

Ethical driving force

Two months ago London Underground made the exciting announcement that it was to become the first public body to join the Ethical Trading Initiative, an alliance of retailers, trade unions and non-governmental organisations committed to improving workers' rights. It is hoped that such a commitment to ethical sourcing will blaze a trail for other public sector bodies. **Company Clothing** talks to London Underground's procurement manager **Phil Roddy**.

London Underground – corporatewear requirements

London Underground is that rare animal in today's managing agent-driven environment that manages and keeps stock in-house for its 11,000 staff, in addition to 1,500 people in sister company Transport for London (TfL). This equates to a thousand part numbers (each part number is a size) for LU and another 400 for TfL.

Last summer LU moved to a new 16,000 square-foot warehouse in North Acton where at present 12 staff members look after the complete wardrobe of 12,500 people, including up to 60 new starters every week.

Every two years each member of staff receives a completely new wardrobe, and each roll out takes place according to the tube line involved. This month, for example, it's the turn of Victoria Line staff.

'We have people who know all about garment technology and stock control,' emphasises Phil, 'and at one stage we even had our own textile laboratory. We specify all aspects of each garment from the fabric – the weight, the threads, etc – the logo, including pantone colour references and stitches per inch, to the care labels. And if we are using new fabrics, suppliers have to provide test results for shrinkage, colour fastness and durability. In addition we have our own measurement chart and sealed samples at the beginning of a contract – in essence, a full manufacturing specification.'

Liverpool-born Phil Roddy has been with London Underground for ten years, and in uniform procurement for another four. For Phil, the main challenge is finding suppliers who are, above all, reliable. 'Because we have a bespoke uniform, we are in the position that if any of our suppliers let us down then we cannot get the garments out quickly.' In order to minimise such risks, at present LU mainly has contracts with niche manufacturers with a proven track record.

Fortunately for Phil, LU's tight quality control procedures, coupled with the fact he does not buy on price alone, means that not only are complaints about quality rare ('I can count them on one hand'), and but also that because all garments are inspected, and his 13 suppliers are aware of LU's high standards, quality control issues are rare.

'In terms of quality, our uniform is at the top end of the corporatewear market, and our garments are more akin to those issued to the staff of large financial institutions and top airlines.'

In many cases, London Underground is the only end-buyer client that Phil's suppliers have.

Although the last time LU's uniform had a complete

redesign was in 1995, there have been several 'tweaks' since then. 'In the last few years there has been a recognition that train operators do not need their clothing to be as formal as customer-facing staff, who continue to wear jackets and ties. Now train operators can wear polo shirts and fleece jackets.' Additionally, shorts are being issued to train operators. 'For various technical reasons, because LU tunnels were built around 1867, we cannot have air conditioning on trains, so for added comfort we issue shorts to train operators.'

A move that has proved popular with wearers has been to make the wearing of the military style uniform caps non-compulsory. 'Our staff did not like wearing them because they felt they were old-fashioned, but to protect them from the cold we do issue woolly hats which are a godsend to staff standing at ticket gates in the winter.'

Two years ago LU was approached by colleagues in several departments at TfL to source their garments. 'They recognised that we had the ability to source garments on their behalf more competitively, at better quality and could offer them a stock service. It was a challenge because >

Although the last time LU had a complete redesign was in 1995, the uniform has undergone a significant number of tweaks since then, such as outer garments moving from royal blue to navy.

A pressing green policy

As well as an ethical policy, London Underground's Clothing Store is also finding ways to cut its environmental footprint. It has recently bought a cardboard baling machine with a 40-tonne press.

Whilst in the old days a refuse wagon would turn up five times a week to pick up cardboard waste, a collection presently occurs once a week thereby cutting down on refuse costs. 'All the cardboard is crushed, baled, and then recycled at a mill rather than going into landfill.'

Even better, the baling machine is predicted to pay for itself in only a year, and it is guaranteed to operate for five.

That is not the only green initiative implemented by LU. Uniforms are issued in carrier bags made of recycled polythene that is degradable. And there is more, 'all LU office paper is recycled, and the timber railway sleepers used on our track come from sustainable sources.' ■



Ethical Trading Initiative – quick facts

- The Ethical Trading Initiative (ETI) was established in 1998 to improve the lives of workers and their families in global supply chains. It believes that companies producing, supplying and selling goods for consumer markets should observe national and international labour laws. Its purpose is to identify and promote responsible corporate practice that will help make this a reality.
- ETI focuses on developing practical solutions to ethical trade that deliver concrete benefits for workers. Its tripartite membership of companies, trade unions and NGOs lends unique credibility to its work.
- Corporate members include ASDA, Chiquita, Fyffes, Gap, Marks & Spencer, Monsoon, Mothercare, New Look, Next, the Pentland Group, Sainsbury's, Somerfield, Tesco, the Body Shop, Boots, the Co-operative Group and WH Smith.

- Non-governmental and trade union members include Cafod, Christian Aid, Oxfam, Save the Children, Anti-Slavery International, the International Confederation of Free Trade Unions (ICFTU), the International Textile, Garment and Leather Workers' Federation (ITGLWF), the International Union of Food Workers (IUF) and the Trades Union Congress.

- When corporate members join ETI they commit to adopting the ETI Base Code on a progressive basis throughout their supply chains. The Code is based on ILO conventions and as such is widely acknowledged as a model code of labour practice. It contains provisions based on the following principles:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining
- Working conditions are safe and hygienic

- Child labour is prohibited
- Living wages are paid
- Working hours are not excessive
- No discrimination is practised
- Regular employment is provided
- No harsh or inhumane treatment

- Company members report annually to ETI on the progress they are making in implementing the Base Code. Their reports are a vital means of gathering intelligence on the progress of individual members and the membership as a whole, enabling ETI to identify key issues and trends over time.

