August 18, 2005

Disney’s Children’s Books
Made with the Blood, Sweat and Tears of Young Workers in China

Hung Hing Printing (Shenzhen) Limited Corporation
Hung Hing Industrial Park
Fu Yong Shen, Shenzhen 518103
China

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Hung Hing has three factories in Shenzhen: Treasure Happiness Packaging; Hung Hing Paper Products and Hung Hing Modern Paper Limited Corporation.

Hung Hing Modern Paper Limited Corporation produces educational, interactive and cartoon books for children, along with toy owner’s manuals, and other puzzles and books.

The workers say: “In our factory, the products vary, but Disney is our big client.”

The Hung Hing Factory also produces for Wal-Mart and other giant U.S. retailers.

There are approximately 12,000 workers in Hung Hing’s three Shenzhen plants. Seventy percent of the workers are women. Most are 18 to 35 years of age. Almost all of the workers are from rural provinces.

NOTE: This NLC report is a summary of the more in-depth, longer, and much richer SACOM research which can be found at: www.nlcn.org or in Chinese at http://www.sacom.org.hk/.
Hung Hing Disney and Wal-Mart workers appeal for Justice

Male worker read from a petition:

My co-workers: It is time that we unite and stand up! For our own legal rights, we should take the initiative. Let’s sign here to strongly demand that the factory improve the working conditions to ensure employees’ safety, to provide factory dorms for the employees and to buy retirement insurance for the workers in accordance with the law. The truth is always on our side.

[Signed by]
Those with a sense of justice.

Another worker writes:

Dear Fellow Workers:

Hello everyone! In this scorching hot summertime, the daily lives of we, the laboring workers are not good. It is time for us also to think of ourselves. Is it alright, the way we are living and the food we are eating? Isn’t it awful, the food we are given by the factory? Compared to before, it’s not the same. The difference is clear. Worse still is the people (the cafeteria workers and security guards) who curse at us like we are criminals. This too, let us put aside for the moment. The biggest problem is our living situation. In this blazing hot summer, when we are living in rented housing outside the factory, going to and coming from work is really troublesome. After we finish a full day of work, we’re dead tired, and we still have to make our ways home. Especially in the rain, this pain is recognized. Even though we’re unwilling, we still have to pay rent on this house we bitterly exchange our sweat and blood for. What’s more horrible still are the dangerous conditions we’re subjected to after work. On a daily basis, our fellow workers leaving work to go home are hit by cars and injured or killed. And because this is not considered a work injury, the medical expenses are left to the worker to be paid by himself. Right now, our wages are miserably low. Each month, about 600-700 yuan. Renting a house for a month costs about 100 yuan. Additionally, our houses are so far from the factory, on rest days we are not permitted to eat at the factory, so eating out we have to spend still more of our money. After working for a month, feeling in our pockets to see how much money we have left, we find only a few pennies. Pitiful, pitiful, really pathetic! Tell me, how can we face our parents, wives or husbands, and daughters and sons in this way? Honorable leaders, can’t you find in your hearts a little bit of mercy? If you think of us workers, we entered the factory over a year ago, but we still are not given dormitory housing. You also ought to see our point of view. For example, we entered the factory to work over a year ago, but we still are not given dormitory housing. We ought to receive a reimbursement. Those who have worked here for half a year also ought to receive a sum in reimbursement. This is the only way we can successfully continue to work in the factory.
A Dangerous Place to Work

One would hardly associate Disney’s children’s books with crushed and broken fingers, lacerated hands, broken legs and even deaths. But, disturbingly, that is the case at the Hung Hing plants in China, where Disney is the major client.

The frequency of occupational injuries and accidents at Hung Hing is exceptionally high. Indeed, some workers report that almost every day someone is injured. And Hung Hing ranks among the top 30 factories in the Shenzhen Industrial Area with the highest number of work-related injuries in 2004. *Making children’s books for Disney should not be a dangerous occupation. Disney must move immediately to correct these serious safety problems.*

A woman with eight years experience working at Hung Hing factories described some of the work-related injuries she personally witnessed first hand:

- In 2002, a 24-year-old woman was crushed to death in a hole-punching machine. The entire lower half of her body was crushed.

