

Subject: Professor Margaret Levi (PML)

Date: August 18, 2011

Interviewer: Milli Lake (ML)/Anne Greenleaf (AG)

Transcribed & Edited by: Christina Corrales-Toy

Duration: 57:14

Format: Video

ML: Perhaps you could just start by telling us your name and your title?

PML: I'm Margaret Levi and I'm the Bacharach Professor of International Studies in the Department of Political Science at the University of Washington; and I've been the co-chair of the Advisory Committee of Trademarks and Licensing for the University of Washington.

ML: Those two will do, thank you. So we want to collect your memories of the Estofel, the Gear for Sports case as you recall. So perhaps you could just start by telling us a little bit about the issues of concern in that case and how they first came to your attention.

PML: Well the issue first came to the attention of the committee which I served on, when a group of students from the Jackson school, in a trip that was organized by Professor Angelina Godoy, came back from Guatemala and reported on the Estofel closing and the plight of the workers there and basically requested the committee to explore this and to try to make the responsible parties pay the severance pay which the workers had not received. And, I'm trying to remember the whole history of it now, but I know that ultimately, USAS, then called SLAP: Student Labor Action Project, got involved in the case. The Workers' Rights Consortium had already been doing some investigation of the case. So pretty soon, basically everybody was involved in it. It wasn't a multi-campus action; it was a University of Washington campus action largely. So the committee began to investigate what was at issue and what we could actually do; where our responsibility lay. It became very apparent, doing our due diligence with the help of the WRC and to some extent the FLA: Fair Labor Association and certainly through the very good offices of the trademarks and licensing division at the University of Washington, we were able to establish that there actually had been some product produced at the Estofel factory that came under our licensing agreements. And, at the time, we were interpreting our code really quite narrowly so that we could only intervene when we had reason to believe that licensed product for the University of Washington had actually been produced at a particular facility that was the facility of concern. The case was extremely complicated, however. It was complicated for a number of reasons: one of them was that the factory owner was not a Guatemalan national. He was hard to find and was taking no responsibility. So the issue was finding who was responsible up the supply chain. Now of course we hadn't, as the University of Washington hadn't done direct business with the owner of the factory, he was a sub-contractee of Gear for Sports which was our licensee and it wasn't even so clear that Champion and Gear for Sports, which were the two sort of relevant licensees, had done that much work in the factory, but they were connected with Hanes and with Phillips Van Heusen who are very big players in the supply chain, in the brand world. And through a variety of pressures that were exerted with the help of the WRC, the FLA, the student action, trademarks and licensing, we were able to create a discussion, an ongoing discussion among all the relevant parties with Hanes and Phillips both being at the table as well as the company that had subcontracted the firm that was no longer

