

GROCERY

Sustainability issues in the food industry
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FOOTPRINT



GRAND GREEN DESIGNS

The race for the ultimate
green store

LABEL FATIGUE

How eco-labels are
hindering potential
growth

CHANGE4LIFE

Can the scheme survive?

TERMINATOR OR TIMEWASTER:

new supermarket adjudicator
gets go-ahead

IN THE SHOPS:

the bendy vegetable at the
heart of a bacteria scare

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Douwe Egberts on its
sustainable sourcing targets

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**Kerry Owens,
Marketing Director
Douwe Egberts UK**



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Welcome to our new magazine

It's no secret that sustainability in the food industry has to be a long-term commercial goal. However, in the current era, it is sometimes difficult to square sustainable ambition with commercial reality. With *Grocery Footprint* our objective is to untangle the environmental, social and economic issues that affect the day-to-day management of your supply chains.

In our first issue, for instance, we tackle the minefield that is ethical labelling, the controversial introduction of a supermarket Adjudicator and the future of the 'Change4Life' programme given the cuts in funding. There are also regular features: 'The Next Green Thing' will flag up issues just under the radar, while 'Peer Panel' will tackle the most pressing issues facing the grocery trade.

As I see it, our job is to present the arguments and facts as they stand; these can then be used to create a platform for debate (watch this space for more details on our Footprint Forums). We can also bring you best practice from those who are also pursuing full sustainability. Mind you, we won't be afraid to challenge initiatives either – 'greenwash' won't wash with us.

Much like your sustainability programmes, our project is a work in progress. We want you to see the magazine as a valuable resource, a voice for progress in the sector and a medium for discussing the challenges we face going forward. So, please do get in touch with your first impressions – good or bad.



David Burrows
Footprint Editor in Chief

Food for thought

"Competition has made our industry, and made it, I believe, one of the most dynamic and innovative in the world. We can be proud of this competition. But part of being one of the most dynamic and innovative industries in the world is recognising new conditions and new challenges. I've come to realise that, however much it goes against the grain, there are challenges like obesity and climate change where it just doesn't make sense for Tesco to work alone. We need to work together on these things. And if we succeed, we might just make the most dynamic and innovative industry in the world even better and even stronger than we are now."

Richard Brasher, Tesco UK CEO (at the IGD Convention)

Birds Eye

From working to drive the world's largest well managed fisheries, to the humblest farmed pea you can count on responsibly produced food from Birds Eye



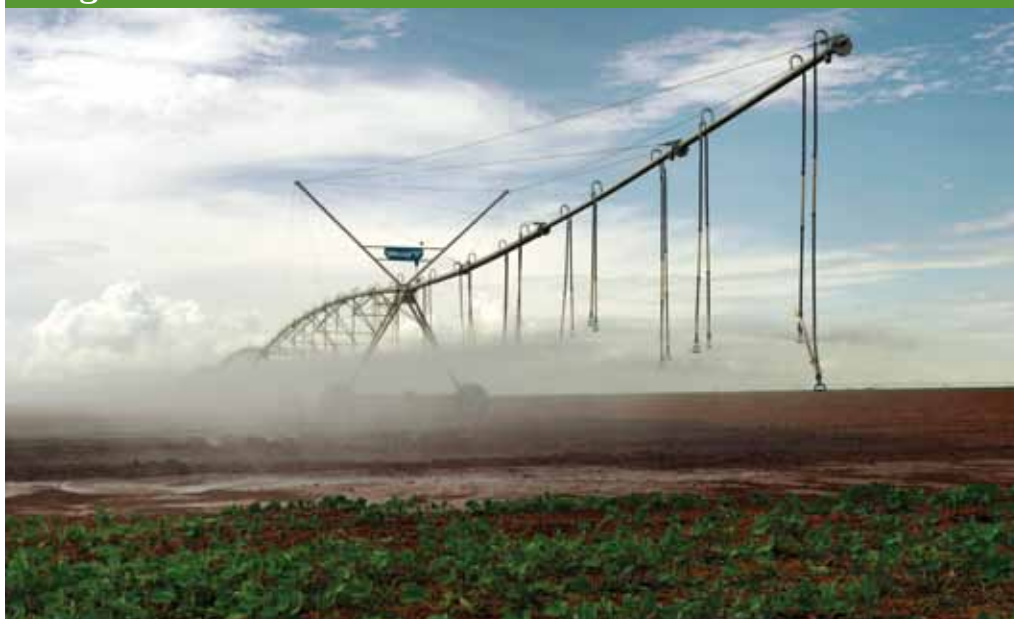
Visit www.foreverfood.co.uk to learn more.
Working for a sustainable future...

In this issue...

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This month's contributors

"It's worth remembering that the food industry already has an impressive track record of stepping up to the plate on public health." **Melanie Leech**, director general at the Food & Drink Federation, argues the case for voluntary action to tackle the UK's public health challenges in this issue's 'food fight' on page 28.



Nick Hughes

takes a look at the design briefs for a modern, greener supermarket. In the dedicated 'Health & Wellbeing' section Nick investigates the Change4Life funding dilemma. Nick is an experienced food business journalist having worked for *The Grocer*, *Retail Week* and *Marketing*. Last year he was shortlisted for Business Writer of the Year at the PPA Awards.



Fish labels confusing

IT'S TRICKY deciding which fish to buy, so the vast majority of consumers still go for cod. In fact, 90 per cent of fish sales are from just five species (tuna, cod, salmon, prawns and haddock). While retailers have begun to communicate the different, non-threatened, species on offer, the Marine Conservation Society has warned that the labels are still confusing shoppers.

"The use of a traffic light system to indicate the nutritional value of supermarket produce is now well established," said MCS aquaculture

and fisheries programme manager, Peter Duncan. "Sadly, the labelling of fish and fish products sold in supermarkets has not kept up. It is still virtually impossible to tell precisely where most fish and fish products have been caught."

Duncan said that sales of the most popular species needed to be cut from 90 per cent of all the fish bought to 50-70 per cent.

The MCS has also published the most comprehensive sustainable seafood advice to date. See www.fishonline.org.



Worst ever emissions

ENERGY-RELATED carbon-dioxide (CO₂) emissions in 2010 were the highest in history, according to the latest estimates by the International Energy Agency (IEA).

After a dip in 2009 caused by the global financial crisis, emissions are estimated to have climbed to a record 30.6 Gigatonnes (Gt), a 5 per cent jump from the previous record year in 2008, when levels reached

29.3 Gt. In addition, the IEA has estimated that 80 per cent of projected emissions from the power sector in 2020 are "locked in", as they will come from power plants that are currently in place or under construction today.

IEA's chief economist, Fatih Birol, said the increase is a "serious setback to our hopes of limiting the global rise in temperature to no more than 2°C".



Photo: © Steve Morgan, WWF

First Fairtrade ready meals

FAIRTRADE IS expanding into the convenience market with the first ever ready meals to carry the Mark. Easy Bean, the premium prepared meals company, has launched two Fairtrade meals: African Palava and New Mexican Chilli. Fairtrade has long been synonymous with single commodities – coffee, tea and chocolate – but the move into other areas of the store is "great news" for the scheme, says a spokeswoman. The meals will be available in 100 Sainsbury's stores and selected Waitrose and John Lewis outlets.



Food waste conference

FOOD WASTE still presents a major problem in the UK. In order for Britain to meet its international targets on climate change, it is critical to re-evaluate its collection, recovery and energy recovery. As the pressures increase for the UK to recycle more food waste, many businesses are looking for alternatives to landfill. Recycling & Waste World is organising a major conference, Food Waste 2011, to cover the different technologies available for recycling food waste, whether on site or off site. GF readers are eligible for a special rate of £125 + VAT (standard rate £350).

www.recyclingwasteworld.co.uk/conferences

The good life

SHOPPERS ARE intending to cook more from scratch and grow their own fruit and vegetables in the year ahead, according to the latest IGD ShopperTrack research. More than four in 10 shoppers said they plan to do more cooking from scratch over the next six months, more than double the level in 2008.

Waitrose first to commit to soy scheme

WAITROSE HAS become the first UK supermarket to commit to sourcing 100% 'responsible soya' in its own-label products by 2015. The soya will be certified through the Roundtable on Responsible Soy (RTRS), which sets strict environmental and social standards for soya production. WWF, one of the founding members of the RTRS, is calling on supermarkets, producers and farmers to sign up to the scheme. However, some have already suggested the RTRS isn't sustainable enough.