- In May 2003, during a period of peak production, a worker newly arrived from Sechuan—still in his trial period—was killed while manually cleaning a cutting machine. He accidentally stepped on an exposed on-off mechanism and was electrocuted. Factory management offered less than $16,000 in compensation for his unnecessary death.

- On June 28, 2004, a woman working the machines at the press unit had the thumb of her right hand crushed. Treatment required amputation of half her thumb.
• In July 2004, another woman had the index and middle fingers of her left hand crushed by a machine.

• In November 2004, a worker had the index finger of her right hand crushed.

• On April 19, 2005, a worker had his back crushed by a falling machine. Factory management did not report the incident to the state Social Security Bureau, choosing instead to privately negotiate with the worker. Management gave him a little money and sent him home.

• On April 29, 2005, a man in the printing shop had the index, middle, ring and pinky fingers of his left hand crushed.

According to interviews conducted with the Hung Hing workers at a local hospital in May 2005, the following were some of the occupational injuries they experienced at work.

• “Ms. Fang,” a 28-year-old woman from Sechuan Province who has worked at Hung Hing for the last year, was injured on May 19. She was working on a machine that presses book covers. The pressing machines often become stuck with glue, at which point the machine must be cleaned before work can continue. The machine, from top to bottom, is made up of narrowly separated sets of rollers. The glue tends to work its way into the holes that have been ripped in the belts of the machine. Ban stretched her arm deep into the machine to remove the glue. While she was doing this, pressure from the rollers above and below split open and broke the index finger on her right hand.

• “Ms. Ling,” a 22-year-old woman from Guangdong Province who has also worked at the Hung Hing factory for a year, was injured on the morning of May 20, 2005. Ling was making a batch of notebooks that are made with a lock. While making the hole for the lock, her right middle finger was broken leaving the bone exposed.

• “Mr. Ing,” a 26-year-old man from Hunan Shaoyang had worked at Hung Hing for three years in the XX department where he is a machine chief. (There are a machine chief and
two assistants for every machine.) He was injured at 3:00 a.m. while working the night shift on May 20.

After completing the cutting of one batch of paper, there is always paper stuck at the back of the machine which needs to be removed. After having turned off the machine and as he was reaching in to retrieve the stuck paper, the inertia of the machine pulled Ing’s hand in and it was trapped between two narrowly spaced presses, injuring his hand all the way to his palm. If the machine had not been turned off, he would have lost his entire hand.

• “Mr. Lee” a 28-year-old man from Guizhou Province, has worked at the Hung Hing warehouse for six years. A year earlier, on June 16, 2004, he had fractured the bone of his right leg. On June 7, 2005, Lee was back in the hospital. He had accidentally dropped a box he was taking into the warehouse, which fell on his right leg, again causing a fracture.

During his first hospital stay from June 16 to August 20, 2004, Hung Hing management did not even provide adequate funds for Wu to purchase his meals at the hospital.

At Hung Hing, there are many more work-related injuries than what is reported to the state Social Security Bureau. First, less serious injuries are treated in the factory clinic. Only workers with more serious injuries are sent to the hospital for treatment. And of these, not all of the workers treated at the hospital will report to the Social Security Bureau. After they have recovered, management negotiates privately with the workers, arranging to pay them an inconsequential amount of money as compensation. If the workers want to keep their jobs at Hung Hing, they have no alternative but to quietly accept what management offers.

More Injuries and Deaths
(Excerpts from Interviews with workers from the “Those With Justice” SACOM [August 2005] film.)
Women in khaki pants & light blue top uses a Disney book (Mickey and Friends, Haunted Halloween) to illustrate how injuries can happen in her job.

While producing a book like this, many chances of injury can happen. When making this cover, we use a machine to press this edge. But there is no safety device—It depends on your carefulness. Because the book is very small, when pressing it, our hand gets very close to where the machine (It is still board) presses. When we put it in, if we are not careful, our fingers will be pressed together with this book.

When applying the glue to the book...during this process, including making the cover...a constantly running adhesive machine is used. We need to feed it manually. Insert like this and then pull it out while it is still running. If we are not careful, our hand could be rolled in with the material.

**Man in bandaged partially amputated forefinger:**

When my hand reached in a little bit further, the machine pressed down here.