there. As I said, it was extremely complicated. So, even just sorting out who was responsible for what was difficult. But in the end, we agreed as a committee that compensation was due and that the university had a role to play in that; and so basically committed to being a part of, and initiating, this conversation that went on for, I think, about a year – multiple phone conversations, multiple submissions from the WRC and from other sources, from the union. The hiring of COVERCO by the FLA to find out which workers had actually not been paid, who had lost money, how much they were owed – another extremely complicated process. We had asked actually that COVERCO be the agency the organization that would do that, it has a very good reputation. FLA could not promise that to us initially as it had several potential agents in the region, but ultimately COVERCO did get the contract which was a very good thing. They do an excellent job and they have very high standing in the region. In the course of all of this, we also learned of other players who were involved: the union, who was a very important source of information, Angelina Godoy was in contact with the union, the union was in contact with the FLA and with the WRC, Maquila Solidarity and Lynda Yanz also, as it turned out, had some role to play in this, and I got to know them over the course of this period because of my involvement in the Just Supply Chains Network, so I was getting some information from her as well. So we're getting multiple sources of information, but the bottom line was that it had to be negotiated. Now the other piece of this was that the government was also involved. So there were court cases and there was an issue about what the firm was ultimately liable for and in the end, the determination was that because the courts in Guatemala have been notably ineffective in enforcing their own laws, that the firm was only obligated when it finally paid up...the contractor...was only obligated to pay for the actual severance and not for some form of injury. injury. A million dollars had been demanded, and approximately 600,000 dollars was gotten. Yet one more complication in all this was that we learned that many of the workers had been represented at one time or another by individual lawyers, many of whom were really chasers and who made various deals for workers that were often not to their advantage, occasionally there was a good lawyer in the mix, but saw this as a way to deal with it. We also had to sort out who'd gotten paid, had they gotten paid enough, did that stand? As I said, it was infinitely complicated, but the bottom line and the end result was that the workers who started off with nothing – I mean the initial description of contact with Angelina Godoy's students and the workers were huddling behind the trees, getting these stories of workers who had been harassed at the job, lock in then locked out, and not gotten their severance pay and afraid to come out in public – these workers who had nothing, ultimately got \$600,000 dollars distributed among them which was \$600,000 dollars more than any case like this had ever achieved before as far as we knew. I think there was one other more or less successful case, but hadn't achieved anywhere near this amount of money per worker. It took a lot of work, but it was well worth it. In the end, I thought it was a significant victory. Others, including I believe Angelina, and certainly the SLAP, now USAS students, thought that we caved in and should have gotten the full million. I see this as glass half empty, glass half full – I saw it as half full, they saw it as half empty. A little sideline to this – I happened to be at a wedding in Guatemala and made an appointment to go see the people from COVERCO, who of course knew who the University of Washington was, and who I was, but were particularly excited that I was a friend of Lynda Yanz who they think just walks on water. Anyway, they were terrific. I met with a group of them, learned more about the case and difficulties of getting information and actually pulling this off and they pleaded with me to go back and try to put pressure to get the rest of that money to set a precedent in terms of, because it would be a...even though it was really just Guatemalan law, they thought it would be a Latin

American precedent if we could get that additional \$400,000 dollars. We tried, we went back on the telephone, we used some other forms of pressure that existed and there were just no further achievements to be made.

ML: There's a few things toward the beginning of the interview that I want to go back to, but while we're on this, can you just talk a little bit more about what kinds of pressure, what kinds of action you took in those final stages to try and get those...?

PML: Well, it was really just reactivating the telephone conversations and not signing the final deal and trying to get the president of the University to intervene if he could, you know, trying to use whatever additional pressure we had; but we really had used every resource that was available to us already to get it as far as we had.

ML: And just to reiterate, who were you talking to in these telephone calls?

PML: I wasn't actually on the telephone calls; I think I was on one telephone conversation. The major people on the telephone conversations, because they reported regularly, from the University of Washington it was Kathy Hoggan from Trademarks and Licensing, and Angelina Godoy, occasionally, more often than not, I should say, joined the conversation both as a participant in part, but also because she was, and conveyed at various times, some anxiety about whether Kathy would be tough enough and was too nervous about losing licenses as opposed to doing the right thing. So, we as a committee thought, and Kathy actually welcomed the idea of having an additional person – Angelina was at that time a member of the committee – having an additional person from the committee on the phone conversation both to be able to self-correct each other and also to be another ear to what was going on to report to the committee.

ML: And who were they talking to?

PML: They were talking to Phillips Van Heusen and Hanes on the phone. I think somebody from Gear for Sports or Champion was on the phone and then a representative from a firm but they were the people who had to be dealt with. Can you remind me of the name of that firm? We don't have it right here?

ML: Yeah, I'm not sure.

PML: Anyway, everybody was trying to persuade them. There was also an attempt at persuading Hanes and Phillips Van Heusen of their responsibility and once they accepted their responsibility, they could then put pressure on this firm.

ML: Not Gear for Sports?

PML: It might have been Gear for Sports. But I think there was another agency involved.