Alpro, for instance, said its practices go beyond the RTRS criteria already and so won't be taking part. "This group will include members who are likely to be mass farming soya for animal feed in an unsustainable way, including GM soya, and therefore we don't feel that associating Alpro with this group will be of benefit to us.

WWF maintains that the RTRS is the best available option. "RTRS aims to transform

the bulk of the soya commodity market and therefore has more potential to tackle destruction of habitats at the scale needed [than other more niche schemes]," explained senior policy officer, Isabella Vitali, encouraging other retailers and manufacturers to follow Waitrose's lead.

"There's a very real reputational risk for [supermarkets] because, unknowingly, their supply chains may be responsible for some of the terrible damage being caused to people and wildlife."

Quentin Clark, in charge of sustainable sourcing at Waitrose, said: "Our farmers use many tonnes of soya each year to feed their animals [so] this is a great opportunity for businesses in the UK like Waitrose to show leadership and make a real difference by creating demand for RTRS soya and helping change the practices in the soya industry for the better."

See page 25, 'The Next Green Thing', for more on soya



© Peter Caton / WWF-UK

Nestlé wins water award

NESTLÉ HAS won the 2011 Stockholm Industry Water Award for its "leadership, performance, and efforts to improve the water management in its supply chain".

In the past 10 years, for instance, the company has reduced its water consumption from more than five litres per dollar of sales to less than 1.4 litres. Nestlé also employs 1,000 agronomists and water experts who work directly with farmers to cut water use, increase crop yields and minimise pollution. Nestlé also has a leading role in the 2030 Water Resources Group. Chairman Peter Brabeck-Letmathe, who will

receive the award during the 2011 World Water Week in Stockholm, said the company has identified water as "the biggest challenge for future food security, and beyond that, for economic growth".

Award committee member and director of water projects at the World Business Council for Sustainable Development, Joppe Cramwinckel, said: "With agriculture accounting for nearly 70 per cent of global water use, and food demand expected to double by 2050, companies have an increasing responsibility to improve food chain resource efficiency."

In the shops



"BUY BRITISH!" That's the message the NFU is shouting loud and clear to reassure consumers that British fresh produce is "safe, nutritious and delicious". This follows reports of an E.coli outbreak in northern Europe. Hmmm, there's nothing like a sinister bug scare and a few deaths to put the sizzle back into British produce. I think the Germans (somewhat ironically given it's their bean sprouts that are currently under the microscope as a potential source) call it 'schadenfreude'. I'd say it's a little more *carpe diem*.

Why not promote British produce as safe, fresh and high quality? As a consumer, I'd lap it up. Just look at what buying British has done for MacDonald's. I even ate there once, intrigued whether the British beef and spuds would make a difference to the experience. It's still not for me, but that's not the point.

People want to buy British products, and there are more and more on the supermarket shelves. But, and here's the rub, you need to try a little harder to convince me to pay more for it. We'll cough up a few more pence for Gerardo the Nicaraguan farmer for our Rainforest Alliance coffee, but not for Giles in Norfolk who is growing our (E. Coli free) cucumbers.

Indeed, poor old Giles could be set for a tough few weeks: a combination of the Russian import ban on vegetables from the EU, trade restrictions between some European member states, cancelled retail orders and a drop in demand for cucumbers by up to 75 per cent in some countries has increased the amount of the vegetables available on the market. Cue cheers of delight from the hummus-craving classes in the corners of Clapham and Kensington, but groans of discontent from the fields of Norfolk and Lincolnshire. An excess of produce means prices fall: good news for shoppers, bad news for farmers.

So far, there is no indication that the retailers have moved to drop the prices for what is a high-cost crop to produce. Good news for farmers, bad news for shoppers. Not necessarily.

Surely British shoppers are willing, above all else, to pay more for their food if it's grown on these shores? But the industry needs to do a better job of telling us why it's more expensive. 'We don't like the Germans' isn't reason enough (at least for some of us). We'll even take the bendy ones.

Terminator or

The Government is pushing forward with new legislation to protect suppliers from 'unfair' treatment by the supermarkets. But will the new grocery Adjudicator have enough bite? asks David Burrows.



time waster?

“THE UK has the most regulated grocery sector in the world. If the Government is set on this ill-judged course it must at the very least keep the regulatory burden and related costs to an absolute minimum, for the good of shoppers across the country.”

That’s Andrew Opie, food director at the British Retail Consortium (BRC). The “ill-judged course” he is referring to is the publication of the draft Groceries Code Adjudicator Bill. The Bill proposes the introduction of an Adjudicator to police the Groceries Supply Code of Practice (GSCOP) and protect suppliers against what the Government refers to as “unfair practices”.

The BRC isn’t keen on the idea, suggesting it’ll cost too much, push food prices up, and won’t make any difference to the current system. Indeed, GSCOP was introduced in February 2010 to balance power between suppliers and the 10 largest grocers because the previous code of practice wasn’t working. The new Code set out a series of obligations for the retailers, and limited some of the unfair practices, such as suppliers having to pay for their products being stocked or being charged for wastage (see boxout).

Yet, in 16 months there doesn’t appear to have been a single dispute. “It’s in supermarkets’ own interests to have good long-term relationships with their suppliers as part of securing their supply chains,” says Opie. “The Groceries Supply Code of Practice has been in existence for more than a year. So far as we can discover, it has not resulted in even one dispute between stores and suppliers going to independent arbitration. This begs the question: what will a grocery code Adjudicator do all day?”

However, many suggest there is another reason for the lack of activity: fear. Currently, suppliers wishing to raise a dispute against a retailer have to notify that retailer’s compliance officer. Given that many producers have little or no choice but to deal with the supermarkets – 70 per cent of food is sold through them – why rock the boat and risk being ostracised completely?

“In hindsight – or rather in foresight for some of us – the Code was a little crazy,” says Tim Lloyd, an associate professor at the University of Nottingham’s School of Economics. “GSCOP was certainly better than what had come before because it closed some of the loopholes, but unless claims could be anonymously it wasn’t going to be very effective.”

“There will be no shimmying around legislation with an Adjudicator”

As such, the introduction of an Adjudicator to police the Code, act as a point of contact for suppliers and referee disputes, will make a “genuine difference”, says Dr Lloyd. “It increases the effectiveness of the previous legislation and brings all the previous work together. There will be no more shimmying around the legislation.”

Unsurprisingly, the news has been roundly welcomed by suppliers. The National Farmers Union (NFU) calls it a “very significant step” in the final stage of what has been a “frustratingly long” process. Indeed, it has been three years since the Competition Commission recommended the establishment of an Adjudicator (or Ombudsman as it was referred to then), and over a year since the GSCOP came into force.

“Now is the time for the whole grocery supply chain – producers, manufacturers and retailers – to put any past differences to

one side and work together to ensure that the Adjudicator will be fit for purpose as the ultimate guardian of the GSCOP,” says NFU president, Peter Kendall. “Then we can start to see better functioning supply chains which reward all players more fairly, encourage innovation, and ultimately benefit consumers.”

To be successful, Kendall says the Adjudicator needs ‘teeth’, and the Government has promised to deliver. Speaking on the day the draft Bill was published, Agriculture and Food Minister Jim Paice said: “We want to see a food industry where farmers and food producers are getting a fair deal, and consumers can buy the high-quality, British food they want at a price they can afford. This Bill will give teeth to the GSCOP, will mean that bad practice can be stamped out and that suppliers can raise legitimate disputes confidentially, and without the fear that they’ll be penalised for speaking up through lost business.”

As the draft Bill stands, the Adjudicator will have the ability to arbitrate a dispute between a supplier and a retailer, undertake an investigation into a suspected breach of the Code and offer all parties advice and guidance on the Code. But while there is little doubt an Adjudicator is on the way, whether it’s the big bad wolf with teeth the suppliers want, or the slightly more ‘gummy’ retailer-friendly version is open to conjecture. Given that the Bill will now be scrutinised by Parliament, it’s unlikely that the Adjudicator will be in place until April 2013 anyway. That paves the way for plenty of lobbying over some of the detail.

