



Department of Justice

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JUSTICE DEPARTMENT REVIEWS MANUFACTURERS' PLAN TO SHARE INFORMATION ABOUT FACTORY WORKPLACE CONDITIONS

WASHINGTON — The Department of Justice today announced that it will not challenge a proposal by the Fair Factories Clearinghouse (FFC) to operate a database that member companies can use to collect and voluntarily share information about workplace conditions in manufacturing facilities around the globe.

The Department's position was stated in a business review letter from Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division, to counsel for the FFC and World Monitors Incorporated.

The FFC and World Monitors Incorporated requested that the Division issue a business review letter expressing its enforcement intentions if the FFC operated a shared information database. According to the request, the database is part of an FFC initiative to put individual companies in a better position to promote compliance with applicable laws and universally recognized workplace standards, workers' rights, and elimination of the use of "sweatshops" in the manufacture of consumer goods. The proposal states that the database will improve the collection and use of information about factory workplace conditions, reducing costly, duplicative, and disruptive audits at production facilities.

In the proposal, the FFC stated that the database of workplace information on factories will consist primarily of information collected through audits undertaken or commissioned by

member companies. According to the request, based on the information in the database, member companies can make independent decisions about whether or not to source from particular facilities. Member companies at all times will remain free to decide whether to participate in the FFC initiative and what information to contribute to the shared database. The request also states that to protect against anticompetitive effects, all FFC members will be required to comply with an antitrust policy statement that, among other things, requires that outside counsel be present at all membership meetings.

The FFC initiative stems from the activities of the Apparel Industry Partnership and Fair Labor Association in developing and implementing a workplace code of conduct and principles of monitoring. The code and principles were the subject of two previous business review letters.

Under the Department's business review procedure, an organization may submit a proposed action to the Antitrust Division and receive a statement as to whether the Division will challenge the action under the antitrust laws.

A file containing the business review request and the Department's response may be examined in the Antitrust Documents Group of the Antitrust Division, Department of Justice, Suite 215, Liberty Place, 325 7th Street, N.W., Washington, D.C. 20530. After a 30-day waiting period, the documents supporting the business review will be added to the file, unless a basis for their exclusion for reasons of confidentiality has been established pursuant to Paragraph 10(c) of the Business Review Procedure, 28 C.F.R. § 50.6.

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