ML: You were co-chair of ACTL during this period. Who was the other co-chair of the committee, do you remember?

PML: Well, it shifted, I think, because this went over more than an academic year really. It was Sam Al-Khoury, who was vice president of the ASUW at the time, was the co-chair for most of this period. George Robertson was acting as a research assistant to the committee. Then Trevor Griffey became the co-chair of the committee, who was a graduate student then. There was some split in the committee about whether our actions were strong enough.

ML: Okay, we'll get to that in a minute. I just want to go back to the beginning of the case for a moment, just to get the facts straight. As I understand, Angelina and a team of students were in Guatemala when they learned of the violations?

PML: This was a Jackson school task force.

ML: Okay, and they, as far as you're aware, weren't familiar with the situation before they went down? They reported back to you directly on their return?

PML: Well, Angelina had organized the task force that was actually looking at supply chain issues and factory issues. So, she would be better able to tell you, she actually knew about this case beforehand. She's very networked into a group of activists within the Central American region and has certainly alerted us on other times to instances of potential violations. She may well have known something about it. It wasn't a case that was totally unknown, it's just that our role in it hadn't been made salient yet.

ML: And when she returned, and the task force returned to the University of Washington, by virtue of her role on ACTL at that time, she reported on the findings? I just want to make sure I've got the sequence.

PML: Yeah. The task force actually went to President Emmert first. She did report on it, but as was often, and is still sometimes the case, the committee is bypassed and goes to the President or whoever they think is the big cheese, to report on an instance. And then the President refers it back to the committee.

PML: Sometimes it comes to the committee at the same time, and we are certainly able to take up these things without the President telling us to.

ML: With regard to the WRC, what communication did you have with them at this period? Was ACTL in communication with the WRC independent from the task force and President Emmert?

PML: No, it soon became a direct relationship between ACTL, and Trademarks and Licensing always had a direct relationship with the WRC and the FLA. I mean, Kathy was always in communication. We were soon getting the reports that the WRC was doing on the case, and what was going on, and they were doing some of the due diligence for us.

ML: What was your relationship with the FLA at this time?

PML: Well, FLA was, you know, decided that it was a case that they would take on, which is not always true, and Jorge was on the phone throughout this, and they were the ones who took the responsibility to hire COVERCO. So, they were very much players in this particular case.

ML: What about the students' involvement in this particular case? You said that the SLAP students on campus, the task force, had gone straight to the President and then later to the committee, and I just wondered if you had any insight into what the general student response on campus was. Whether they were active on this issue and when they became active on this issue?

PML: Again, I don't remember the exact details. The SLAP students certainly got involved in it. They certainly took it up as an issue. They may even have had some sense of it beforehand. This was the period when Rod Palmquist was still the spokesperson – he was a major factor in USAS – SLAP, and USAS. And he was very involved in this case, as in all cases.

ML: And sorry, just to follow up on that, could you speak a little bit about what kinds of actions SLAP was engaging in on campus at that time?

PML: You know, I have a much clearer memory about the Nike case than I do about the Estofel case.

ML: That's OK, we have your thoughts on the Nike case.

AG: Can you talk a little bit about the internal dynamics of ACTL when you guys were discussing this. I know there was a unanimous decision for the Nike case that you guys came to eventually, how was it with Estofel?

PML: I don't think there was any dissensus from investigating the case and trying to bring it to some happy conclusion on behalf of the workers. I think where the real dissensus developed was whether we were pushing hard enough, why it was taking so long, shouldn't the committee be doing more, shouldn't Emmert be doing more – and then when the case was settled, there was disagreement about whether this was sufficient. But the only action we had to undertake was really, to commit to making this negotiation happen, was threaten them with the code violation. There are always disagreements as you know, probably from these interviews, about how do you use the threat of a code violation and de-licensing and when do you bring it in to play? So, there's a strategic disagreement within the committee almost always – about what the force of that is and when it's the right time to basically use it. There's also some misunderstanding. I'm trying to think of a nicer way to say that – but, I'm not sure all the committee members always understand that, as we did in the Nike case. When you say that you're going to end the contract when it runs out, that's basically de-licensing them rather than immediately de-licensing, which is almost impossible to do, and, you know, puts you into a legal situation that's really tough.

