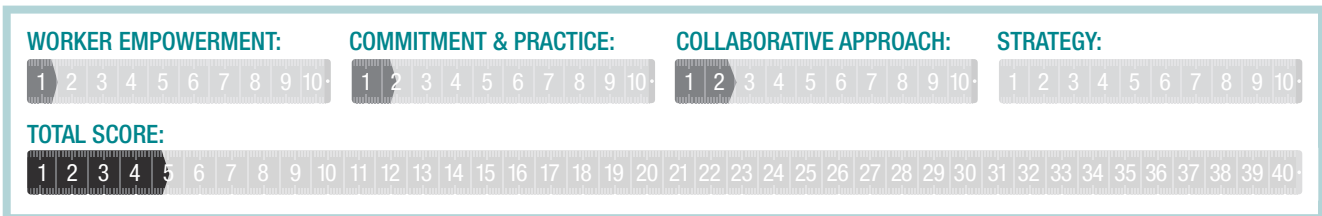


PENTLAND BRANDS

Brands: Berghaus, Boxfresh, Brasher, Canterbury, Ellesse, Kangaroos, Mitre, Prostar, Red or Dead, Speedo.

License holders for Lacoste Chaussures, Ted Baker footwear and Kickers in the UK and Ireland



COMPANY POSITION ON THE LIVING WAGE:

“Our Code states that living wages must be paid, that working hours must not be excessive, and that overtime must be voluntary. Suppliers must comply with any applicable laws and regulations, including those on minimum wages.”

WHAT WE SAY:

Pentland says in its code that “living wages must be paid” but in practice, as a company, it only pays the minimum wage. We hope that mooted collaborative work on living wages progresses soon.

IN MORE DETAIL:

Has living-wage benchmarks?

No.

Worker empowerment:

Pentland says: “We are a signatory to the FOA [freedom of association] Protocol in Indonesia (further information below). We also discuss freedom of association in the worker interviews that form part of our factory ethical trade assessment process, however at present we do not have a broad programme of communicating directly with workers about these topics. We would welcome suggestions as to how this might best be done.”

Commitment and practices:

Pentland has no living-wage benchmarks. It says it pays the minimum or industry-standard wage, but “would welcome an industry-agreed benchmark for living wages in our manufacturing markets.”

On costings, Pentland says: “We are looking at opportunities to increase our use of open costing. For one product category we have already introduced semi-open costing to guarantee specific piece rates, which have been collectively bargained.”

Collaborative approach:

Pentland is a member of the Ethical Trading Initiative (ETI). No further work on wages as part of this multi-stakeholder initiative was detailed.

Pentland also takes part in the Better Work programmes, works with Chinese NGO Inno on worker interviews in China, and provides trainings via the Red Cross on worker health and safety.

Strategy:

Pentland says it is “currently investigating further opportunities for collaborative work involving other brands and specialist local organisations, to look at living wages in our manufacturing markets,” in collaboration with other ETI member companies.

Production overview:

Number of suppliers: Pentland did not disclose this information.

Main production countries listed as: China (55%), Vietnam (9%), India (9%), Indonesia (6%), Thailand (4%), Other (17%)

Pentland does not publish a full public list of the names and addresses of its supplier factories.

COMMENTS:

Pentland says that it requires suppliers to pay wages that are sufficient to meet basic needs, but it failed to make any effort to define what this really means. Without this knowledge, it has taken the easy option: default to payment of the minimum wage, which, it is clear to everyone, doesn't meet basic needs. If Pentland doesn't put work into defining what its wage benchmark is then the term 'living wage', which is written into its code of conduct, will remain a paper commitment and workers making its products will continue to live in poverty.

It is great that Pentland has signed the Indonesia Protocol. Other work in the area of freedom of association is, however, fairly non-existent, with no evidence of training for management or workers, or work in collaboration with local unions on the topic. It would be good for Pentland to take away learning from the Indonesia Protocol – what works and what doesn't – and discuss with other companies how to take this process forward in other countries where it sources products.

We were pleased to read that Pentland is doing some work on open costings, and calculating collectively bargained wage figures into these. This is a good step forward.

We hope that the investigations that Pentland is currently working on with other ETI brands into living wages will progress swiftly.