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Angela MERKEL, Chancellor

Federal Chancellery
Bundeskanzleramt
Willy Brand Straße 1
10178 Berlin
Germany

Dear Ms. Chancellor,

My name is Li Qiang, and I am the Executive Director of China Labor Watch, a New York-based labor rights organization. China Labor Watch embodies a broad labor activist connection, and our main objectives are: to provide workers legal aid training, assist workers in legal consultation, and conduct investigations of multinational corporations' supplier factories.

We have long endorsed your appraisable guidance in leading Germany of becoming one of the most ethically and humanly sophisticated nations among the world. As the president of the Europe Union and one of the Europe's latest reformers, Your effort in combining forces with China to ensure energy and environmental protection has led to the international recognition and every German proud of their nationality. As we admire your aim in collaborate with China on climate change, energy, environmental protection and recycling economy, we must also emphasize our recommendation to you the significance of workers' work environment and hope that it would gradually influence and encourage some of the companies based in your nation to produce ethically in other nations. Thus, we write to seek your immediate help on urging PUMA, a German based Sportswear Company to refocus its attention on remediation of its audit system and ethical labor practice in China.

For workers working under the bottom of supply chain, their stories of striving to survive were often disregarded. Instead, what we observe in the daily news are how multinational

corporations such as PUMA successfully market their products and made remarkable profit, while the workers are sacrificing their youth and self-esteem manufacturing its products day in and day out. I believe that it is safe to refer these workers as the “backbone” of the company. Devastatingly, however, workers did not receive what they deserve.

In our follow up investigation in January 2008 on Taiway, a PUMA’s exclusive supplier in China, we have discovered its poor and questionable conditions have remained the same since our initial investigation three years ago; excessive work hours, inadequate overtime pay, poor hiring practice, management’s discriminative hiring and bonus practices based on one’s provincial origin, constant violence on site and poor living and canteen conditions.

As we are extremely concerned about workers’ affairs in Taiway, in March 2008 , we sent an inquiry attached with our findings to PUMA’s headquarter hoping that the corporation would engage in corrective action on the factory employing roughly 4,000 workers and relinquish them out of such exploitive conditions. From before publishing the report through Der Spiegel, a German based media group, to after the report was publicized, and over the course of two statements issued by PUMA, it appeared that the company is shifting the blame, showing its inflexibility in recognizing the factory’s persist issues and implementing corrective action. Though the investigation is conducted in one manufacturer for PUMA, it could be summarized as the broad conditions existing at PUMA suppliers in China as they are administrated under the same system. To a certain extent, our belief is direct; company simply must obey and execute the standard it set for itself entirely.

This letter is our last resort in hoping that the conditions of these four thousand workers would be heard and alleviated. However, without PUMA’s genuine attention on improving the conditions, such objective cannot be achieved, as it has the most direct influence on its supplier. Hence, we hope that by utilizing your influence and status, it would educate and allocate PUMA onto the right track and begin producing ethically and shift away from the manner of merely producing pamphlets praising their annual social sustainability while much improvements can be incorporated.

Please see attached for report on Taiway and statements issued by both CLW and PUMA during the course of interaction.

Sincerely,

Li Qiang

China Labor Watch
Executive Director