ML: So how did you come to that decision in this case?

PML: About threatening to...

ML: Yeah

PML: Well, we agreed that there was no serious disagreement that there seemed to be a code violation and that if it wasn't rectified that we would then discuss de-licensing, right. I think there wasn't a lot of disagreement about that, it's just then there was pressure within the committee constantly to – “Now it's time to de-license, why aren't we de-licensing...now pull the plug, too much time's gone on!” That was a constant back and forth in the committee.

ML: Was a code violation established because you were confident that University of Washington goods had been produced in those factories?

PML: Yes

ML: And how did you ultimately learn that University of Washington goods had been produced at those factories?

PML: Mostly through the WRC, I think there may have been some other sources as well. I think we're getting the same information from the same sources...you know, Maquila Solidarity and the union and COVERCO. I mean COVERCO was the one who, when I met with them in Guatemala they said that they had actually reported this sometime before to WRC but they couldn't establish whether there was a code violation for the University of Washington; they could only establish that there was a labor violation, period.

ML: So this case is fairly unique in that the University of Washington played such a critical role in actually going down to the factories and bringing back information about the violation, reporting to you, reporting to the WRC, reporting to the president...

PML: It's also unique because it was not a multi-campus effort.

ML: I guess I just wondered if you could speak a little bit about the potential role that universities can play in that situation, in terms of obtaining information in the first place, because it seemed that in a lot of the other cases, the university has been fairly reliant on the WRC and Maquila Solidarity, and the unions, and the USAS and the student groups on the information; and I just wondered if you could talk about that a little bit.

PML: Well we ultimately were in this case too. I think what was different about this case was simply that learning about the violation initially came from this task force rather than from the WRC or USAS, but my suspicion is we would've learned about it eventually. Though, this certainly affected the process and speeded it up and I think it had a very important effect in terms of making the university administration feel like it owned this problem because it had sent a student group down, and they came back and that was a source of pride for the university. You know, that these student task forces should have this kind of role.

ML: That's interesting

PML: And those students in the task force, many of them continued to be engaged in it and to be pushing for it. It was interesting – again this will be a little bit of a sideline – interesting watching

them versus the USAS students. The USAS students are militant and demanding, particularly in that period with Rod broached no compromise. Thinking about it, I don't always agree with their strategy, but they're extremely strategic and imaginatively innovative in trying to think about how to get something done. You know, they have a goal, the clear goal. And in a certain way, even though they're extremely engaged, they're able to sort of step back from the instance and really think about it strategically. The Taskforce, they weren't particularly strategic, it was like - "This is bad, do something about it. We met these people, they're hurting". You know, "we owe X and Y something because we sat under a tree and talked to them." It was very emotional, very moral, very much about this particular case. Again, there were exceptions, it was a group of maybe 10 people - so, you know, for the most part, not really putting it into the larger landscape. It was like, "I met Milli and she was hurting." It wasn't a sense of a larger problem that was going to require a campaign that would be multi-stages and multi-events before you really solved the problem of global supply chains. They were interested in this case and these people. So it was a very different attitude. We disappointed both of them in not getting that other \$400,000 dollars.

ML: We can speak to others about this, but do you know what kind of contact those groups had with one another? How they were talking to each other?

PML: There was some overlap, I mean some conversation. I think one or two of the task force students ultimately became part of SLAP; I'm not sure they had been before. So, I think there was some, but for the most part they were on their own little trajectories.

ML: Just to go back to what you were saying about this kind of being a source of pride for the university in some ways. That the university played such an important role in going down and investigating this case, and the sense of ownership that the university had as a result. Do you see that as a role that universities might play in other cases?

