



Levi Strauss & Co. Proposes Radical New Standards for Apparel Industry

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In a speech to be delivered today at the [CERES](#) annual conference, [Levi Strauss & Co.](#) CEO and President John Anderson will urge the apparel industry to adopt a new level of social, economic and environmental sustainability, moving beyond compliance with site-specific regulations to encompass improvements in the daily lives of workers in the global supply chain. This is going to be a tough row to hoe, to say the least. However, though it would be practically impossible for one company to change an entire global industry on its own, Anderson makes it clear that Levi's experience as a leader in supply chain engagement indicates that a strong, consistent and focused program can establish new norms and gain widespread acceptance within a relatively short period of time.

Levi Strauss and Environmental Sustainability

Anderson's speech comes on the heels of a series of steps that Levi has taken to engage its customers in more sustainable manufacturing practices – and in sustainable consumption, too. Recent actions go back about five years ago, when the company released [a list of all the factories that produce its products](#). In 2009, [Levi partnered with Goodwill](#) to encourage customers to donate their unwanted jeans rather than putting them in the trash. Last year, the company announced that it would stop [sandblasting its jeans](#) in order to help prevent silicosis and other health problems in workers, and it introduced "WaterLess" jeans using a conservation-based manufacturing process. Levi also began encouraging customers to [save water and energy](#) with cold washes, fewer washes, and line drying. In March of this year, Levi launched [a partnership with Water.org](#) to fund initiatives in Asia, South America and Africa, and it has been assessing the environmental footprint of its primary raw material – cotton – as well as the footprint of its manufacturing process.

Levi and Social Leadership

In his speech (an advance copy was provided to TriplePundit), Anderson notes that Levi first introduced its Terms of Engagement twenty years ago to establish labor, health, safety and environmental standards among its suppliers worldwide. The move was met with great skepticism throughout the industry, and it is easy to see how a lesser company would have fallen on its face. However, the iconic Levi brand was in a strong position to challenge industry standards. As Anderson states, the vast majority of Levi's suppliers – more than 90 percent – accepted the Terms of Engagement, and other global companies soon came out with similar versions.

The Limits of Conventional Responsibility

What Anderson now proposes is a far more ambitious and complicated endeavor. Where the Terms of Engagement have made some improvements at factories and other facilities, Anderson states that on-site compliance has failed to translate into significant benefits that ripple through communities, to improve the “real, everyday outcomes for human beings.” While recognizing the importance of site monitoring, he warns that it can become an end in itself, imposing administrative burdens without leading to tangible improvements outside the workplace.

A New Vision for Corporate Responsibility

According to Anderson, Levi intends to ramp up its Terms of Engagement to coordinate with the [United Nations Millennium Development Goals](#), a program of eight anti-poverty initiatives. Rather than focusing on “merely compliance,” the new Terms of Engagement will emphasize “how we support the people who make our products,” determined by improvements in vital areas such as poverty, hunger, disease, women's and children's health, and women's rights as well as environmental sustainability. As an example, Anderson cites a savings account initiative for apparel workers in Columbia that provides access to housing assistance and other beneficial programs, which in turn leads to greater family stability and improved worker productivity. The message for the apparel industry is clear: to remain competitive over the long term, global companies must begin to make deep investments in the workforce, and become more attentive to the quality of life outside the factory gate.