

To: WRC Affiliate Universities and Colleges
From: Tara Mathur and Ben Hensler
Date: January 13, 2025
Re: WRC Case Brief: Findings of Violations of Freedom of Association at Jasper (Hanesbrands) in Honduras

This case brief details the findings of an investigation by the Worker Rights Consortium of violations of worker rights and their subsequent partial remediation at Jasper, S.A. (“Jasper”), a garment factory in Honduras that was owned by Hanesbrands Incorporated (HBI) and that HBI closed in November 2022. Prior to its closure, Jasper employed roughly 1,700 workers, and it produced collegiate licensed apparel for HBI that was sold under its brands, Gear for Sports, Champion, and Knights Apparel. In September 2024, HBI announced that it had completed the sale of these brands, including their university licensed apparel businesses, to Authentic Brands Group, LLC, which, in turn, has licensed these businesses to Gear Co., a subsidiary of the investment firm, Ames-Watson (Unrivaled Teamwear).

HBI’s Decision to Close the Jasper Factory

In September 2022, HBI informed workers at the Jasper factory and the union that represented them, Sitrajasper (Union of Workers of Jasper, S.A.), that it would be closing the facility due to economic and production factors. Because labor relations at the factory over the previous several years had been contentious, the union expressed concerns that HBI had chosen to close the Jasper facility, rather than one of its other factories in the region (most, but not all, of which are also unionized), due to animus against the union.

The WRC conducted extensive interviews with workers, met with representatives of HBI on multiple occasions, and reviewed documents provided by the company regarding the factors that led to HBI’s decision to close the Jasper facility. The WRC concluded that, on the whole, there was insufficient evidence to conclude that the closure was driven by hostility toward the union, rather than by economic and production factors.

WRC Found HBI Blacklisted Former Workers Who Were Union Leaders following Factory’s Closure

During and after the closure of the Jasper factory, the WRC received complaints from former factory workers who had been leaders of the Sitrajasper union. The leaders stated that HBI was denying them job opportunities at its other factories in Honduras, even though the company was offering such opportunities to other former Jasper employees. The WRC investigated these allegations and found that the company was discriminating against these former worker leaders, at its other factories, on the basis of their prior union activities. This practice, commonly known as “blacklisting”, constitutes a serious violation of workers’ right of freedom of association and, therefore, is a violation of university labor standards.

The WRC’s investigation found that after the closure of the Jasper factory, HBI offered opportunities for reemployment to hundreds of the factory’s former workers, representing a majority of those former employees who wanted to continue working with the company. The former Jasper workers who received these offers of reemployment from HBI included both workers who had not been union members and workers who had been members of the union’s rank-and-file (those who were not among its elected officers).

These former workers were offered opportunities for reemployment at HBI’s only remaining production facility in the same region of Honduras as the Jasper plant—a factory known as Hanes Choloma. By contrast, however, almost *none* of the workers who had been the union’s *leaders* at Jasper were offered a similar opportunity to continue employment with HBI at the Hanes Choloma plant.

Among the 36 former employees who had comprised the union’s executive committee and plant-level delegates at Jasper, 23 reported to the WRC that they sought to continue their employment with HBI after Jasper closed. These former workers reported to the WRC that they had not been given the opportunity to express their interest in continued employment with the company at the time of the factory’s closure, unlike other plant employees, who were asked by HBI’s human resources representatives for their contact information so that the company could contact them about possible rehiring.

Despite being denied this opportunity, after their employment at Jasper ended, many of these former worker leaders tried to apply for employment at the Hanes Choloma plant. However, even with these employees’ persistence, none of the 23 former worker union leaders were offered employment by HBI at this other facility.

By comparison, according to data that company representatives shared with the WRC, between November 2022, when Jasper closed, and May 2023, HBI contacted more than 500 other former Jasper employees to invite them to apply for open positions at HBI’s Hanes Choloma plant and had hired 237 ex-employees from the closed facility to work at the latter facility. Yet none of the 23 former workers who had been union leaders at Jasper, and were seeking reemployment with HBI, were among the hundreds of former Jasper workers whom HBI rehired.