PML: Well, I think it might play it and I think there are probably occasions where it does, but I wouldn't see that as a systematic way to deal with this. We've actually talked about it in the committee a little bit, about what role university students could play in doing investigative work. The problem is they're not on the ground all the time. They could probably assist, possibly, something like WRC or Maquila Solidarity or another NGO or a union - you know, go down and be an intern or spend some time...or a research assistant of some kind. But you know, we really rely on these very professionalized organizations. We pay the WRC. We have considerable confidence in the information that they provide. As you know from the Nike case, there are going to be arguments between the brand and WRC, or the brand and Maquila Solidarity, about how to interpret certain kinds of events. But largely, we have confidence in the WRC, and we pay them, and they have people they're paying to do this kind of research. I'm ultimately much happier relying on that kind of institutionalized and systematic way of obtaining information that we can then believe, we know what they're criteria are; than having groups of undergraduates...I mean, as you know, I've won an award for working with undergraduates in fieldwork experiences and service learning and stuff. No one believes more than I do in using students to do that kind of thing and no one's more aware of the limits of undergraduates particularly in doing it. They just have many other claims on their time and they don't have the skill set yet, with exceptions that are always the nice ones, the nice surprises, but I often can't really rely on

the information that I get. It's more of a learning experience for them and information provision to me.

ML: Before we move to Russell, if you could just talk a little bit about what's happened since with the Estofel/Gear for Sports case? So, I think you finished when ACTL decided to end the contract or allowed the contract to expire...

PML: No, no, we never did that. That's a misunderstanding. I don't believe we ever allowed the contract to expire. That was the Nike case; we were going to do that. I think what we did was say that. In the telephone conversations we attempted to convey that it was a real possibility that the contract would not be renewed if this was not solved. The debate within the committee was when do we not renew the contract...isn't it time now? And some of us thought, you let the negotiations run their course. Everybody's in there and while you've got people talking, there seems to be movement. There's a debate about strategy within the committee about whether the threat gets them moving or whether the contract non-renewal gets them moving.

ML: You talked about applying pressure for the additional \$400,000 dollars. What were those conversations pertaining to allowing the contract to expire, and what was the decision process?

PML: No, I think there, again there were people in the committee arguing for letting the contract expire because they hadn't paid up the additional \$400,000, and I can't actually remember if we had a vote or not, but we could look at the minutes from the past to see, and those should be part of the archive ultimately. But we certainly came to the conclusion that the case was settled and it was over. The contract was renewed, I mean it wasn't...there was no punitive action in the end, except, you know, all their time that they had to spend on the phone and with lawyers there.

ML: Can you just talk a little bit about what you think the most important factors were in achieving that initial settlement - the \$600,000 – how was that arrived at?

PML: Achieving that much, not how we got to the \$600,000 figure?

ML: No, just the compensation, the severance.

PML: Well, I think the key was that FLA, WRC and the University of Washington just stayed at it, just did not let go, none of the three of them did. I mean, it was exhausting, but they weren't going to stop. And ultimately, Hanes and Phillips put pressure on Gear for Sports. They were getting tired too and they saw reasons to do this. It was a legitimate and legal claim. So they had a reputation to protect, though it was one removed, the light wasn't shining hard on them. I think everybody's a little nervous about the student actions; but they were a potential, not a reality against Hanes and Phillips Van Heusen at that time, or any time that I know of. But I really think they just stepped up to the plate after considerable pressure from the FLA, the WRC and the University of Washington.

ML: If we move over to just talk briefly about the Russell case...

PML: And that helps. The way I would go to that is actually one of the big differences between the Estofel case and the Russell case. You've been asking about how we talked about the decision not to renew a contract in light of a code violation. In the case of the Gear for Sports and the Estofel factory, we were the only university involved. So, ending the contract would have a very trivial consequence in terms of their money, or publicity or anything. It was a threat, but it wasn't a super big threat. I mean we used it for all it was worth. It was some leverage and it was the only leverage we really had. But that's a real distinction from the Russell case where many universities decided not to renew their contract because of multiple violations.

