



# Which Factory Made That Shirt? Even the Retailers Don't Know

by [Matt Brownell](#)    Jun 17th 2013 5:00AM



Getty Images

In April, a garment factory in Bangladesh collapsed, killing more than a thousand people. The factory had been making apparel for numerous American fashion brands and retailers.

In the wake of the tragedy, Walmart ([WMT](#)) -- [which had previously sourced clothes from the factory](#) -- touted its commitment to worker safety by releasing an extensive list of factories it had stopped doing business with out of safety concerns. But a [ProPublica report](#) released last week found that at least two of those factories were still making clothes sold in Walmart stores.



In one case, the company told ProPublica that it had simply accepted clothing shipments that had already been produced. The other factory was making clothes for Fruit of the Loom that were subsequently sold in Walmart stores, and the company says that there was confusion about which company's standards should apply.

It's not the first time Walmart has found itself having to explain why it was sourcing clothes from unsafe factories. After a fire killed 112 Bangladeshi garment workers in a factory fire last year, reporters found Walmart-brand clothes in the wreckage; the retailer subsequently claimed that [it had stopped doing business with the factory](#), but that one of its suppliers in the region had not complied.

So why is Walmart having so much trouble figuring out where its clothes are coming from?

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In short, it's because supply chains aren't a simple matter of factory-to-store. The Huffington Post's Peter Goodman [offers a good look](#) at how lax oversight and a complicated tangle of contractor and subcontractor relationships can lead to companies sourcing goods from suppliers that they might otherwise avoid. Ikea, for instance, purchased furniture made with illegally logged wood, while an Indian firm that Benneton had hired to make its clothes subcontracted the job out to the Bangladeshi factory that collapsed in April.

Further complicating things is that a single item may combine parts from multiple far-flung sources.



"If you're selling sunglasses, you may buy the temples from a different supplier than the screws, and then they're assembled in another factory," points out Brett Rose of United National Consumer Suppliers, a wholesale distributor. "There's a lot of hands in the mix."

That doesn't absolve Walmart and other retailers from responsibility, and it's clear that better oversight of its supplier relationships is necessary to prevent similar failures in the future. It does suggest, however, that consumers who wish to avoid companies that do business with unsafe factories will face an uphill battle.

Socially conscious consumers do have one option: They can boycott companies that refused to sign the Bangladesh Factory Safety Accord, a binding agreement to chip in on safety upgrades for factories in the country. Both Walmart and Gap (GPS) are among those that [declined to sign](#), citing prohibitive costs.

But if you do decide to boycott those brands, just keep in mind that this isn't a foolproof way to avoid wearing clothes made in unsafe factories. If massive multinationals like Ikea and Walmart can bungle their supply-chain management, then anyone can.

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