

1 [Nova Knits Inc.]

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3 **Resolution urging Nova Knits Inc. to comply with the Worker Adjustment and**  
4 **Retraining Notification (WARN) Act and the legitimate requests of its laid off**  
5 **workers and to ensure that its laid off workers are able to access transitional**  
6 **employment benefits through Unemployment Insurance, the Workforce**  
7 **Investment Act (WIA) and the Trade Adjustment Assistance Act (TAA).**

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9 WHEREAS, Nova Knits Inc. is a San Francisco based transnational garment  
10 manufacturer that laid off over 140 production workers at its 647 Harrison Street facility  
11 between October 2004 and March 2005; and,

12 WHEREAS, Many of the laid off workers had been employed by Nova Knits for  
13 over 20 years and had contributed to Nova Knits Inc.'s business success; and,

14 WHEREAS, Nova Knits Inc. failed to provide adequate notice of the mass  
15 layoffs to the affected workers and to the appropriate state and local governmental  
16 agencies as required under the WARN Act; and,

17 WHEREAS, Nova Knits Inc.'s layoffs violated the federal WARN Act which offers  
18 protection to workers and their families by requiring employers to provide notice 60  
19 days in advance of covered plant closings and covered mass layoffs; and

20 WHEREAS, Nova Knits Inc. failed to offer any severance pay or temporary  
21 continuation of employee benefits to its laid off workers; and,

22 WHEREAS, Without proper notification, the Private Industry Council (PIC) and  
23 the Employment Development Department (EDD) were not able to provide critical  
24 services to the Nova Knits workers including available services and employment  
25 training through the WIA, and the North American Free Trade Agreement TAA; and,

Supervisors Jake McGoldrick, Aaron Peskin, Sophie Maxwell, Gerardo Sandoval, Ross Mirkarimi, Tom Ammiano, Chris Daly,  
Alloto-Pier, Dufty

**BOARD OF SUPERVISORS**

1           WHEREAS, The Nova Knits workers have not been able to access all available  
2 transitional employment services and temporary assistance; and,

3           WHEREAS, The Nova Knits workers face decreasing employment opportunities  
4 due to the overseas relocation of manufacturing jobs and due to the lack of adequate  
5 job retraining programs; and,

6           WHEREAS, All of the laid off workers are monolingual Chinese speaking  
7 immigrants that are struggling to survive with limited financial resources; and,

8           WHEREAS, Through written communication to Sandro Lee, CEO of Nova Knits,  
9 Inc., the laid off workers requested a group meeting and that the company provide  
10 them with 60 days severance pay, a temporary continuation of employee benefits,  
11 cooperation with Chinese Progressive Association and with relevant public agencies to  
12 ensure access to transitional employment benefits; and,

13           WHEREAS, Through his lawyer and managers, Mr. Sandro Lee has refused to  
14 meet with the laid off Nova Knits workers as a group; and,

15           WHEREAS, Nova Knits Inc. has continued to retaliate, intimidate and coerce the  
16 laid off workers; and,

17           WHEREAS, Nova Knits Inc. contracts with many major apparel companies to  
18 produce garments including The Gap Inc. which is headquartered here in San  
19 Francisco; and

20           WHEREAS, The Gap has launched an internal investigation; and

21           WHEREAS, Sandro Lee, CEO of Nova Knits Inc., makes millions of dollars from  
22 the production and labor of the Nova Knits workers; now, therefore, be it

23           RESOLVED, That the San Francisco Board of Supervisors urges The Gap Inc.,  
24 and all other major apparel companies that contract with Nova Knits Inc., including  
25 Macy's, Abercrombie and Fitch, Liz Claiborne, Sears, Ann Taylor, Talbots, Tse

Supervisors Jake McGoldrick, Aaron Peskin, Sophie Maxwell, Gerardo Sandoval, Ross Mirkarimi, Tom Ammiano, Chris Daly,  
Alioto-Pier, Dufty

**BOARD OF SUPERVISORS**

1 Cashmere, Abeille Ligne and Ellen Tracy to ensure that Nova Knits complies with all  
2 applicable laws especially the TAA which provides for job search assistance and  
3 training; and, be it

4 FURTHER RESOLVED, That the San Francisco Board of Supervisors urges  
5 Nova Knits to cease its retaliatory actions and comply with the request of its laid off  
6 workers for a group meeting with Sandro Lee to discuss the terms of their layoff; and,  
7 be it

8 FURTHER RESOLVED, That the Board of Supervisors of the City and County of  
9 San Francisco urges Nova Knits, Inc. to comply with the WARN Act and the legitimate  
10 requests of the laid off workers by providing 60 days of severance pay and a temporary  
11 continuation of employee benefits; and, be it

12 FURTHER RESOLVED, That the Board of Supervisors urges Nova Knits Inc., to  
13 cooperate with the Chinese Progressive Association and relevant public agencies to  
14 ensure that qualified workers are able to access their benefits through unemployment  
15 insurance, the WIA and the TAA; and, be it

16 FURTHER RESOLVED, That the Clerk of the Board of Supervisors will send  
17 written communication of this resolution to Mr. Sandro Lee, CEO of Nova Knits Inc.  
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# City and County of San Francisco

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

## Tails Resolution

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**File Number:** 050791

**Date Passed:**

Resolution urging Nova Knits Inc. to comply with the Worker Adjustment and Retraining Notification (WARN) Act and the legitimate requests of its laid off workers and to ensure that its laid off workers are able to access transitional employment benefits through Unemployment Insurance, the Workforce Investment Act (WIA) and the Trade Adjustment Assistance Act (TAA).

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May 10, 2005 Board of Supervisors — AMENDED, AN AMENDMENT OF THE WHOLE BEARING SAME TITLE


Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

May 10, 2005 Board of Supervisors — ADOPTED AS AMENDED

Ayes: 11 - Alioto-Pier, Ammiano, Daly, Dufty, Elsbernd, Ma, Maxwell, McGoldrick, Mirkarimi, Peskin, Sandoval

File No. 050791

I hereby certify that the foregoing Resolution was **ADOPTED AS AMENDED** on May 10, 2005 by the Board of Supervisors of the City and County of San Francisco.

  
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Gloria L. Young  
Clerk of the Board

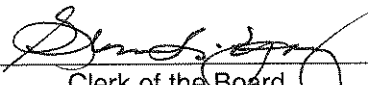
MAY 20 2005

\_\_\_\_\_  
Date Approved

\_\_\_\_\_  
Mayor Gavin Newsom

Date: May 20, 2005

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.

  
\_\_\_\_\_  
Clerk of the Board

File No.  
050791