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Human Trafficking and Its Impact on the Retail and Hospitality Industry

I. What is Human Trafficking and What is Not Human Trafficking?

Despite what is commonly believed, Human Trafficking is not a form of prostitution. Human Trafficking involves forced servitude of either labor or sex.

Sex trafficking involves the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act and that commercial sex act is induced by force, fraud, or coercion, or the person induced to perform such act has not attained 18 years of age.

Labor trafficking involves the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

This would not include acts of smuggling illegal immigration or smuggling into the country willing participants. It also does not cover prostitution. These acts are still crimes, but are not generally covered by Human Trafficking statutes.

Trafficking Victims Protection Act, 22 USCA §7101 lays out the definitions. The key issue is the person who is forced into servitude, even to do a possibly illegal act, is considered the victim. Typically the elements involve servitude induced by threats of harm to the victim or another person, threatened legal interaction, or used as a method to pay off a real or imagined debt. This is accomplished by many methods, including intimidation, restricting movement, exploiting the vulnerability of the victim, isolation, sleep and food deprivation, false promises, or constant monitoring.

II. Impact on the Retail and Hospitality Industry

Sex Trafficking

Most Human Trafficking cases involving the sex occur in hotels. This can be anywhere this industry can set up shop: urban, suburban, rural areas. The draw to hotels is obvious, but the

ability to flourish will often depend on the type of hotel. Human Traffickers will take advantage of many regular hotel offerings that inadvertently assist in making their business run at a low cost, such as free parking, free WiFi, free breakfast. All these things allow for the trade to be plied in any manner of hotel structure. This includes many markets of hotels, from major brands down to small independent locations. Motels are more prevalent, but traditional hotels with lobbies are not immune.

Labor Trafficking

Now labor trafficking is also beginning to take a bigger hold on the industry. The labor trafficking is not normally seen in the employees of retail and hospitality companies. But the possible vendors of these companies are prime targets, and often times without the retail and hospitality company having any idea. Subcontracted cleaning crews, massage and nail salon workers, restaurant workers, smaller hotel staffs; any of these areas are prime targets for labor trafficking. Usually the labor trafficking will be able to exploit a language barrier or a cultural difference to control the workers' wages. Many times these workers will be forced to live together in tight quarters controlled by the trafficker. The hotel or restaurant might be paying a cleaning company for the work, but when that money is not paid to those actually doing the work, trafficking is occurring. This impacts supply chain for the industry, as well as vendors/subcontractors.

III. How to Spot Trafficking and What to Do About It?

Know the Signs

How to spot Human Trafficking can be as easy as knowing the signs.

- Is a man in his 30s-40s paying for multiple hotel rooms in cash
- Is a man in his 30s-40s have several pre-teen and teen girls with him that do not appear to be family
- Are there signs of domestic violence in the room when cleaning
- Are unusual items found when cleaning
- Are there a lot of coming and going
- Does a work crew arrive together in the same van
- Are they from the same culture or region as their "supervisor"
- Does a work crew all appear to live together

Train Your Staff

There are multiple resources available to help understand and identify possible Human Trafficking. ECPAT provides industry specific training, including on-line modules specifically geared towards the hospitality industry. In-house policies and training on these issues can also

make a significant difference to assist your staff to spot the signs. Once the staff is trained, they will understand that there are 24 hour a day resources to report suspected Human Trafficking.

IV. What Is the Exposure and Liability?

The biggest possible exposure would be the negative publicity that would come if Human Trafficking is discovered. More importantly, many larger companies and the United States Government are also including anti-Human Trafficking in contracts. From requiring Human Trafficking training, pledges, or as a basis for a breach of contract, big buyers are understanding that they can use that platform to assist in prevention.

Moreover, the Human Trafficking crime victim can also be a future plaintiff. Theories are being fashioned to allege that retail and hospitality companies did not do enough to discover, prevent, or report suspected Human Trafficking. This also does not take into consideration the scenarios where a retail and hospitality employee is complicit or possibly profiting from the activity. If that is the case, a licensee or franchisee agreement may not be sufficient to protect the brand.