions and modify as needed to take into account the different backgrounds and knowledge of those in the room.



PRE-SCREENING QUESTIONS TO SET THE TONE

- What do you think the biggest issues affecting workers in the global garment industry are?
- What do you think of when you picture work in a garment factory?
- What impact do you think the pandemic has had on garment workers? What will the effect of next crises like the climate crisis be?

POST-SCREENING QUESTIONS TO SPARK DISCUSSION

- Did anything surprise you in the documentary?
- Did the film change your perspective towards the fashion industry in any way?
- What did you learn from this film that you wish everyone knew?

EXPLORE THEMES THAT ARE ISSUES

- How responsible do you feel brands are for ensuring workers are paid what they are owed?
- Why do you think brands such as adidas are able to get away with this for years, without accountability?
- What do you think our role as citizens and consumers is in terms of supporting workers?
- What do you think we can do to put pressure on brands who are complicit in severance theft?
- What kind of actions do you think are effective the make sure brands get the message?

TIPS

- Make sure you've read through all the materials and are familiar with them in preparation for the event.
- Identify the facilitator.
- Work to make space for everyone's opinions, welcome those who are quieter and ensure no one voice dominates the discussion.

TAKE ACTION THERE ARE MANY WAYS TO TAKE ACTION AND HELP CHANGE THE INDUSTRY

Please check www.payyourworkers.org/action for up-to-date ideas.

Further ideas for how you can make an impact can be found here.

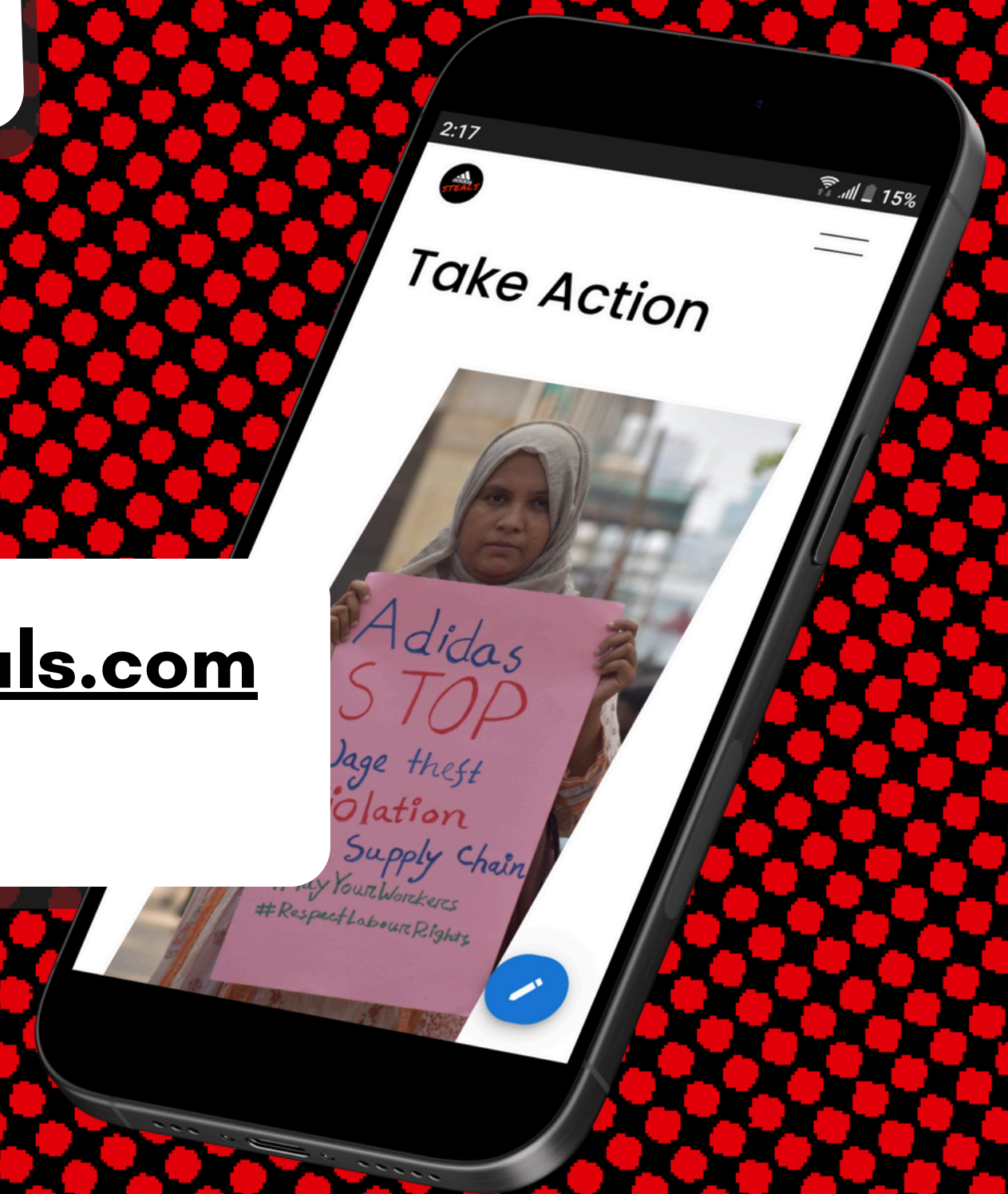
Don't forget to share your actions with us on social platforms or via info@cleanclothes.org

Spread **flyers** about the wage theft in adidas' supply chain.



Follow us on social media [@cleanclothes](#) / [@cleanclothescampaign](#)

Sign the **petition** on adidassteals.com calling for adidas to take action.



The Pay Your Workers campaign is coordinated by Clean Clothes Campaign.

Clean Cothes Campaign is a worker-led network of over 220 garment worker unions and labour organisations, operating in over 45 countries. We hold brands accountable for their abuse and exploitation while pushing for long-term change in the industry.

The movement started in 1989, when a group of activists in the Netherlands started to work together with garment workers in the Philippines where women were fired for demanding a legal minimum wage. They wanted to support garment workers' organising efforts, bridge the gap between consumers and workers, and hold multinationals accountable.

STAY INFORMED & SUPPORT US

NEWSLETTER



Our newsletter keeps you updated on our campaigns, latest actions and what you can do to stand in solidarity with garment workers.

DONATE



A monthly or one time donation makes a direct impact on our work: holding companies accountable in solidarity with garment workers around the world.