Firstly, there is the issue of fines. In its current format, the Bill gives the Adjudicator no power to levy financial penalties on retailers – at least not without application to the Secretary of State. This



BRC Food Director, Andrew Opie, says the new legislation is “ill-judged”

> continued from page 9

may be seen as a weakness of the policy, according to Roger Clarke, professor of microeconomics at Cardiff University. “The provisions for recovery of costs also seems quite complicated,” he adds. However, the penalties may not only be financial: reputation could also be at stake. Powers to name and shame, or force supermarkets to publicise any misdemeanours, could be a big deterrent (see boxout).

Secondly, there is the complaint process. The BRC says the Adjudicator shouldn’t be looking to generate complaints or mounting its own investigations. The NFU argues otherwise. “Why can’t the Adjudicator use any information he or she has?” says Nick von Westenholz, head of government affairs. “Anonymity is key, and must be protected, but the provisions in the draft Bill aren’t tight enough. In some categories there may be just a couple of suppliers, so it will be pretty obvious who has complained.”

Finally, there is the question of cost. The Bill suggests the Adjudicator will cost £800k a year to run, to be paid for by the 10 biggest food retailers – around £80k each on average. The BRC says that figure could be considerably higher: “If the Government really believes a public body can be run that cheaply, it should cap the charges imposed on retailers at that level and commit to funding any extra costs itself.” But surely even double or treble that figure is a drop in the ocean for the 10 retailers, each of which turns over in excess of £1billion a year? The running costs are not the issue though: it’s the extra costs of dealing with the new body that will make it “even harder” to keep food prices low, says the BRC. Its fear is that third

parties could “whip up support for spurious complaints”, creating a lot of extra work for the supermarkets to deal with.

Other costs will include training staff. The biggest cost, however, could be that the supermarkets have to change the way they do business, says the University of Nottingham’s Dr Lloyd. “Supermarkets will have to change their behaviour and that is costly because you could argue that they have been doing quite nicely out of the [current situation].”

“Perhaps the supermarkets have a right to feel aggrieved”

But none of this should push food prices up. On the contrary, prices may fall. It’s an ironic situation, given that the past 11 years has been spent investigating whether suppliers are, in fact, being squeezed unfairly on price. A study by Cardiff University – The Impact of a Groceries Ombudsman on Consumers’ Best Interests – concluded that the introduction of an Ombudsman (now referred to as an Adjudicator) is “likely to provide significant consumer benefits and be, arguably, in the interests of the supermarkets themselves”. How? Freed from previous concerns, such as unexpected costs and late payment, suppliers would have greater confidence to invest and innovate, leading to a better range of products, produced more efficiently. A balancing of the power in the chain could also incentivise sustainable products.

“An effective Adjudicator is vital to ensure that everyone involved in providing our food – including farmers and workers – gets a fair deal. Just as important is its role in making our food system sustainable,” explains Sean Roberts, the Food Ethics Council’s policy director. “If government intends to nudge consumers in the direction of sustainable diets, then food prices need to reflect the true costs involved in protecting the environment. That will only happen if the Adjudicator is given the tools to address current power imbalances in the market, so producers can pass on a fair share of those costs to retailers and consumers.”

Whether the Adjudicator brings parity

ADJUDICATOR

The country’s 10 largest retailers currently have to abide by the Groceries Code (GSCOP). As such they must:

- deal fairly and lawfully with their suppliers;
- not vary supply agreements retrospectively, except in circumstances beyond the retailer’s control; and
- pay suppliers within a reasonable time.

In addition the Code:

- limits retailers’ power to make suppliers change their supply chain procedures;
- limits retailers’ power to make suppliers pay marketing costs and compensation for wastage;
- requires retailers to pay compensation for forecasting errors in certain circumstances;
- limits retailers’ power to make suppliers obtain goods or services from third parties who pay the retailer for that arrangement;
- limits retailers’ power to make suppliers pay them for stocking their products;
- limits retailers’ power to make suppliers pay for promotions;
- requires retailers to take due care when ordering for promotions;
- limits retailers’ power to make suppliers pay for resolving customer complaints; and
- limits retailers’ power to de-list suppliers

to the supply chain remains to be seen. Perhaps the supermarkets have a right to feel aggrieved? After all, they have been subjected to more than a decade of scrutiny from the competition authorities to determine whether they are guilty of ‘flexing their muscles’ to the detriment of their suppliers. The Competition Commission must believe so, otherwise it wouldn’t have persisted with its investigations, Codes and now the new Bill. However, the supermarkets will always maintain it is in their own interests to have good long-term relationships with their suppliers as part of securing their supply chains. If that’s the case, then the Adjudicator may well have nothing to do all day. Surely that would mean everyone was happy?

REPUTATIONAL RISK

Much of the nitty gritty in the Bill is still under review. Retailers might well be looking very closely at Clause 9.

This allows the Adjudicator to require a large retailer who has breached the Groceries Code to publish information about any investigations, including the outcomes. How that’ll be done isn’t clear, but it could require “publication by press release, through the large retailer’s annual report or website or through a newspaper advertisement”. This could offer a more significant deterrent than any fine.

Plan A is £70m to the good

MARKS AND Spencer's sustainability initiative, Plan A, has delivered £70 million to its bottom line in the past 12 months – up from £50million the previous year.

Notable achievements in the past year for the Plan include the world's first Fairtrade vegetable and 180,000 people donating their unwanted clothes to the Oxfam Clothes Exchange.

Last year over two million customers were directly involved in Plan A activities, said M&S, and “millions more joined in by buying Fairtrade, Organic or Free Range food and products made from more sustainable materials such as FSC-certified wood, Fairtrade cotton and recycled polyester”.



Fairtrade veg is part of M&S's now-profitable Plan A scheme

Plan A was expanded last year to 180 commitments, 95 of which have been achieved; 77 are “on plan”, seven are behind and one is on hold.

SUSTAINABLE PROFITS

M&S seems to be reaping the rewards from its huge sustainability scheme, Plan A. This includes:

- Reduced carbon emissions by 13 per cent since 2007
- Fuel efficiency on food delivery fleets improved by 22 per cent since 2007
- 28 stores now use more environmentally friendly CO2 refrigeration systems
- 5 per cent of electricity now from renewable sources
- waste cut by over a third compared to 08/09
- 39 per cent of food waste sent to anaerobic digestion to generate energy
- 2012 target to reduce packaging by over 25 per cent hit a year early
- launched 35 products made with certified sustainable palm oil

Biodiversity's billions

HOW MUCH is a bee worth? Or an acre of wetland? Or even a stretch of river? The concept of valuing nature is a difficult one to fathom.

But boffins at Defra – the Department for Environment, Food and Rural Affairs – have managed to estimate the value of different ecosystems services based on the economic, health and social benefits they provide.

The UK National Ecosystem Assessment (UK NEA) reveals that pollinators are worth £430m to British agriculture each year. Meanwhile, the health benefits of living with a view of a green space are worth up to £300 a person.

The UK NEA shows that the tendency to focus only on the market value of resources we can use and sell, such as timber, crops and fisheries, has led to the decline of some ecosystems and habitats through pollution, over-exploitation, and land conversion.

The Food & Drink Federation has already moved to include biodiversity in its Environmental Ambition plan as the business case for assessing impacts and risks intensifies.

Worse than big brother?



COMPASSION IN World Farming invited journalists and celebrities including Bill Oddie to experience life as a battery hen as part of its 'Big Move' campaign. In January 2012 there will be a ban on so-called barren cages across Europe, in favour of 'enriched cages' which provide

hens with a little more space, perches and nest boxes. Countries have had 12 years to prepare for the ban, but Poland is calling for a delay. CIWM said it is “imperative to the welfare of millions of hens that the ban goes ahead without delays or exemptions”.

The paradox of choice

There's no doubt about it: consumers are hungry for sustainable foods. But are labels preventing the sector from realising its potential?

David Burrows reports.

DISOR

In the next 12 months, 40 per cent of shoppers expect they will buy more locally produced products. Some 35 per cent expect they will buy more free range and high animal welfare products. Meanwhile, one in four say they'll buy more fairtrade products, and a fraction less will go for more organic products. However, many of them are likely to be put off as they push their shopping trolley around the aisles. Why? Because there is too much choice.