**Woman #2 in work smock:**

Seemed like a girl got her whole shoulder in. We dared not look. Plus our supervisor did not allow us to see...her head could have rolled into the machine.

**Woman in black silkscreened t-shirt with bandaged finger:**

They only briefly tell you about the process such as, ‘how to do this,’ and ‘do not violate.’ On each floor, if an accident happens, work stops for 2 minutes. Then everyone’s bonus would be deducted. If it is a small injury, they could arrange for you to rest. Instead they would persuade you not to, saying, ‘Don’t take time off.’ [Photo of badly injured hand.]. ‘Take some medicine,’ or ‘I can arrange an easier position for you.’ If you rest for a day, 33 yuan [one day’s wage] would be deducted.
Hours:

- Mandatory overtime.
- 12 to 13-hour shifts, six days a week.
- At the factory 78 hours a week while working 70 hours.
- Pressured to arrive a half hour early and leave a half hour late, working an extra hour without pay.

Woman worker:

*I worked at Hung Hing for almost 1 year. You must start working before your shift starts. If you can’t then you would be blamed harshly. We always worked overtime, 10-12 hours. [Management] promised to compensate us, but they never did.*

The official shift at Hung Hing is 12 hours a day, from 7:30 a.m. to 7:30 p.m., six days a week, with a one-hour-and-twenty-minute lunch break. Actual working time is 10.67 hours per day. This means the workers are at the factory 72 hours a week while working 64 hours.

**Official Working Hours**

(Six days a week)

- 7:30 a.m. to 12:50 p.m. (work/5.33 hours)
- 12:50 p.m. to 2:10 p.m. (lunch/1.33 hours)
- 2:10 p.m. to 7:30 p.m. (work/5.33 hours)

In practice however the actual workday appears to be at least an hour longer. Hung Hing workers are paid according to a piece rate tied to very high production goals. If they miss their daily target, their wages drop. To avoid this, it is not uncommon to remain working an extra hour—unpaid—until they reach their goal.

**A Mother’s Sadness**

*Her four-year-old daughter no longer recognizes her*
Many of the Hung Hing workers are migrants who have left their rural provinces in search of work. They have had to leave their families behind, and few have the time or money to travel home.

Woman worker:

_I have two children. My daughter is still young. When I came out to work, she was only a year and a half._

Interviewer: _How old is she now?_

Woman in smock: _Four years old._

Interviewer: _Hasn’t seen mom for a while—she certainly cannot recognize you._

Woman in smock: _I went back once. I looked familiar to her. I asked her, ‘Can you recognize me?’ After staring at me for a while, she said, ‘Are you my aunt?’ [She laughs ruefully.]_

More pervasive is management’s practice of placing enormous pressure on the workers to arrive a half hour early each day and to remain working a half hour after the official shift is supposed to end at 7:30 p.m. It is also factory policy not to allow the workers to leave the plant until 8:00 p.m.

If any mistakes made during the day need to be redone, the workers are obligated to remain working one to two hours of overtime to complete the corrections. These hours are not paid.

If management deems that a section of the factory is too untidy, they will obligate workers on that part of the production line to remain after their shift ends—again unpaid—to sweep and mop the floor.

So, in practice, the real workday is from 7:00 a.m. to 8:00 p.m., or 13 hours a day, six days a week. This would put the workers at the factory 78 hours a week while actually working 70 hours.

**Actual Shift**
*(Six days a week)*

- 7:00 a.m. to 12:50 p.m. (work/5.83 hours)
- 12:50 p.m. to 2:10 p.m. (lunch/1.33 hours)
- 2:10 p.m. to 8:00 p.m. (work/5.83 hours)

**Wages:**

- 35 cents to 41 cents an hour.
- $4.07 a day for 10 to 11.67 hours of work.
• Cheated of overtime pay.
• Workers describe their wages as “miserably low”… “pitiful”…and at the end of a month’s work they have “only few pennies.”

A male worker:

“Right now, our wages are miserably low. Each month, about 600 to 700 yuan ($17.64 to $20.58 a week). …After working for a month, feeling in our pockets to see how much money we have left, we find only a few pennies. Pitiful, pitiful, really pathetic! Tell me, how can we face our parents, wives or husbands, and daughters and sons in this way?”