While HBI claimed to the WRC that “no union officers or delegates requested at the time of termination, or any time thereafter, to be considered for rehire”,¹ the WRC’s interviews with these former worker leaders found that this claim was misleading and that, when the Jasper factory closed, the worker union leaders had not been given the *opportunity* to express interest in employment at Hanes Choloma—an opportunity which other former Jasper employees generally *had* been provided. Moreover, the WRC found that many of these former worker leaders had made proactive attempts to gain employment at this HBI-owned facility but were never hired. The WRC determined, on this basis, that HBI was discriminating against the former worker union leaders by denying them reemployment at its other facilities in Honduras.

¹ Electronic mail from HBI to the WRC, August 31, 2023.

International labor standards ratified by Honduras (including ILO Conventions 87 and 98), the Honduran Constitution,² and the Honduran Labor Code³ all protect workers' right to freedom of association and prohibit employers from discriminating against workers on the grounds of participation in union activity—and forbid employers from establishing and maintaining blacklists to prevent workers who have engaged in union activity from obtaining reemployment. For this reason, the WRC concluded that HBI was violating Honduran law, international labor standards, and, by extension, university codes of conduct⁴ and the codes of conduct of HBI, itself⁵ by discriminating against former union leaders from its Jasper plant and denying them reemployment at Hanes Choloma.

HBI's Justifications for Not Rehiring Worker Leaders Lacked Credibility

The WRC shared with HBI our finding that the company was blacklisting former Jasper worker union leaders and, at HBI's request, provided the company with a list of the 23 worker union leaders who wished to be rehired at Hanes Choloma. HBI's response to the WRC's finding that the company was discriminating against these 23 former worker union leaders, however, was to claim, in the case of each of these workers, that they were either *ineligible* for hiring at Hanes Choloma or that the company *had already* attempted to contact these workers for rehiring and that the workers had failed to respond.

In the case of the worker leaders that the company claimed were ineligible for reemployment, the WRC reviewed the justifications that HBI gave for refusing to rehire each of them and found that, without exception, these justifications did not represent valid nondiscriminatory reasons to deny rehiring the workers whom the company had previously hired and continued to employ until Jasper's closure.

In the case of 10 out of 23 of the former worker union leaders, HBI claimed that the reason it considered them ineligible for rehiring was that they had notices of prior discipline in their personnel files. Upon reviewing the documentation HBI provided in support of this claim, however, the WRC determined that these disciplinary notices typically concerned minor transgressions that occurred years before Jasper closed and had not recurred during the intervening period and, therefore, did not constitute a nondiscriminatory basis for considering a former worker *ineligible* for reemployment.

For example, HBI told the WRC that it considered one former worker union leader ineligible for rehiring because she had received a verbal warning for leaving work *two minutes early* in *March 2012*—10 years prior to Jasper's closure. This was the only disciplinary notice in that workers' personnel file, yet HBI claimed it made the worker ineligible to be reemployed.

² Constitution of Honduras, Articles 78 and 128, https://www.oas.org/dil/esp/constitucion_de_honduras.pdf.

³ Labor Code of Honduras, Article 96.

⁴ Collegiate Licensing Company, Standard Retail Product License Agreement, 2023, Code of Conduct (“CLC Code of Conduct”), (a.)(ii.)(I) “Freedom of Association and Collective Bargaining: Licensee shall recognize and respect the right of employees to freedom of association and collective bargaining.”

⁵ Hanesbrands, “Our Global Code of Conduct,” April 2023, <https://hbisustains.com/wp-content/uploads/2023/04/HBI-COC-2022-English.pdf>.

In the case of another former worker union leader, HBI claimed that the employee could not be rehired because she also had received a *verbal warning*, for failing to participate in ergonomic exercises, a year before the factory closed. Here again, this verbal warning for a minor infraction was the only disciplinary notice in the worker's personnel file.

In a third case, HBI simply asserted that a former worker leader was ineligible for rehiring because of disciplinary problems, but it could not provide *any* evidence to show that the worker *ever* had received *any* discipline from the company. By contrast, HBI has never claimed that the more than 500 other former Jasper employees, to whom it *did* offer rehiring, did *not* have any records of discipline in *their* personnel files.