In his book *The Paradox of Choice* Barry Schwartz talks of an ice-cream parlour with 200 flavours, but with customers who end up "less satisfied" with their purchases than those who buy from the 20-flavour parlour down the street. And yet "people are lined up out the door at the place with 200 flavours because it seems like you're more likely to get exactly what you want". Schwartz argues that more can, in fact, be less.

When it comes to choosing ethical products, shoppers don't quite have 200 'flavours' to choose from, but even the 80 that the *Daily Telegraph* counted is creating considerable confusion, says Tom Macmillan, Food Ethics Council executive director.

"Shoppers are facing a cacophony of ethical claims and performance indicators ... and the fact that different products address different concerns confronts them with

some impossible trade-offs. How to choose between the Fairtrade or organic tea, for instance, if you care about both people and planet? Even the most dedicated ethical consumers can find the range of issues covered mind-boggling."

Indeed. Little green frogs (Rainforest Alliance), blue ticks (Marine Stewardship Council), Nordic swans (Nordic Eco-label) and even daisies (EU Eco-label) can all be found stuck on a variety of products. Some are the result of similar schemes (there are more than a dozen organic labels), while others are niche in the extreme.

In the past, reputation may well have been front-of-mind for corporates joining ethical schemes but there's been a shift in reasoning

"We're definitely looking at some very confused consumers in the UK," says John Mathers, managing director at brand design agency, Holmes & Marchant. "We do need a common language around ethical production. As so much of it is 'scheme' based, it's hard

to know what each label or mark means. What's the difference between Rainforest Alliance and Fairtrade, for example? They are clearly different schemes, but do consumers understand them?"

Eggs perhaps provide a fitting example of just how far we have come down the road of single-issue labelling. There are eggs that are free range, corn fed, omega 3, 'happy' eggs, and now even eggs that raise money for charities (Eggs for Soldiers and One Good Egg, raising money for Help for Heroes and clean water in Africa respectively). There are now so many elements to labels that even the long-standing ethical prompts are being diluted. Take recycling as an example of a market where labelling has proliferated, says Mathers. "People have no idea, even now, what can and cannot be recycled. The same could well happen with ethical labelling."

The big risk, of course, is that if people are confused about what to choose, then they might end up choosing nothing at all. Current estimates suggest that a fifth of the food sold by retailers already comes with some kind of ethical claim. That's not necessarily because shoppers are seeking them out. According to research by *Which?*, shoppers "don't really notice labels like the Carbon Trust one, but they buy the products anyway".

It's hardly surprising: while labelling



products with a carbon footprint is a relatively new phenomenon, the Carbon Trust's Carbon Reduction Label is already on £2 billion-worth of consumer products, and last year nine out of 10 households bought one of them. On the back of this success, there's increasing support for a similar label for water footprints – a move which some say would “oversimplify a complex issue”. In fact, some footprint experts suggest the effort and resources being targeted at labelling is “misdirected”.

“Studies show that a consumer typically spends two or three seconds reading the labels on a package [and] less than 10% of consumers are influenced by ethical labels on a pack,” explains Bluehorse Associates president, Sara Pax. “The real benefit to measurement is in internal decision making – when a company understands where their hotspots and opportunities are, they are in a much better position to make intelligent and profitable decisions.”

It's an important point, and is equally applicable to schemes other than those relating to carbon or water. Tetley, for instance, is working with the Rainforest Alliance, but not just because of they can put the little green frog on their packs. “You can use CSR to buff your reputation but sustainability is a business-driven case,”

says Sara Howe, the brand's director of sustainability. “Achieving 100% [Rainforest Alliance certified tea] for all Tetley packs will provide us with a major supply chain that is better secured. At the same time [our customers will know] that by choosing it they have helped to protect the environment on tea estates and provide sustainable livelihoods for the people there.”

Harmonised schemes or labels are a long way off given the complexity of the issues

The knowledge they are buying products associated with such schemes can give consumers a warm glow. It can also give the company one. In the past, reputation may well have been front of mind for corporates joining ethical schemes but, as Howe suggests, there has been a shift in reasoning. Oscar Chemerinski, the director of global agri-business at the International Finance Corporation (the investment arm of the World Bank) has also noted “an increased realisation by global agribusiness that their success or failure in the medium and long-term is tied to the success of the small farmer,

both financially and environmentally”.

There's no doubt the interest and engagement in ethical schemes has increased considerably in the past few years; Tetley is just one in a long line of big, big brands that have hooked up with a variety of schemes. Edward Millard, now director of sustainable landscapes at the Rainforest Alliance, recalls “knocking on closed doors” in his youth but today they “fly open”.

“The landscape has changed. Twenty years ago [this agenda] was very consumer-led, and the likes of Fairtrade did a phenomenal job in raising people's consciousness. Today it's business-led, with real concerns about long-term sourcing of sustainable materials. A label enables a company to communicate while the scheme behind it enables the company to verify what it's doing,” he explains.

A great deal of thought also goes into which scheme to choose. The debate over Fairtrade versus Rainforest Alliance is longstanding; indeed, the latter's website suggests that while the two schemes share similar missions and goals, they “differ in focus and strategy”. Cadbury, for instance, selected Fairtrade with the focus on communities appealing to the company's wider goals. Mars, meanwhile, opted for Rainforest Alliance, given the emphasis on farm improvements.





> continued from page 13

Whatever the scheme chosen, it shouldn't be to win a customer popularity contest. Labels can offer shoppers some confidence in the products they are buying, but there's a limit to the information they can convey. Chris Shearlock, The Co-operative sustainable development manager, suggests the idea that products can be labelled and decisions left up to the consumer is 'naive'. A constant obstacle is time at point of purchase, which is why more and more manufacturers and retailers are seeking to integrate sustainability into what their brand stands for and how it behaves. Dorothy Mackenzie, chairman at brand consultants Dragon Rouge, says this is an essential and welcome part of the normalisation and mainstreaming of sustainability and ethical.

"Most consumers want to buy the products they have usually bought, from the brands they are used to buying from – rather than to feel they have to switch to 'ethical' brands in order to reflect their values and concerns. Major mainstream brands are responding to this need by building ethical and sustainability criteria into how they operate – and we will see this trend continuing strongly."

Of course, this raises the question of how should they communicate it to their consumers. The ideal, says Mackenzie, would be for the brand to present this as a normal part of overall communications; sometimes as information on pack, sometimes (as with the Kenco refill pack

initiative) as their core communication message. The single issue schemes can then be used to add credence to any claims.

However, this can lead to label fatigue given the breadth of ethical issues. Retailers, like Tesco, will often leave it up to the consumers to make the choice. "Our philosophy on labelling is one of providing information, enabling our customers to make well-informed choices across a range of brands. Our Fairtrade, Healthy Living and Rainforest Alliance products are all part of this approach and by placing carbon footprint labels on over 500 products already so far, we are helping customers to make sustainable choices everyday," says a spokeswoman.

While many single-issue labels reflect excellent schemes, and provide very useful guidance on criteria, consumers are beginning to suffer from what Mackenzie calls "label fatigue". She says that for brands, like retailers, who need to cover a multitude of different issues, creating one overall communication idea or label is a "sensible way of making it easier for consumers to spot and buy – especially as many consumers are not expert 'decoders' of multiple label criteria and are looking for quick reassurance".

The example that oft springs to mind here is Marks & Spencer with its far-reaching Plan A: you walk into the store and the messaging is "don't worry, we've taken care of the ethical issues for you". Albert Heijn is another that has a long-standing reputation as an ethical pioneer: the Dutch supermarket created its 'pure and honest' range as an umbrella brand including organic, fair trade, sustainably caught fish and free range meat. It opted for a single brand to represent those products made with particular care and devotion to people, animal welfare, nature and/or the environment to make it easier for consumers to choose responsibly.

Proof that 'pure & honest' has made it easier to shop responsibly

is in the pudding: 75per cent of customers who buy free range meat had previously purchased Albert Heijn's regular meat offering and switched to this rapidly-growing,

more animal-friendly alternative. Could this kind of umbrella scheme work here? "Albert Heijn has the credibility to do this sort of thing, [but] other retailers without that might struggle to be credible," says Mackenzie.

Fellow brand expert, Mathers, feels there is a need to move away from the "competing single issue labelling madness", but that British consumers would be sceptical about an overarching scheme.

At a European level discussions are underway to determine the possibility of harmonised labels or schemes, but that will take time given the scope and the lack of understanding surrounding some of the issues (water and biodiversity, for instance).