A second male worker:

“When you get off from work, have you ever thought that we are far away from home? What are we striving for with the price of our youth, sweat, even blood and tears? Wage. Yes, it’s wage.”

Hung Hing pays 33 yuan, or $4.07 a day, for officially 10 hours of work, or 41 cents an hour, which meets the legal minimum wage.

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<td>• $24.44 a week (60 hours)</td>
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<td>• $102.66 a month</td>
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But as we have seen, in practice the real workday is 11.67 hours and not 10 hours. This lowers the real wage to just 35 cents an hour, which is below the legal minimum wage.

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At Hung Hing, a worker’s first month’s wage is withheld as a deposit, and he or she only receives their first pay on the 28th of the second month.
A subsistence level wage in the Shenzhen area where Hung Hing is located would be approximately 3,000 yuan a month, or $370.36, which comes to $2.14 an hour.

For a family of three—mother, father and young child—to climb out of misery and into the lower middle class where they could exist with a modicum of decency, it would cost 3,000 yuan a month. Rent for a small two-bedroom flat in the less expensive outlying areas of Shenzhen still costs 1,000 yuan a month, or $123.45, which is considerably more than the Hung Hing workers earn in a month, despite working 70 hours a week. Food, household expenses, education, clothing, transportation and health care costs would total another 2,000 yuan, or $246.91.

Subsistence level wage in Shenzhen
(Estimated by respected local NGO in Hong Kong)

- $2.14 an hour
- $17.12 a day (8 hours)
- $85.47 a week (40 hours)
- $370.36 a month
- $4,444.33 a year

Even if we take the high wage of 41 cents an hour at the Hung Hing factory, this wage still provides less than 20 percent of the cost of living for a family of three. Suppose the two parents worked side by side at Hung Hing making children’s books for Disney, their combined wage of 82 cents an hour would still provide less than 40 percent of the cost necessary to climb out of the misery the Hing Hong workers describe.

Workers face enormous and constant pressure to produce

- Supervisors scream at the workers: “You are stupid like a pig. Your brain is filled with water.”
- Workers forego drinking water in order not to have to use the bathroom and slow down production.
- [Because] “the working pace is fast and exhausting, some of my co-workers would suddenly faint while working. Management says: ‘If you faint, you deserve it, and I won’t sympathize with you.’”
• “After we finish a full day of work, we’re dead tired, and we still have to make our ways home.”

• “Some women skip meals and go to work directly.”

“**But they never treat us like this.**”

Holding a Disney children’s book, a woman worker explains:

We needed to smooth down the book corners. They would tell us that foreigners are superior to us... ‘Foreign kids skin is especially sensitive,’ they would say. You need to be responsible to them. But they never treat us like this.

Women workers:

• Some supervisors yell at you very rudely: ‘You are stupid like a pig. Your brain is filled with water...You are just as dumb as a cow who always needs us to lead around.’ We frequently hear these insulting words. You yourself may feel pressure. Many times for an entire morning, in order not to go to the restroom, we don’t drink water at all. In very hot weather, we won’t drink water until we get off. It seems that no one forces us to do so, but we are forced to make such a choice. If there were more people doing our job, then most of the pressure we are suffering now could be reduced.

• Additionally the factory can be really hot, and the working pace is fast and exhausting. Some of my co-workers would suddenly faint while working. In meetings, management would say, ‘If you faint, you deserve it, and I won’t sympathize with you.’

• Because the work is so exhausting, very often some co-workers faint. Because the workers are rushed, plus the dining hall is small and crowded, many workers don’t get food there because of the long line. Waiting in the line takes longer than eating. The first floor is where the food is cooked, the 2nd floor is where we get the food and the 3rd floor is where we eat. We have to climb, holding our plates from the 1st floor to the 3rd floor to eat.

• Many workers just go out to eat. Some women skip meals and go to work directly.

