



## Wal-Mart and China

### **Wal-Mart buys most of its merchandise from China**

- Over 80% of Wal-Mart's suppliers are based in China.<sup>1</sup>
- In 2007 alone, Wal-Mart directly imported approximately \$32 billion in merchandise from China. That's nearly 10% of all U.S. imports from China.<sup>2</sup>
  - **Note:** *This figure does not include purchases from other name brand suppliers who also source from China. If these suppliers were included, this number would be far higher.*
- 70% of goods on Wal-Mart's shelves come from China.<sup>3</sup>
- As of 2008, if Wal-Mart was its own country, it would rank as the eighth largest importer of Chinese goods, ahead of Russia and India.<sup>4</sup>

### **Many of Wal-Mart's "American Suppliers" actually manufacture most or all of their products in China**

- One example of an "American supplier" is Hasbro, headquartered in Rhode Island. Today, Wal-Mart is the largest purchaser of Hasbro products—accounting for 24% of all Hasbro products or more than \$900 million in sales. But Hasbro reports that "the substantial majority of our toy products are manufactured in China."<sup>5</sup>

### **Wal-Mart's Chinese factory workers are treated poorly**

- A 2008 report by the National Labor Committee found that workers making holiday ornaments for Wal-Mart in Guangzhou, China were paid only 2/3 of the legal minimum wage, often worked 95 hour weeks, and were forced to work for months without a single day off. The report also found that children as young as 12 worked in the factory and that workers handled dangerous chemicals without even the most rudimentary form of protection, leading to serious skin rashes and sores.<sup>6</sup>

### **Workers face appalling work conditions, despite Wal-Mart's factory inspection program**

- As of early 2008, only 26% of Wal-Mart's factory inspections are unannounced, providing managers the opportunity to coach workers on what to say and hide violations. In contrast, 100% of the audits conducted by Target, one of Wal-Mart's chief competitors, are unannounced.<sup>7</sup>

## What you can do

### **1. Sign-Up**

Join our exciting movement to change Wal-Mart:

[www.wakeupwalmart.com](http://www.wakeupwalmart.com)

### **2. Adopt-A-Store**

Become a local volunteer and help us build a local community group at every Wal-Mart store in America. Community groups meet once per month to take action to educate others about Wal-Mart's negative impact on our communities.

### **3. Tell Others**

Call your friends and family and let them know why Wal-Mart needs to change and ask them to sign up.

<sup>1</sup> "China must tame economic dragon or face disaster" *The Irish Times*, 15 May 2008

<sup>2</sup> "Wal-Mart to push 1,000 Chinese suppliers to adopt green agenda" *Financial Times*, 7 April 2008

<sup>3</sup> *China Business Weekly*, November 29, 2004

<sup>4</sup> "US-China Trade Statistics and China's World Trade Statistics," *US-China Business Council*, 2008

<sup>5</sup> 2008 Hasbro 10-K filed with the SEC <<http://www.secinfo.com/dsvRx.t16j.htm#1stPage>>

<sup>6</sup> "A Wal-Mart Christmas: Brought to You by a Sweatshop in China," *The National Labor Committee*, December 2007

<sup>7</sup> T.A. Frank, "Confessions of a Sweatshop Inspector," *Washington Monthly*, April 2008