While harmonisation could be a good thing in time, there is a chance that the need for labels will actually decline, ironically as a result of more companies bringing sustainability to the heart of their brands. Sally Uren, Forum for the Future deputy CEO, explains how. "My bet would be that we'll see brands committing more to sustainability, and the consumer will associate certain brands with a sound approach to sustainability. That will drive minimum standards up, and so the spec for everyday products will be pushed up too and the need for labels will diminish."





ECO REFILL



Kenco Rich and Smooth also available in 100g packs

LESS PACKAGING[^], MORE SALES^{^^}



ON TV

- Kenco Eco Refill already worth a huge £19.4 million*
- £11 million UK marketing campaign – ON TV throughout the year!

[^]Per gram of coffee this Eco Refill pack has 97% less packaging weight and a lower price (based on our RRP), than our 200g or 100g jar

^{^^} Kenco growing over 11% within Premium coffee sector – Nielsen, Total Coverage MAT value sales w/e 21.05.11

* Nielsen, Total Coverage MAT value sales w/e 21.05.11

Keeping up with the Joneses

Biomass boiler? Check. Timber frames? Check. Low flushing toilets and percussion taps? Check. This may sound like the blueprint for a Scandinavian hippy commune but it could just as easily be the design brief for a modern supermarket... says Nick Hughes

Over the course of the past decade, the major grocery retailers have gone toe to toe in the battle to build the 'greenest' supermarket, culminating in the opening of a raft of flagship 'eco stores'. But while unquestionably impressive in their ambition, these projects have often masked the fact that for many businesses there is still an aversion to risk and innovation in new store development due to uncertainty over the financial payback of green investments.

"I think there is a real danger of greenwash in eco stores," says Shaun McCarthy, director of sustainable procurement consultancy Action Sustainability. "Most of the big players have got their flagship eco stores but the question is, are they really embedding sustainable practices into their construction?"

Slowly but surely, some retailers are starting to do just that. For grocers such as Sainsbury's, eco stores have become not so much an end in themselves but a template for all future new store development.

"Frankly we know now having done those eco store exercises what technologies do and don't work for us, so there's no longer a requirement to have to build them in order to demonstrate the investment case or showcase their technologies," says Jack Cunningham, Sainsbury's head of climate change and environment.

Sainsbury's Eco Stores programme has evolved into what it calls its Carbon Step Change stores programme where all the learnings from pioneering eco supermarkets such as Greenwich, Dartmouth and Gloucester Keys have been pulled forward into the new programme and rolled out across its new store estate.

"There are certain technologies that are standard, an example would be rainwater harvesting or sunpipes, and to an extent biomass, but what we're then seeing is new stores showcasing specific technologies that we believe from an investment point of view are more likely to stack up and rollout to new stores going forward," says Cunningham.

Sainsbury's Crayford store is a case in point. The 30,000 sq ft store has recently been extended to 66,000 sq ft without any additional increase in CO₂ emissions thanks to the introduction of a geothermal exchange system. Though probably conceived as a one-off, Cunningham says: "Absolutely we can envisage rolling it out to six or eight stores in the next year or so."

Waitrose too has favoured a big picture approach to responsible construction. The retailer plans to open the doors to a new, 35,000 sq ft flagship store in Bracknell, Berkshire in November, where environmentally friendly features include a curved green roof, which will limit the amount of rain that runs off, providing a safe habitat for wildlife and reducing the need for air conditioning or heating. Far from being a standalone 'green' operation, however, the Bracknell development forms part of wider plans to build 20 to 25 eco stores per year, according to Waitrose director of development Nigel Keen.



Tesco's store in Ramsey, below, was the 'world's first' zero carbon supermarket in 2009. Since then, rivals like Sainsbury's, have opened their own eco stores around the country.



Tesco, whose 2009 Ramsey store claimed to be the world's first zero carbon supermarket, aims to become a zero carbon business by 2050. The lessons learned from Ramsey – where in-store lighting dims as the natural daylight increases and rainwater collection facilities on the roof provide water to use in the car wash – are now being applied across the globe with Tesco zero carbon stores already slated for Thailand and the Czech Republic this year.

Looking forward, the businesses that achieve the most in the realm of sustainable development will be those for whom sustainability is institutional, Action Sustainability's McCarthy suggests. He cites M&S's Plan A as a project that has embedded sustainability in the culture of the business. "If you look at the philosophy behind Plan A, it's an evolution towards a sustainable business until finally it becomes completely mainstream," he says.

Even a disciple like McCarthy, however, cautions that "M&S would be first to admit

that they've only done 10 per cent of what they need to do". Indeed, there is much progress to be made before grocery retail can hold itself up as a paragon of virtuous development. Morrisons, for example, is only now constructing what a spokesman describes as its first "ultimate eco store" putting it some way behind the industry curve.

"There's clearly a lot more that needs to be done in this area and I think we're a long way away from supermarkets really opening up sustainable construction and refurbishment techniques – although many are trying," says McCarthy. "It takes time to evolve a completely new way of working."

If supermarkets don't improve their environmental footprint now, legislation will inevitably force their hand. Retailers are already paying a carbon tax on their operational emissions through the Carbon Reduction Commitment while future legislation is expected to outlaw the use of HFC refrigerants.

"If you look at where legislation is going, very low energy stores will become an inevitability over time," says McCarthy. "It just needs a little bit of boldness of approach from supermarkets and in some cases a bit of a leap of faith."



Buiding the ultimate green store

Sustainable stores will eventually become the norm, but there's plenty of innovation under way already...

Lighting:

The in-store lighting at Tesco's Ramsey store dims as the natural daylight increases while roof lights let the daylight onto the sales floor. In the car park and petrol station, LED lights use less energy and last longer than normal light bulbs.



Refrigeration:

Waitrose has committed to 100 per cent HFC-free refrigeration across all of its stores by 2020, a move that will reduce its carbon footprint by 20 per cent. Measures to achieve carbon reduction targets relating to refrigeration include capturing cold air to use in place of air conditioning and using heat produced through the cooling of cases to help heat shops.

Heating:

Sainsbury's Crayford store boasts a geothermal exchange system that uses ground heat to heat and cool the store. The technology is set to be rolled out to a further six to eight stores in the next year. "The geothermal system exceeds what most people would consider to be an acceptable payback period because we know the payback will only come once we've got economies of scale," says Jack Cunningham, Sainsbury's environmental affairs manager.

Waste:

Waitrose claims it was the first retailer to use Anaerobic Digestion plants for food waste and now sends waste from almost half of its stores to be converted into electricity. Currently 95 per cent of construction waste is converted from landfill with a target to push this up to 99 per cent by the end of 2011.

And one that didn't work...:

"We've learnt from putting all our eggs in one basket that some of those eggs will deliver for every store but some won't," says Sainsbury's Cunningham. Micro wind is an example. Sainsbury's has stopped investing in wind turbines "because where our stores are located in the UK it just doesn't work"



Building materials:

Asda's Bootle store is made from timber frames and bricks reclaimed from Liverpool docks. It also has a 'living roof' made of grass to attract wildlife and keep the heat in, and the store is landscaped with locally sourced plants and trees.

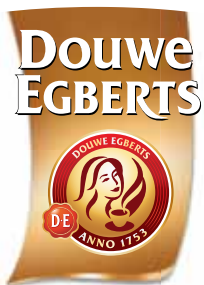


Land use:

Sainsbury's has built a series of 'bee hotels' on land around its eco store in Dursley. The landscaping surrounding the store has been carefully crafted to supply a rich and varied diet of pollen and nectar for the bees, as a lack of forage is considered to be one of the main drivers of bee decline.



The path to sustainable sourcing



If you ask consumers to name an ethical logo, the vast majority will say Fairtrade. More recently, a few more may also recognise the Rainforest Alliance, with some of the largest tea brands having linked up with the scheme. But how many would recognise UTZ Certified? Not many. And yet Douwe Egberts, the £54.5 million coffee brand [Nielsen IRI, 16 April 2011], has decided that the scheme would be the “perfect fit” for its own sustainability plans.

“We looked at various certification schemes as a worldwide business, including those perhaps more popular in the UK grocery market. But mere popularity is not the deciding factor for us,” says Julie Baker, Douwe Egberts UK managing director. “In fact, I’d suggest anyone looking at these kinds of schemes does so with no preconceptions.”