Male worker:

“The daily lives of we, the laboring workers, are not good...after we finish a full day of work, we’re dead tired, and we still have to make our ways home.”
Food and Dorm

Food at the Hung Hing factory canteen is free. Management says this meal allowance is worth 150 yuan a month, or $18.52. This amounts to just 61 cents a day for each worker and 20 cents per meal. The workers describe the food as terrible. One worker asks: “Isn’t it awful, the food we are given in the factory? Compared with before, it’s not the same. The difference is clear. Worse still is the people (cafeteria workers and security guards) who curse at us like we are criminals.”

About half the workers live in company dorms, which are free. Each room has four to six double-level bunk beds which house eight to 12 workers. Each room has a shared toilet. The dorms do not provide hot water, so the workers have to go to a separate building to shower or they can use government public baths which are meant for the very poor. Sometimes the water pressure is so low, especially during the summer, that the only access the workers have to water is from a water truck. Each worker is limited to just two buckets of water for bathing.

The Hung Hing factory has expanded so rapidly that only about half the workers can be housed in the free company dorms. The other half—those most recently hired—have to find rooms to rent outside the Hung Hing Industrial Park. Two workers might share a single room without a bath, which will cost each worker 100 yuan per month, or $12.35. This does not include water or electricity bills, but it still wipes out about 15 percent of the workers’ wages. A common complaint is that the factory does not reimburse these workers for the cost of their rent. Also, some of these apartments are a half hour’s walk from the factory, which is not easy when you are working 13 hours a day. On Sundays when the factory is shut down, workers living outside the industrial park must also purchase their own food. The cheapest meal they can eat costs three yuan, or 37 cents. A slightly better meal would cost five yuan and 62 cents, but they cannot afford that. Three meals on Sunday cost these workers $1.11, which takes another cut out of their wages.

There is another inconvenience for those living outside the factory. During their breaks these workers cannot go back to a dorm room, and have no other place to wait but sitting on the street outside.

There is also a great danger when thousands of workers pour out of the factory at the same time, with people crowded onto the roads walking, rushing to get home or to buy a meal. And some of these roads are major highways used by the large container trucks which are usually speeding to and from the ports. Many Hung Hing workers have been injured and some even killed in traffic accidents. Some factories hire traffic guards during rush hour, but Hung Hing does not.

Male worker:

The biggest problem is our living situation. In this blazing hot summer, when we are living in rented housing outside the factory, going to and coming from work is really troublesome. After
we finish a full day of work, we’re dead tired, and we still have to make our ways home. Especially in the rain, this pain is recognized. Even though we’re unwilling, we still have to pay rent on this house we bitterly exchange our sweat and blood for. What’s more horrible still are the dangerous conditions we’re subjected to after work. On a daily basis, our fellow workers leaving work to go home are hit by cars and injured or killed. And because this is not considered a work injury, the medical expenses are left to the worker to be paid by himself.

Woman worker:

The break period during the night shift is also a big problem. There is no place for you to rest. We have a 1 hour break, but there are 1-2,000 people working at night...It’s a bit better in summer, but in the cold winter, we just sit along the road. During that hour, you just sit there to kill time.

If there is a power outage during the shift or other reasons the work stops, it can be 2 or 3:00 a.m., the managers would tell you to go home. But these workers live far from the factory, some in very isolated places. This is a big safety problem. No one considers what may happen to the girls walking home late at night.

Another woman adds

The other day, I saw a woman was hit by the traffic at this crossing. She was dead. I saw it with my own eyes.

Interviewer: A Hung Hing worker?

Woman: Yes, she is. She wore the factory uniform, and her hair was tied in a ponytail. I saw a lot of blood flowing from her head. I was too scared to move.

Hung Hing management claims there is a union in their plant

The workers have no idea that a union exists, and have never seen any activity whatsoever from the “union.” In fact, it appears that a senior Hung Hing manager heads the Trade Union Committee.

Disney Code of Conduct is meaningless and audits are a sham

Most Hung Hing workers do not know a single thing about Disney’s corporate code of conduct, which is supposed to help guarantee the rights of the workers. The Codes are posted on bulletin boards, but as they have no meaning or relevance, they workers ignore them.

Disney audits are also a sham

Hung Hing appears to be monitored once or twice a year by each of its clients. All such monitoring visits are known well in advance. Before each audit, management instructs the workers to give model answers to the questions, denying that there are any problems in the
factory. Those who respond correctly will be given a bonus. Anyone telling the truth about factory conditions will be fired.

