

CITY OF LOS ANGELES  
CALIFORNIA

DEPARTMENT OF  
GENERAL SERVICES

TONY M. ROYSTER  
INTERIM GENERAL MANAGER AND  
CITY PURCHASING AGENT

OFFICE OF  
PURCHASING AGENT  
ROOM 110, CITY HALL SOUTH  
111 EAST FIRST STREET  
LOS ANGELES, CA 90012



ANTONIO R. VILLARAIGOSA  
MAYOR

July 24, 2008

Andrew G. Schwartz, Corporate Counsel  
Lion Apparel, Inc.  
6450 Poe Ave., Suite 300  
Dayton, OH 45414

**LION APPAREL'S RESPONSE TO ALLEGATIONS AT ALAMODE (HONDURAS)**

This letter is in response to the correspondence dated July 14, 2008 regarding your organization's efforts to address allegations of labor rights violations at Alamode, a factory in Honduras, as presented in a report released by Sweat-Free Communities on July 1, 2008.

On May 20, 2008, Worker Rights Consortium's (WRC) Ongoing Monitoring report to the City raised some concerns regarding the possibility of labor rights violations at the Alamode factory in Honduras. However, while the report points out multiple areas of concern, it goes on to discuss Lion Apparel's positive role in assisting the WRC in facilitating a visit to the factory, and its willingness to address any violations identified by the assessment with factory management. In the report, the WRC promises to provide the City with further updates as necessary, which denotes that the investigation was incomplete and all areas of concern were not conclusive.

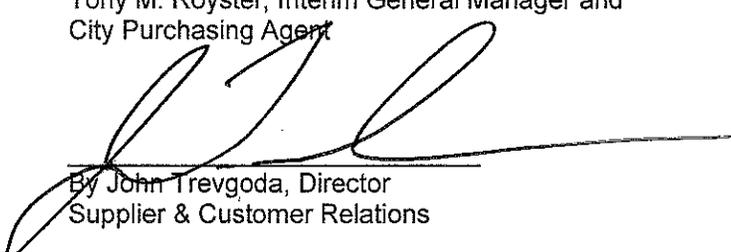
The Sweat-Free Communities report selectively represents WRC's findings, highlighting only the areas of concern and overlooking Lion Apparel's willingness to take action, and omitting the fact that the full-scale investigation is still in-process.

Please note that the WRC is the only organization that the City of Los Angeles has a formal agreement to conduct such investigations. The City acknowledges and appreciates your efforts to cooperate with WRC's investigation of Alamode. We also reviewed all of your organization's pending actions (as specified in your July 14 correspondence) to ensure the Honduran factory's compliance with the country's labor laws.

Again, thank you for your cooperation with the City's contractor, Worker Rights Consortium, and your willingness to comply with the City's Sweat-Free Ordinance. Your participation will help ensure that all organizations in the City's supply chain provide workers with humane labor conditions. We will continue to update you as the investigation progresses.

If you have any questions regarding this matter please contact Farshid Yazdi at (213) 928-9541 or via email at [farshid.yazdi@lacity.org](mailto:farshid.yazdi@lacity.org). Thank you for your cooperation.

Tony M. Royster, Interim General Manager and  
City Purchasing Agent

  
By John Trevgoda, Director  
Supplier & Customer Relations