AG: Do you want to just start at the beginning and talk about how the Russell case came to your attention and to the attention of the ACTL committee and what the issues at hand were?

PML: Well, at that time, Eric was actually the person in charge of Trademarks and Licensing and Kathy Hoggan was his second in command. He started telling us about the Russell case. The USAS around the country had been actively talking about Russell and actively engaged in protests and I know our own SLAP students had been engaged in some of the protests elsewhere about Russell ...and some of their mistreatment of workers in the United States as well as in Central America and elsewhere. So, USAS was very aware of it and was certainly engaged in a campaign against Russell, though not so much on campus. But meanwhile, the Trademarks and Licensing people all over the country were just getting infuriated with Russell because it just engaged in one violation after another and it was basically thumbing its nose at the whole process and was very aware of what it was doing. It wasn't like Gear for Sports which may or may not have really known what was happening down its supply chain. Russell did and it was clear it did and it had been brought to the light about this innumerable times and kept violating. My attention on that issue was really when Eric said, "Here we are in this problem of violations, you know, we've again put them on notice," and the students said, "Yeah, well let's just cut the contracts," and he said, "Not yet." But the committee wasn't super informed about the case, by the time we were, which wasn't that long after this initial discussion, Eric came in and said, "We've...you know, they've violated one too many times. We're cutting the contract." We've advised the president that that's what we want to do and that's what's happening. So the Licensing Advisory Committee as it was called then, really had almost no role in that one. The University of Washington had a big role. We approved it, but it was really done deal outside of the committee.

AG: So can you talk a little bit about what the violations were, and obviously there were a lot of them, but most of them were about the right to unionize...

PML: There were issues about the right to unionize, that was a big one, and the ways in which union organizers were harassed as well as the actual right to unionize was being suppressed. There were also questions about overtime, which is a classic question, and forced overtime and often unpaid and uncounted overtime. There were issues about harassment of workers; sexual harassment that I'm not sure any of those cases got resolved as actual violations but there were certainly rumors of that as well in the factories and tolerance of that by Russell. It was just, you name it, they were doing. It was what we began to believe or permitting it to happen.

AG: You said that your impression was that Russell was well aware of the violations, was that because they directly owned the factories, or because it was being communicated back to them clearly?

PML: Both. They didn't own every factory. Some of them were subcontracted, but there had been evidence of violations, they'd been put on notice, they had claimed to rectify and then they were found in violation again of exactly the same things – often in the same places; or they just refused to rectify. There was a lot of misinformation that they provided that was revealed as misinformation by the WRC and by USAS. Ultimately there was no question. With both Nike and Gear for Sports, the two other cases we've been discussing, you didn't have the feeling that you were dealing with somebody who wanted these things to happen – they got caught in it, and they weren't always willing to take responsibility for the behavior of a subcontractor, but they weren't in any way saying that the behavior of the subcontractor was acceptable, right? It was a question of who was legally and morally responsible but not that they thought the violations, what we were describing as violations, were acceptable behavior. With Russell you got the sense that they couldn't quite figure out why anybody was – “This is how you did business. This is the way we're doing it and if you don't like it, forget about it.” So we told them, “Fine, you're not a licensee anymore.” A lot of universities did that more or less at once. We were an early one but I don't believe we were the first.

AG: You may or may not be aware but do you know what types of university products that Russell was providing at the time...like t-shirts, sweatshirts that kind of thing? Just stuff that was being sold in the bookstore?

PML: I don't know.

AG: Yeah, we'll have to look into that.

PML: I can't remember

AG: Can you give us a little background on the Licensing Advisory Committee at that time? Was it structured the same as ACTL where there was a chair and a co-chair?