Woman worker:  *Foreigners often come to visit the factory.*

Male worker:
*When people check our factory, our factory puts on a facade. Before they come, the management would notify us. They would give us some materials for us to recite in case we are asked questions. They would warn you to be aware of what you say.*

Male worker:
*I hope the factory can be less hypocritical. They shouldn’t wait till clients come to make things better. They should pay attention to potential problems on a daily basis.*

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**No health insurance or pension**

In violation of China’s law, Hung Hing does not provide health insurance to its workers (who are only insured for occupational injuries) or retirement insurance.
Hung Hing Workers Inside the Factory

Lunchtime at the factory canteen

Dorm food
Hung Hing workers’ living conditions

Workers taking a noon break by side of road

Worker dormitories

Dorm room of male workers

Dorm bathroom of male workers

Dorm shower of female workers

Dorm toilet of female workers
Female dorm bathrooms; each floor has one

Rent apartment bedroom; 4 workers sleep in 2 double beds
According to US Customs documents obtained by PIERS, in November 2004 alone, the Hung Hing Printing Centre sent 90 shipments to the United States of children’s books, puzzles, and other stationary. The combined estimated value of these 90 shipments was $15,232,354.

In June of 2005, Hung Hing sent out 147 shipments of children’s books and stationary to the United States. The combined estimated value of these shipments was $14,496,720.
**AMS Bill of Lading Detail**

**Shipper**

HUNG HING OFF-SET PRINTING CO  
TAI PO IND EST.,  
17-19 DAI HEI ST, TAI PO  
HK  
2664 8682

**Consignee**

RANDOM HOUSE  
400 HAHN RD  
WESTMINSTER MD  
21157 USA  
US

**Notify Party**

DANZAS AEI INTERCONTINENTAL  
508 MC CORMICK DRIVE,SUITE A-E,  
GLEN BURNIE,  
MD 21061 U.S.A.  
US

**Packaging Information**

**Weight:** 15907 KG  
**Measurements:**  
**Quantity:** 1197 PCS  
**TEU’s:** 1.74

**Shipment Detail**

**Carrier:** DMAL - K LINE  
**Vessel:** GOLDEN GATE BRIDGE  
**Voyage:** 12E  
**B/L:** DMALHKG361947  
**Pre Carrier:** HONG KONG  
**Lloyd's Code:** 9224506  
**Inbond Code:**  
**Estimated Value:** $ 70,070.00

**Country of Origin:** PEOPLES REP OF CHINA  
**Coastal Region:** WEST  
**US Port:** 2709 LONG BEACH  
**For Port:** 58201 HONG KONG  
**US Dest:**  
**For Dest:**  
**Mode of Transport:** 10  
**Arrival Date:** 11/04/2004

**AMS Commodities**

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PO#2390480  
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WAREHOUSE PRODUCTION  
NO. 7541610  
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33 PLTS ONLY  
PLYWOOD-PALLETs USED ARE  
MADE OF PLYWOOD AND FIBER  
BOARDS WHICH CONTAINS  
NO SOLID WOOD PACKING  
MATERIAL  
DELIVERY ADDRESS:

Note: Bills of lading that contain multiple commodities will list the total weight and TEU's for the entire bill of lading

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**QUANTITY:** 90 COPIES

**RETAIL PRICE:** $3.99 U.S./$5.99 CAN.

**ON SALES DATE:** 11.01.2005

G.W.: KGS

**IMPRINT/PUBLISHER:** RANDOM HOUSE, INC

MADE IN CHINA

**TITLE:** MY DOCTOR'S BAG


**QUANTITY:** 90 COPIES

**RETAIL PRICE:** $3.99 U.S./$5.99 CAN.

**ON SALE DATE:** 11.01.2005

G.W.: KGS

**IMPRINT/PUBLISHER:** RANDOM HOUSE, INC

MADE IN CHINA

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*Note: Bills of lading that contain multiple commodities will list the total weight and TEU's for the entire bill of lading*
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HUNG HING PRINTING CENTRE,
17-19 DAII HEI ST., TAI PO IND EST,
TAI PO.N.T.HONG KONG