In the case of another five out of the 23 former worker union leaders, HBI claimed that it had attempted to contact them but that the workers did not respond. However, HBI was not able to provide any record or evidence that it had actually contacted any of these workers, and the workers in question testified consistently that they had never been contacted by the company for reemployment.

Other reasons that HBI gave for its failure to offer reemployment to the 23 former worker union leaders were similarly unconvincing. For example, the company claimed that one of the 23 former worker union leaders had opened his own business and was not interested in continued employment with HBI in Honduras. However, when contacted by the WRC this worker testified that he had never told the company that he was no longer seeking reemployment and that he did, in fact, want to be rehired at Hanes Choloma.

In summary, HBI failed to show that it actually had either *already offered* reemployment or that it had a legitimate nondiscriminatory reason for *denying* reemployment to any of the 23 former union leaders from the Jasper factory. This failure, combined with the company's admission that it did provide rehiring offers to a *majority* of other former workers from the plant, confirmed the WRC's conclusion that HBI was deliberately blacklisting the 23 former worker union leaders from reemployment at Hanes Choloma on account of their former involvement in protected associational activity—in violation of Honduran law, international labor standards, and university codes of conduct.

Partial Remediation of Violations by HBI

In order to remedy the violations identified in our investigation, the WRC called on HBI to make offers of employment to all 23 workers who wished to continue their employment with the company's operations in Honduras and had been denied the opportunity to do so. In response to the WRC's engagement with HBI, in July and August 2024, the Hanes Choloma factory hired seven of the 23 former worker union leaders from the Jasper factory.

However, the lengthy effort by HBI to resist reemploying the former worker union leaders hobbled further remediation of the company's blacklisting. By the time company indicated it was willing to make offers of rehiring to the former worker union leaders, 10 of these workers informed the WRC that, in the interim, they had moved away from the area or found other employment and no longer wished to be employed by HBI.

Moreover, despite the WRC's extensive engagement with the company, HBI still refused to provide viable offers of reemployment to the six remaining workers in the group of 23 former union leaders from Jasper. Specifically:

- One worker was offered reemployment at Hanes Choloma, but in a job that she had never done at Jasper and, therefore, lacked the qualifications to fill.
- In the case of two other workers, one was hired but then almost immediately let go (within a few days of being hired), and another worker was re-hired only as a temporary employee—and was laid off when her short-term contract expired in September 2024.
- Two of the other former worker union leaders had been employed as mechanics, a skilled position; however, HBI refused to make such positions available to them at Hanes Choloma, so they were not reemployed;
- Finally, a remaining employee who had a physical disability requiring accommodations, which Hanes Choloma was unwilling to provide, even though Honduran law requires factories to provide such accommodations to at least four percent of their workforce⁶—and there is no indication that HBI is already complying with this mandate.

HBI refused to provide meaningful offers of reemployment to these former worker union leaders who still sought jobs at Hanes Choloma. Moreover, its delay in offering rehiring to other former worker union leaders caused them to cease seeking reemployment in the interim. Therefore, the company's remediation of its blacklisting of the employees who had made up the Jasper factory union's leadership was, at most, only a partial fulfillment of the company's obligations under university codes of conduct.

Factory Closure, Sale of Business Obstruct further Remediation

In September 2024, HBI announced the closure of the Hanes Choloma factory, which it completed in December 2024, when it dismissed the factory's workforce, including the former worker union leaders from the Jasper facility whom it had only recently rehired. The closure of this factory means that there are no other HBI-owned facilities in Honduras to which the former Jasper workers can realistically commute. As a result, there is no longer any prospect that the blacklisting of the former worker union leaders from Jasper can be remedied through their reemployment by HBI.

Also in September 2024, HBI announced that it had completed the sale of its Champion division, including its collegiate apparel business, to Authentic Brands Group, which, in turn, has licensed that business to Gear Co. under the management of the investment company, Ames-Watson (Unrivaled Teamwear). As a result, except to the extent that Gear Co. or other companies continue to source collegiate-licensed products from HBI's remaining businesses, the latter is no longer subject to university labor standards.

⁶ Decree 160-2005 (Equidad y Desarrollo Integral para las Personas con Discapacidad).