Douwe Egberts has been making coffee for 250 years. The company celebrated the milestone with a commitment to deliver 100 per cent sustainable coffee. First step, roast and ground.

That’s tricky, given the popularity of some of bigger ethical schemes, but it’s an important message, and one which Baker stresses: “You need to choose the certification scheme that’s most closely aligned with your wider business objectives – and UTZ Certified was the best match for us.” It also needs to match the criteria of your customers: “The values of UTZ Certified were the most closely linked to our customers’ expectations of a certification scheme.”

coffee, using the best environmental practices and the best producers. This is a long-term strategy.”

Of course, knowing they are buying products associated with such schemes can give consumers a warm glow. It can also give the company one too. In the past, reputation may well have been front of mind for companies joining ethical schemes, but there has been a shift in reasoning. Oscar Chemerinski, the director of global agri-business at the

“It’s true that Fairtrade and Rainforest Alliance are perhaps better-known to the UK market, but UTZ Certified is right for us.”

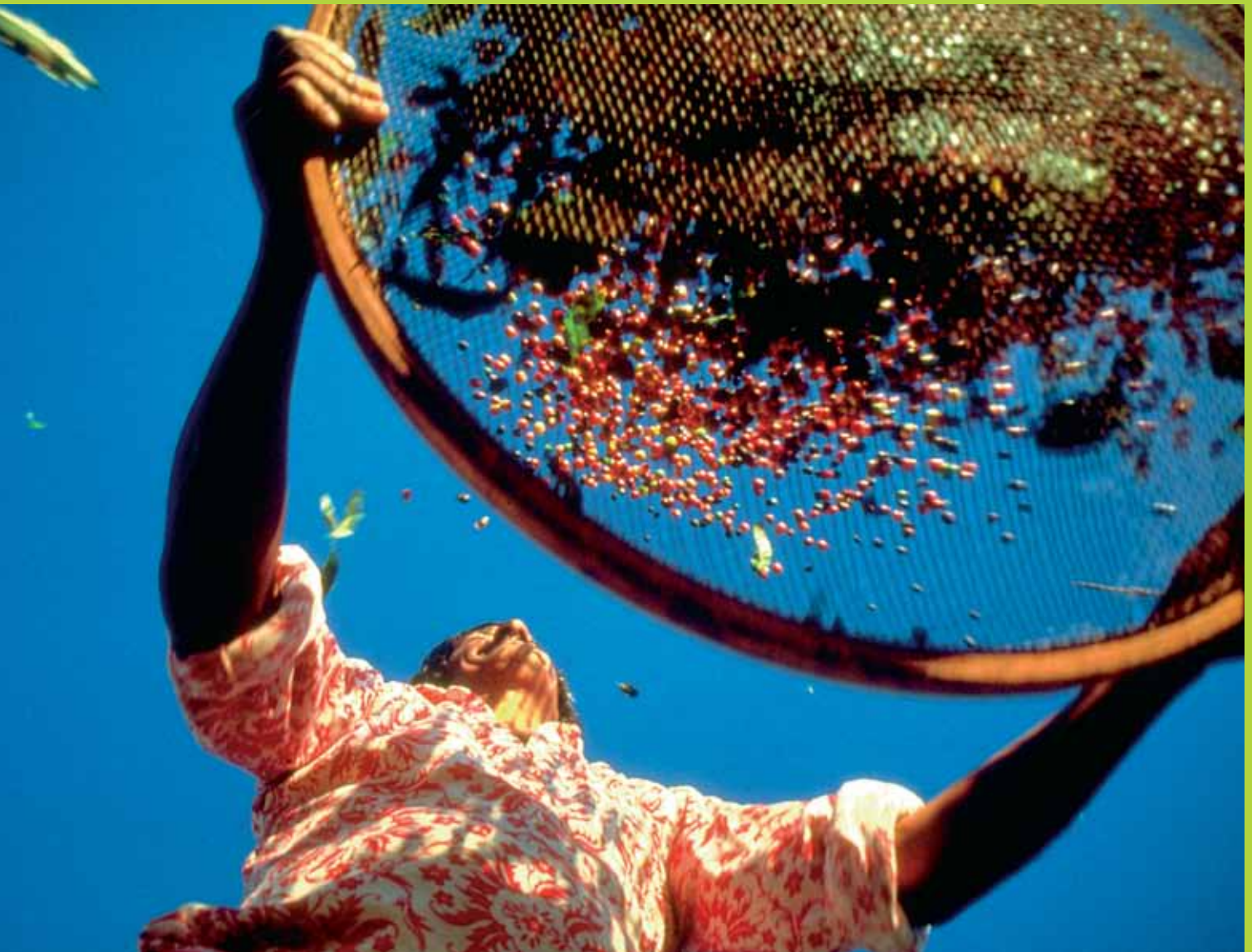
By 2013, all the coffee in the roast and ground retail ranges will be UTZ Certified. Douwe Egberts is already the world’s largest buyer of UTZ Certified coffee, purchasing up 40,000 tonnes of it in the past year alone. Yet, much like many other major brands reliant on a limited range of commodities, Sara Lee, the brand’s owner, is acutely aware that supply chains need to be future-proofed now.

“Whether the issues are economic, social or environmental, we want to work more closely with our producers, because without them or their coffee beans there wouldn’t be any Douwe Egberts,” Baker explains. “We’re not committing to ensure all our coffee is certified sustainable because we want the logo on pack – we’re doing it to ensure that we get the best

International Finance Corporation (the investment arm of the World Bank) has noted “an increased realisation by global agribusiness that their success or failure in the medium and long-term is tied to the success of the small farmer, both financially and environmentally”. Indeed, some 97 per cent of agricultural workers are in developing countries.

In the UTZ Certified scheme farmers receive help and guidance on economic and environmental issues: they become better entrepreneurs, benefit from improved yields and produce higher quality coffee. These incentives, as well as a big buyer like Douwe Egberts, also help ensure that coffee-growing becomes an attractive profession again.

Douwe Egberts has for some time been using its relationship



with UTZ Certified as the basis of some of the projects run through its DE Foundation. In Honduras, for instance, groups of small producers are being trained together in good agricultural practices, certification requirements and the way the international coffee market works. In addition, the project works on improved access to inputs like fertilisers and credit. One notable change already is that farmers are regularly pruning (which helps maximise yields) – and not just once under influence of project training, but as an integrated part of their crop management.

In Columbia, meanwhile, the foundation is helping re-establish coffee production in the Serrania del Perija region. Rebuilding the communities affected by FARC

(the Revolutionary Armed Forces of Columbia) starts nearly from scratch. In large parts of the coffee producing areas, infrastructure such as roads, water supply and sewage works need to be constructed, houses require rebuilding or extensive renovation works and coffee-processing facilities need reconstruction. Most of the coffee farms have suffered from neglect too, and many fields have to be replanted with new coffee trees. So far, 470 hectares of coffee have been taken into production again and, in time, the hope is that many of the farms will become UTZ Certified.

Indeed, Douwe Egberts has big plans for rolling out UTZ certification beyond its ground ranges. “It’s just the first step,” explains Baker. “We sell instant and single coffee too, so they are on our radar. The ultimate aim is

to provide all our UK customers with 100% sustainable coffee.” That will take time, Baker admits, and some hard work on communication. “It’s true that Fairtrade and Rainforest Alliance are perhaps better-known to the UK market, but UTZ Certified is right for us – and we have no problem in helping communicate what the scheme is about and why it fits into our wider sustainability ambitions.”

Douwe Egberts has been making coffee for 250 years; whether there will be coffee at all in 2261 is anyone’s guess, but Baker is certainly looking long-term. “100 per cent certification of such a huge amount of coffee doesn’t happen overnight, but we will get there. After all, a product should be 100 per cent what it claims to be.”

Peer Panel



JACK CUNNINGHAM (JC)
Head of climate change
and environment, Sainsbury's

SARAH DENNIS (SD)
Retail expert,
Which?

Ethical Claims – Regaining Consumer Trust

Surveys by the CBI and the Carbon Trust have revealed a growing mistrust of environmental claims among today's consumers. Five experts discuss the issues for the grocery sector and how to re-build trust.



