

Baumann, Kendra

From: Priakos, Bill <BPriakos@DallasCowboys.net>
Sent: Wednesday, June 01, 2011 6:31 PM
To: Van Brimmer, Rick
Cc: Priakos, Bill
Subject: Re: URGENT: Letter of Delegation regarding Dallas Cowboys (Silver Star Merchandising) Licensing
Attachments: 8A81441C-C831-49C2-B387-5EDFB866E1BF.png

Rick,

First of all it almost goes without saying how strongly we disagree with this letter. It is typical of a group that has done little or no research. No one from the USAS has ever contacted my office or our organization. They are simply uneducated on our policies and procedures. Let me try to answer some of these baseless claims in the order they presented them in their letter:

1. They claim that by going with one vendor you would "cripple" OSU's ability to enforce your labor code of conduct. Let me begin to answer this claim in 2 steps. Number 1, you have our code of conduct on the RFP. Upon review, you will see we have had very stringent conduct rules in place for 10 years, with NOT ONE violation of workers rights during that time. Not one. Secondly, with over 125 apparel manufacturers, it only makes sense that you have exponentially more factories than one vendor uses. Let's assume that they all have 2 manufactures per licensee (a low number), That would be at least 150 factories all with exposure to possible violations. We have less than 20, and not one violation over 10 years. It only makes sense from a code enforcement standpoint that fewer factories means easier control mechanisms. Also, we are not blazing any new trails here in manufacturing. Every one of our facilities we partner with have major manufacturing partners like Nike, Adidas, Wal-Mart, etc. With all of that code enforcement, it seems logical to conclude you would have MORE control in our model.
2. They claim we have no track record of social responsibility. This is completely unfounded. Not only have we been in business for 10 years without a violation regarding workers rights in any of our factories, we take our Social Responsibility very seriously. Recently Jerry's daughter Charlotte Anderson was named chairwoman of the Salvation Army. Charlotte is the first woman to run the Salvation Army in its 120 year history. Further, Charlotte spearheaded the Kettle Kick off during our Thanksgiving game where the charity takes center stage at halftime to an audience of over 30 million people. That was unprecedented when it started in the early 90's. Happy Hill Farm, The Boys and Girls Clubs of America, Boy Scouts of America, and Susan G Komen are a few of the national charitable campaigns that the Cowboys have taken front and center in our efforts and contributions. We announced this spring an unprecedented, exclusive campaign with Old Navy and Susan G. Komen. Silver Star is producing a line of exclusive apparel for Old Navy with the SGK marks and logos. The line is called "I Promise". This is a unique 3 way relationship that will kick off in October during Breast Cancer Awareness month. I think if the Student group took the time to actually research what our company does for International and domestic charity, they would think twice before saying we have no track record in social compliance.
3. PT Kizone. Our stance on this factory has been pretty clear. The last time we did business with this factory was last May. The workers were paid for the work on our product. We have not done business with this factory since. The middle man they refer to is Green Textile, which is the white knight in this story trying to reopen the factory and have offered the workers \$1 million in severance. We are watching this closely and have stated to Green Textile that we want them to do the right thing by the workers, however we do not control what other companies do. We can simply only control what we do, and we will not do business with these companies until we are satisfied in their response.
4. "Shutting out small business". We have stated to you and your group on several occasions our desire to work with reputable local companies that have certain capacities that we feel might be helpful, not only in OSU business, but possible GROWING their capacity to aid in Cowboys and USC apparel. We would be happy to discuss this if we win the bid.

In closing Rick, I believe that a reputable Company like SSM provides MORE security in social compliance than hundreds. With that much exposure, it is no wonder that groups have constant fodder to protest. We would encourage you to call Intertek and learn of our strategies. We do not simply meet most International standards, we exceed them, The Dallas Cowboys have an exemplary record over our 10 year history, and I take great exception to any group that says otherwise. I can prove our record, while they can only eschew rumor and hearsay.

I hope this answers the accusations in this letter. As always, we are open for a call or to send you documentation of our record. It should be obvious to everyone that we cannot "fly under the radar". If we would have had a violation in the last 10 years, I believe the barrage of press over the Kizone factory would show you that we cannot hide, even if the information is fabricated.

Bill