Consignee
ADVANCE PUBLISHERS, LLC
1060 MAITLAND CENTER
COMMONS SUITE 365 MAITLAND
FLORIDA 32751 U.S.A

ORDER OF SHIPPER
M DON ZIEBELL 6615 N SCOTTSDALE RO

Notify Party
Measurements: 3.00 CM
Quantity: 200 CTN
TEU’s: 0.18

Packaging Information
Weights: 1,098.00 KG

Shipment Detail
Carrier: P&O NEDLLOYD
Vessel: Voyage
LONG BEACH

B/L WSAN0506ATN0001A
Pre Carrier: HONG KONG
Lloyd’s Code: 925682
Inbond Code: 00
Estimated Value: 6,678.00

Country of Origin: PEOPLES REP OF CHINA
Vessel: OOCL NINGBO 10E23
Coastal Region: US Port: WEST 2709

For Port: 58201 HONG KONG
US Dest: For Dest:
Mode of Transport: 10
Arrival Date: 6/24/2005

AMS Commodities
Container Description
PONU4970050 (200CTNS PACKED IN 4 PLTS) STICKER PO#147

Piers Commodities
Qty (Units) Description HSCODE/JOCCODE
200.00 CTN STICKER SHEETS 4821/7985000

Marks & Numbers
Container Description
PONU4970050 POOH STICKER BOOKMARK SET POOH’S THINKING / SPOT QTY: 100 SETS
027506036081 PRINTER IN / CHINA P

Note: Bills of lading that contain multiple commodities will list the total weight and TEU’s for the entire bill of lading

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Financial Highlights:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Annual Income</th>
<th>Profits</th>
<th>Advertising Expenses</th>
<th>Daily Advertising Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$30,752,000,000</td>
<td>$2,542,000,000</td>
<td>$3,000,000,000</td>
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<td>2003</td>
<td>$27,061,000,000</td>
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<td>2002</td>
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<td>$1,337,000,000</td>
<td>$2,300,000,000</td>
<td>$6,301,369</td>
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Chief Executive Officer:
Michael Eisner

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Total Annual Compensation</th>
<th>Compensation per day</th>
<th>Compensation per hour</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>$8,312,373</td>
<td>$31,970.67</td>
<td>$3,996.33</td>
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<td>$7,318,431</td>
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The following shareholder resolution, “China and Labor Standards” was introduced at the Walt Disney Company’s annual shareholder meeting in March 2005. The Office of the Comptroller of New York City introduced the resolution, and the Disney Board of Directors recommended that shareholders vote No on the resolution.

Proposal 2—China Labor Standards

The Company has been notified that a representative of the Office of the Comptroller of New York City, as custodian and trustee for the New York Retirement Systems, intends to present the following proposal for consideration at the annual meeting:

“Whereas, The Walt Disney Company currently has extensive operations in China, and

“Whereas, human rights abuses in the overseas subsidiaries and suppliers of U.S. corporations can lead to negative publicity, public protests and a loss of consumer confidence, which can have a negative impact on shareholder value, and

“Whereas, the Hong Kong Christian Industrial Committee has surveyed over twenty toy manufacturers in south China, including a number of suppliers of Disney and other major U.S. toy companies, and
“Whereas, the study found a number of violations of Disney’s corporate code of conduct on the part of its suppliers, as well as violations of Chinese Labor Law, and

“Whereas, the study found that a large majority of workers surveyed at those supplier factories were unaware of the corporate codes of conduct of Disney and other U.S. toy companies that are supplied by their factories,

“Therefore, be it resolved, that shareholders request that the Board of Directors review and report to shareholders by September 2005, on the adherence of Disney’s suppliers in China to Disney’s corporate code of conduct, to the provisions of the Chinese government’s Labor Law, and to the core conventions of the International Labor Organization (ILO). This report should be prepared at reasonable expense and contain no proprietary information.”

“Supporting Statement: “The New York City Employees’ Retirement System, the New York City Teachers’ Retirement System, and the New York City Police and Fire Department Pension Funds (the ‘Systems’), believe that the adoption of this resolution will benefit the company by helping to ensure that it is not associated with human rights violations in the workplace. We urge you to vote FOR this proposal.”