HARRY MORRISON (HM)

Director of certification and accreditation service, Carbon Trust

PER BOGSTAD (PB)

Sustainable value chains manager, Rainforest Alliance

CHRIS SHEARLOCK (CS)

Sustainable development manager, The Co-operative

According to a survey by the Carbon Trust, 66 per cent of consumers question whether companies are genuinely cutting emissions. In fact, just 7 per cent believe the word of companies on their climate change responsibilities and actions to reduce their impacts. Why is there this mistrust and who is at fault?

HM: I think we were always aware that there was consumer scepticism, but didn't quite expect the results we got – especially given the contrast with the number of people that want companies to take action [90 per cent]. It seems that there's a groundswell of opinion for businesses to take action, but that companies are struggling to get their good work understood. They haven't always managed to communicate their success very well.

SD: I'm not really that surprised by the results. Our own research shows that these sorts of green claims can be filled with jargon, so people don't understand what's being communicated.

PB: Many ethical claims made by companies are focused on changing pre-existing behaviour. By stating that they are now trying to do the right thing, companies are inherently telling you that they were engaged in the 'wrong' type of activity before. I think that can build scepticism. [For instance], when companies develop robust policies on labour standards in foreign operations only following scandalous revelations it is no surprise to me that trust is slow to come. This can be true for brands that are, generally, highly respected. Grand failures by businesses, such as the Gulf of Mexico disaster, represent a failure in many respects to live up to standards that they themselves have led people to believe they should expect from them. This too can engender distrust, and wider than just one company. How more likely now are

people to trust any oil company's claims to environmental responsibility in light of that catastrophe?

CS: The question of who is at fault is a difficult one to answer as there's little empirical data as to why the distrust is so high. I'd speculate that consumers have difficulty trusting companies who make environmental claims that are out of kilter with their wider operations or business ethos. Conversely, I think The Co-operative has a high level of trust as we've been active in ethical and environmental issues over the long term and we're accountable to our members rather than shareholders.

JC: We don't believe that our customers distrust the claims we make. Before we make any claim relating to sustainability, we ensure that it is backed by hard data, giving us great credibility among customers, particularly as much of it is backed by third party certification. We have made much progress in this area over the past few years and on the whole, our customers recognise this.



> continued from page 17

The Carbon Trust found that 60 per cent of consumers need third party accreditation, auditing or evidence before they'll believe a corporate claim. Is this the best strategy to build trust?

JC: Our customers trust us to make the right choices when it comes to sustainability and this is thanks in part to the recognition we receive from third party certification as well as NGOs. For example, we sell more Marine Stewardship Council certified fish than any other retailer and, in addition, we have come top of the Greenpeace canned tuna league for the past two years in a row. As such, customers can be confident that what we are doing in the field of marine conservation is meaningful.



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CS: We certainly try to use independently verified claims where we can – it's much easier to substantiate our claims that way than make up our own claims. Also, if the independent schemes are no good, then the NGO's attack them. The two main ones we use are Fairtrade and FSC [the Forest Stewardship Council]. We stock 230 different Fairtrade products and 99 per cent of our wood and paper products are FSC-accredited or recycled. What this gives us is a chain of custody through reputable schemes.

HM: There are a couple of strategies companies can use. One is to receive accreditation through a scheme like Fairtrade, organic or indeed the Carbon Trust. The other is to partner with an NGO on specific issues. Both strategies can work well.

What advice do you have for companies looking to build a relationship with their customers on ethical issues? Who is doing it well? Who isn't?

SD: Be transparent. In one of our surveys, two thirds of members rated environmental and ethical issues as important when deciding which brands to buy. We recently looked at brands and found 90 per cent of people considered whether a brand was trustworthy when making purchasing decisions, while 82 per cent thought it was important that the brand cares about its customers. In fact, 80 per cent said they would switch brands if they disagreed with a company's behaviour or products. This also showed that people did want to see more transparency regarding ownership (for instance, they wanted to know that Innocent which they perceived to be a small, independent brand was co-owned by Coca-Cola).

PB: Companies have a huge part to play in working with partners to communicate to their customers what it is they are trying to achieve and how. For example, following their commitment to buy coffee only from farms certified by the Rainforest Alliance for their Kenco Coffee

range, Kraft Foods has made huge efforts to talk to its customers about what certification means. Since this commitment Kraft has also gone further with Kenco by, for example, reducing packaging weight and moving to re-fill packs. I think when consumers see these changes as on-going and part of a wider programme, they begin to trust companies to deliver for the long term.

CS: We see our ethical and environmental actions as a key part of our brand. People can walk into the store and see point of sale material about fish, forests, Fairtrade and so on. Part of our role is to take the worry away from shoppers – for example, the average shopper may not notice our greaseproof paper is FSC-accredited.

JC: There are lots of companies doing some great things, but we are really focused on what we are doing to make our business more sustainable. For us it's about doing the hard work for customers first and then finding the best opportunities to communicate what we have achieved. It's absolutely key that companies talk to their customers to understand their concerns and then work hard to communicate clearly and credibly about what they are doing to address those concerns. For example, through customer polls we know that customers' number one sustainability concern is excess packaging. That's why we've set an industry leading target to reduce packaging levels by a third by 2015.

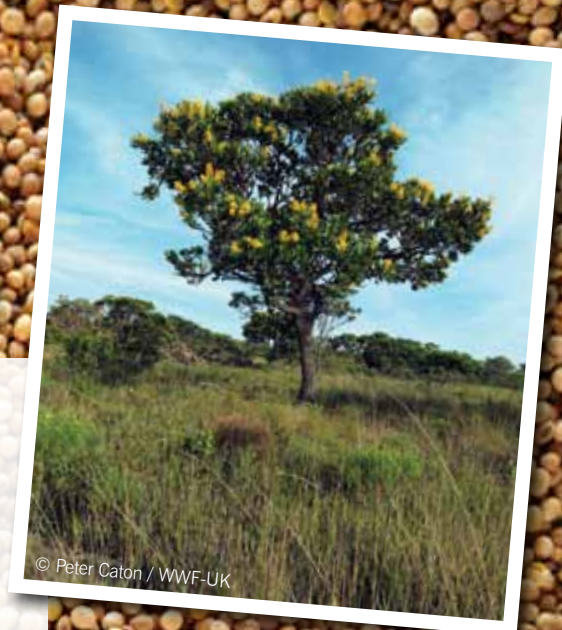
PB: The best companies have always focused on building trust. Marks and Spencer has very successfully built a business that is widely trusted by customers to deliver quality and value. [However], I think the development of Plan A was easier for M&S as the 'trust capital' was already there. McDonalds too has very successfully utilised third party standards [such as Rainforest Alliance certified coffee, organic milk, British farmed beef] to re-engage its customers in a new dialogue based around ethics and trust. I would argue that trust is becoming part of the 'fabric' of the McDonlad's brand in a way that may well not have been possible 10 years ago.



© Pete Oxford



© Peter Caton / WWF-UK



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The Next Green Thing: Soya

First it was palm oil. Now environmental NGOs have set their sights on a new crop. As 'water' is the new 'carbon', so 'soya' is the new 'palm oil'.

Much of the campaigning around palm oil has focused on the destruction of vast rainforests in Borneo – the natural habitat of the orang-utan. Companies have been targeted in a series of ads, documentaries and newspaper exposes. Remember the KitKat viral with the bloody simian's finger, compliments of Greenpeace? Nestlé certainly does. Or the series of articles in the *Independent* naming and shaming the big brands and their poor policies on sourcing palm oil?

This swathe of activity, along with the Palm Oil Scorecard by WWF, has certainly encouraged food companies to commit to buying more Certified Sustainable Palm Oil (CSPO). There's a long way to go with only just a fraction of the palm oil used here

being CSPO, but already the attention, or at least the media spotlight, is turning in a different direction.

Soya is predominantly grown for animal feed, and as demand for meat has risen, so has that for soya: production of the crop has doubled the last 15 years. Much of this production is unsustainable, prompting NGOs, led by WWF, to set up the Roundtable on Responsible Soya. Last year, the group, which includes producers, processors and buyers, agreed on its certification standards for 'Responsible Soya'. These have courted some controversy given the inclusion of genetically modified (GM) soya. Though there is a GM-free option, some companies are already arguing that the scheme's standards are not high enough. Alpro, for instance are boycotting the scheme.