PML: I was the chair of Licensing Advisory Committee before I was chair of ACTL. ACTL – its name got changed. The committee got reconstituted – actually I think it was in the midst of the Nike case in part to ensure that it could operate. That it was clear, that it was advisory to the president. It was clear that there was a decision by the president to reorganize the committee in a way so that...one of the things that had been going on in the Licensing Advisory Committee is that USAS had, then SLAP, had the right to just have two people there that could vote and it could rotate. It might not ever be the same person and other people came in, and one of the things that Emmert wanted was that there be someone – one person who was clearly representing SLAP or USAS. He did think they should be on the committee but it had to be a named person; and if that person just as it was for the graduate student, just as the faculty, were named people. USAS could give the name, recommend the person to the president, but it would be someone who is named as a member of the committee.

AG: And just to be clear, before...

PML: Before there were two and it could be – it was USAS, or SLAP.

AG: And whoever showed up could represent them?

PML: Two of them could vote. And they've continued – well, I didn't hear it at the recent meetings – but up until this year they were demanding, and certainly last year they kept saying, "Well, why can't we substitute whoever we want?" And we said, "Sorry, it's not our committee, it's Emmert's committee, or the President's committee and these are the rules that have been established." Norm Arkans felt particularly strongly about that.

AG: We'll ask him about that then. You may have already answered the question by saying that the Licensing Advisory Committee came in a little bit later in this process than it did in some of the other cases and it had a more limited involvement, but what were they – were you – involved in contacting the union directly at all during that time?

PML: They may have been. We were not...we saw the reports. We had no problem – as I said, we certainly supported the termination of the contract. The termination of the contract in this case – in every case when a contract is terminated, a licensee can come back and say I've changed my ways. In this case, Russell did several years later. Then the committee was much more involved. It came and met with the committee, their representative, to outline a program and a plan for action which would improve its ways and give the workers much more control. One of the things that Russell had done which got it into such trouble with the committees and the students was when it closed the factory in the Dominican Republic that had been a unionized factory, and which had been doing very well. So one of the things that they had to demonstrate at least to our committee before we were willing to advise the president to relicense them, was that they were actually going to have a union-friendly facility and in principle, they do. As you see, the WRC is keeping track of this and monitoring it...and so far so good. They seem to be keeping to their agreements.

AG: To follow up, since the WRC seems to be a pretty key source of information, especially to the Advisory Committee, how do you typically communicate with them? Obviously there are formal reports that are issued and then distributed, and my understanding is those are distributed via e-mail to Kathy, and then Kathy circulates that?

PML: I also get them.

AG: And you also get them, okay. And then, it seems that there's also personal communication on the part of Kathy, and perhaps also you, is that the case?

PML: Yeah, I talk to Scott.

AG: Do other people on the committee typically have direct communication with them as well, do you know?

PML: I don't know. They certainly are free to. There's no rule against it. I have an established relationship at this point with Scott and as you know, one of the things that the committee has done in the last couple years is had these conferences. We had one a couple of years ago and then the one this past year, and Scott's appeared at both of those and we try to get somebody from FLA to come at some point so that the committee actually meets some of these key people and it's less formal so that there are multiple forms of communication if need be. I'm also on the Just Supply Chains Network; it includes Scott and Jorge and some other people – and Lynda Yanz. So, I see them and people from Nike and Hewlett-Packard.

AG: I think the last question that I have on the Russell case would just be that some of the interviewees have suggested that Russell helped build momentum that facilitated the Nike case. Do you want to talk a little bit about how Estofel, Russell and Nike fit together?