- All members participate in ETI 'experimental projects' which provide a means for corporate, trade union and NGO members alike to learn together and to share that learning with others so they can incorporate the lessons into their own activities. ■

► TfL don't have a standard uniform and each section wanted its own logo and branding. However we persuaded them to use some elements of our uniform, such as the jackets, trousers and shirts, and we branded other garments to their requirements.'

Ethical Trading Initiative

In common with many companies, up until a few years ago LU sourced all its uniforms from the UK or Europe, so ethical sourcing was not an issue. 'We always had clauses stating that suppliers mustn't use child labour or must pay the minimum wage, and we were happy to accept the policy statements of our suppliers,' remembers Phil. 'But during the last round of tenders two years ago we decided to bolster our ethical sourcing policies because the corporate clothing market was increasingly sourcing from the Far East.'

London Underground has quite a brand to protect. It is the world's oldest and most famous underground railway system. 'We also like to reassure our workforce that the garments they are wearing have been made by workers who have been treated fairly, no matter what country they were made in.' As a result, Phil asked those tendering to explain how they monitored their overseas factories.

The response was varied with some suppliers refusing even to provide details of the factories they used. 'Others just ignored our request,' remembers Phil. Enlightened suppliers asked which standards LU wished to judge them by, 'and that's what set me thinking whether there were any appropriate standards for us'.

Initial research revealed that there was no internationally recognised corporate social responsibility standard equivalent to the ISO9000 quality control standard, for example. 'There are several standards and codes of conduct mainly used by suppliers in different countries, such as SA8000 which is mainly used in the USA.'

Eventually it was decided that the Ethical Trading Initiative's Base Code was the most appropriate standard for London Underground, both as a measuring rod to gauge future suppliers as well as a way of demonstrating commitment to ethical sourcing – a policy LU directors are keen to embrace. 'It is a policy that comes from the top,' says Phil.

“You don't necessarily just go round a factory with a clipboard”

Phil attended a course at the Ethical Trading Initiative's headquarters in Holborn, London, that laid the groundwork for adopting the ETI's practices. 'In a nutshell, ETI is a risk-based approach. You don't necessarily just go around a factory with a clipboard and pass or fail it. You judge how many factories in your supply chain need to be audited and typically you focus on those in countries where labour violations are most widespread.

'It is up to our suppliers to satisfy us that they monitor their suppliers. It is a partnership approach and the code is based on International Labour Organisation conventions which are incorporated in the United Nation's Declaration of Human Rights.'

So how have LU's suppliers reacted to the news? According to Phil, most of them have reacted favourably – especially those who also supply the retail sector. 'At the moment corporatewear companies are behind the retail sector when it comes to the ethical monitoring of the supply chain.' Interestingly, this isn't necessarily the fault of the corporatewear suppliers themselves, believes Phil. 'When I mentioned the ethical code to them, many said that nobody had ever mentioned the subject to them before.' So it's not so much that the will isn't there, it's just the driving force that has been lacking from corporatewear buyers.

'We are seeing that those companies that can adapt to an ethical sourcing policy are also more likely to be the best in category as regards production. They are also more likely to have better quality control procedures and be less likely to cut corners.' ■



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Integrating ethical principles with viable commercial practices

The Ethical Trading Initiative runs a number of one-day courses in London. *Company Clothing* talks to Julia Hawkins to find out how the courses can benefit buyers and suppliers of corporatewear.



The Ethical Trading Initiative (ETI) was established in 1998 to improve the lives of workers and their families in global supply chains.

The idea of the courses is to give anyone – whether ethical trade managers, buyers or marketing people – some background on key concepts. The courses range from the introductory to the nitty-gritty.

Introductory courses are mostly attended by companies who have already adopted an ethical code and who have taken that first step in recognising that they have responsibilities for the workers further down the supply chain.

'The introductory course looks at the nine principles of the ETI Base Code – for example discrimination, trade union rights and child labour – and what they mean in practice. It also includes pointers on how to get suppliers to work towards meeting the ETI Base Code.'

Julia admits that currently most companies attending the courses are large companies or those supplying retailers. 'We do have smaller companies attending too and it is our challenge to reach out to them and demonstrate the benefits.' At £320 per one-day course the training is competitive, Julia believes.

However, companies wishing to adopt the ETI Base Code must remember that it does not represent a foolproof guarantee that no abuses are occurring down the chain. 'All companies have a responsibility to inspect their suppliers, but what we want to see them doing is to use inspections or audits as a starting point for identifying where the problems are. Ethical trade is a long haul – there are no short cuts.'

Adopting the ETI Base Code means you are committing to improving conditions, not that these conditions don't exist.

The Ethical Trading Initiative, as an organisation, does not audit any companies. Its members submit a detailed annual report to the ETI board each year, covering a wide range of areas including how much management time has been spent on ethical trade, who has responsibility for ethical trade, and how the importance of ethical trade is communicated to the rest of the company. 'It will also detail how many audits have taken place, and where in the supply chain problems have been found. And of course, what action has been done to correct these problems.'

Interestingly, more and more buyers are attending ETI courses, not to learn about carrying out full supply chain audits, but to learn how to integrate ethical trade principles into commercial practices 'We have also noticed an increase in buyers' job descriptions incorporating references to ethical trade criteria.

'So it's not just about adopting an ethical trade policy, it's also about making sure that the rest of the company – not just the ethical trade team – is involved. That is where the future is: we have to get buyers involved because their negotiations with suppliers on price and lead times ultimately impact on workers' conditions.'

As for uniforms in particular, Julia adds that companies in the public eye are increasingly turning their scrutiny on their own employees' workwear. 'It is increasingly on our radar.' ■

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