PML: Well, I think the momentum that was generated, in terms of the Russell case, was really but of the students. They were very upset about the factory in the Dominican Republic that was closed, really upset. Many of them had visited it, had friends there, in a way, that's part of how they know Evangelina, because she was involved in that through the CGT. So I think that that got them...that energized a group of them to be really attentive to these issues and may have expanded the potential group itself. They were ready when the Nike case came up and they were also full of confidence because there's no question that USAS is key to the Russell case, absolutely key. They really made that happen. I mean, I think our Advisory Committee played a very minor role in that one and probably as I've suggested, the contract would've ended, even if there had been no Licensing Advisory Committee at that time. I think that whole thing...that campaign had its own momentum to which Russell contributed an immense amount by its negative behavior; but it gave the students a lot of confidence that they could win these things. This was a big win. This was a big, big win.

AG: Yeah, that's their slogan – all they do is win.

PML: I think that generated a lot of the heat that then happened with the Nike case.

AG: It seems that, to some degree, every time a new issue comes up, there's an improvement in their process. Does that seem to be the case, or is that a little overly optimistic?

PML: I think that's overly optimistic because each of these cases are quite different, so I think none of us, if we can help it, wants to repeat the Estofel case. In the following sense, we want to achieve that kind of end, or better, but not having a multi-university, multi-campus campaign is really tough. It's really tough on the people who are carrying the heavy water and that tends to fall on Kathy and then some member of the committee who might vary. But it's always Kathy and some member of the committee and that's not a good use of our resources. We want to do the right thing, but we also need to bring in other universities. We were hardly the only university licensee involved in Estofel, in the factory, and we should have done more about finding out who the others were and getting them involved. There was a little bit of effort in that regard, [in that way]. I think Duke might have been involved, I'm trying to remember who the other – there was another university that we at least approached or may have even been part of some of the conversations. That was a learning thing, but I wouldn't say that that learning had

much effect on what we then did with Russell, which was already multi-university. It wasn't like we applied that learning in that case. It was already happening that way. In terms of the Nike case, USAS was having trouble getting a lot of campuses to go along with it. They had the students doing it [acting], but they weren't getting a lot of response from a lot of the Licensing Advisory Committees.

ML: I know you and various members of the committee have been talking about it, but in terms of any practical steps, do you think there's any movement towards having more kind of coordinated contact or dialogue with other advisory committees in other schools?

PML: Well, I made a proposal to that effect in the spring before the end of the academic year and circulated it to advisory committees that I had already had some contact with, as well as to the faculty group that Peter Evans more or less initiated from the University of California – Berkeley, and Angelina's part of that group, and I guess I am now too, which was trying to activate campuses and committees, and presidents, and trademarks and licensing, around the Nike case. And I think there's some real interest in it, but it's going to require some hard work and so there's a question of who's going to undertake that hard work. Peter Evans had said that a group of people who were related to these issues were meeting in Latin America as part of the Latin American meeting at some point this summer, and maybe they would talk about it then; but I haven't heard anything about that. As you heard the other day, we've started talking about strategies for doing that. It would probably be the initiation of the University of Washington committee and it would be a lot of hard work on the part of members of the committee.

ML: One of the things that was discussed was having a kind of code of conduct that was shared between a kind of [corpus] of universities. In what ways do you see that would significantly help?

PML: I think that would help a lot if we just, even on one or two of the code issues, shared a language that was pushed the boundaries a little further than the FLA code; and if we all were coordinated around that, and then if a violation occurred, we could act collectively. The other complication of all this, and I think I've mentioned this to you, is that not all universities have the same licensees or the same important licensees. I mean, I think it was great, really great that the University of Wisconsin stepped up to the plate and de-licensed Nike when it did and it certainly had publicity value, but they are not a major Nike licensor. It really was relatively easy for them to do that. They weren't losing a major source of income. They didn't have to find a substitute by ending the contract with Nike. They're, I can't remember, an Adidas or Reebok school and those two may be one company now. That's another complication in forming these kinds of coalitions – you know, you can form the coalition, but when you really need to act, there's this whole other level of thing – you know, are we all Nike schools, is this a Nike issue, how many of us have Gear for Sports?

AG: Great, okay so I'm going to end the tape here. Thank you.

[END TAPE].