Regardless, there will be increasing pressure for retailers and manufacturers to buy the RTRS now it's available. WWF says it's the best solution currently available to halt the "devastating impact" cultivation of the crop is having on natural habitats in Argentina and Brazil. These habitats don't boast a species pin-up in the same league as the orang-utan, but Brazil's Cerrado is home to 5% of the world's biodiversity, including a dozens of species under threat – some critically, like the giant armadillo – from vast areas of land being turned over to soya.

Waitrose has been the first to jump in line to 'save the armadillos', recently committing to a target of 100 per cent RTRS soya by 2015. Will others follow, or will they wait for the virals or the Panorama expose?



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Can Change4Life survive?

The Government has just withdrawn its funding for the Change4Life campaign, leaving industry to take up the reins. Could this be the death of it? Nick Hughes reports.

Amid the bonfire of old Labour initiatives carried out by the coalition Government last summer, the retention of the Change4Life brand was a tacit admission that the campaign aimed at encouraging healthier living was having a positive impact on people's attitude towards diet and fitness.

In these austere times, however, the need for every public pound spent to generate a tangible return on investment is paramount. So, when Health Secretary Andrew Lansley alluded to the "costly advertising" used to communicate the Change4Life message in a speech to the UK Faculty of Public Health Conference in July last year, it was clear the support the previous administration had thrown behind the initiative – around £75 million since its 2009 launch – was in jeopardy. And so it proved.

Lansley went on to announce that central funding for the initiative would be progressively scaled back before being withdrawn completely in April 2011, leaving other stakeholders, including charities, the commercial sector and local authorities, to fill the gap. The health lobby, in particular, took exception to Lansley's decision with Tam Fry, board member of the National Obesity Forum, describing it as "a bare-faced request for cash from a rich food and drink industry to bail out a cash-starved Department of Health campaign".

Part of the reason the coalition has persisted with Change4Life at all is because, in Lansley's own words, "a brand has already been established". But can a brand still in its formative years really thrive under the ownership of multiple stakeholders?

In many ways the decision to distance



Change4Life from central government makes perfect sense. Rather than kitemarking information, the goal for the programme was always to act as a commercial brand with values people could buy into; and who better to develop a commercial brand than those responsible for managing the iconic grocery brands consumers love and trust.

The early signs are that food industry buy-in to the new arrangement is strong. The recent 'Great Swapathon', in which consumers were offered vouchers incentivising them to trade in less healthy products for healthier substitutes, was backed by the likes of Asda, Birds Eye and Kellogg's, and resulted in the redemption of over 750,000 vouchers.

Such success shows the Change4Life brand is "in good stewardship", according to Kellogg's community and social responsibility manager Bruce Lerner. He points out that Kellogg's has already demonstrated its commitment to Change4Life by investing £100,000 a year for three years to develop and support breakfast clubs as part of its support for the Breakfast4Life sub-brand.

Elsewhere, Asda is supporting Change4Life through its 'Pedal Power' and 'Sporting Chance' campaigns while the Government-led project that has seen convenience stores in deprived areas incentivised to stock fruit

and vegetables is being taken forward by the Association of Convenience Stores. "We will extend the existing successful scheme and increase the availability of healthy choices in some of the most challenged areas in the country," says ACS chief executive James Lowman, who has pledged to quadruple the number of stores involved in the project from 250 to 1,000 by the year end.

Examples such as these are laudable. However, as the Change4Life brand fragments its visibility, will its consistency of delivery be sufficiently strong to remain etched in the public consciousness?

In February last year, the Department of Health published a document called 'Change4Life one year on'. It showed the reach of Change4Life among mothers of children under 11 at 99 per cent and awareness at 87 per cent. Tellingly, no follow-up document has yet been published.

The same document shows that between January and November 2009 there was a decline in the awareness of the government-funded 5-a-day campaign from 80 per cent to 73 per cent, which the DH suspected was due to a lack of support. As the Government pulls away from investing further money in advertising and promotion of the brand, there is surely a risk that the same fate befalls Change4Life.

It would be easier to believe industry has the ability to extend and amplify the Change4Life message were it to have universal buy in, but with some high profile businesses unwilling to relinquish their own healthy living agendas to fall under Change4Life, the issue of consistency is a pertinent one. At the turn of the year, Justin King dismissed voluntary schemes such as Change4Life as the "refuge of scoundrels" in an address to the House of Lords Science and Technology Committee.

"We're not a member of Change4Life and that feels inconsistent for us given the rest of our positioning, but the agreement required us to abandon everything we'd done on Active Kids, which was our key platform to engage children with activity," he said.

Sainsbury's wasn't prepared to "row backwards" on something it had done a lot of work on, King said, adding that "it becomes burdensome because you have to force-fit what you're already doing into something which may not even last the test of time".

Such scepticism from an influential industry figure shows the obstacles Change4Life must overcome if the brand is to reach the stage where it is as indispensable to consumers as those owned by its industry benefactors.



Food Fight

Does the Responsibility Deal have real power in the health

Yes, says Christine Haigh, Co-ordinator of the Children's Food Campaign. *There are significant risks with the approach, she says.*

The coalition Government's approach to public health, headlined by the Responsibility Deals, is a gift to the industries that contribute to some of the UK's biggest public health problems.

Predictably, junk food companies have reacted like the proverbial child in the sweetshop, welcoming the change and already predicting success. It's hardly surprising – the whole project is based on a voluntary approach: music to the ears of an industry that has fought hard to prevent initiatives such as traffic light labelling that could really empower consumers to make healthier choices.

“With the UK the fattest nation in Europe, we need more than weak voluntary pledges.”

Yet there are significant risks with this approach. So far, the food pledges have been unremarkable, simply continuing the work of the Food Standards Agency. Had the Agency not been stripped of its nutrition responsibilities, this work to reduce salt levels, remove artificial trans fats and introduce menu labelling would have continued anyway.

And for many of the companies that have signed up, little or no work is required, while the pledges are irrelevant to others. Take Coca-Cola, whose products contain neither salt nor trans fats, and whose business doesn't use menus. But its range does include many sugary soft drinks which are of no nutritional value, and are increasingly being recognised as a significant contributor to obesity, particularly in children.

So it's hardly surprising that many of the civil society organisations initially invited to be involved in the Responsibility Deals have walked out. In addition to the six leading health organisations that abandoned their involvement in the alcohol group, the British Heart Foundation and Diabetes UK, both involved in the food panel, refused to sign up to the deal, citing concerns about the inadequacy of the pledges and lack of monitoring and evaluation.

The problem is that a voluntary approach isn't helpful – not to consumers, for whom making healthy choices is increasingly difficult in the face of a barrage of junk food marketing and an absence of clear and consistent labelling; or to the NHS, which bears the increasing costs of dealing with the consequences of obesity and other diet-related



health problems. It's also not helpful to those companies that are making a genuine effort to improve. As Sainsbury's chief executive, Justin King, put it, voluntary initiatives are “the refuge of scoundrels”, reducing action to the lowest common denominator.

King acknowledges that “sometimes legislation is better. It is burdensome but it is consistent for everybody and tends to stand the test of time”. With the UK the fattest nation in Europe, we need more than weak voluntary pledges written by those with a vested interest in doing as little as possible.

Responsibility Deal put too much on the shoulders of the food industry?

No, says *Melanie Leech, director general at the Food and Drink Federation. She argues that co-operation between government and industry is critical.*

The concept of a Responsibility Deal between government and industry signals an important change in how government plans to approach complex public and social challenges, and how it engages with a wide range of interested stakeholders, including industry. We believe it can provide an effective framework within which government, industry, NGOs and health professionals can debate issues honestly and work together effectively to tackle complex public health challenges. We are pleased to be a founding signatory.

“Voluntary action has undoubtedly delivered more and more quickly than previous approaches.”

But no one ever said it would be easy. With the high expectations of NGOs on the one hand and businesses asking what's in it for them on the other, pulling together disparate partners will always be difficult. The Responsibility Deal approach to public health challenges us all to give ground and this will become even more

important as we proceed through the second phase. One thing's for sure, while we might argue about the detail, voluntary action has undoubtedly delivered more and more quickly than previous approaches.

Although it's worth remembering that the food industry already has an impressive track record of stepping up to the plate on public health. FDF members first committed themselves collectively to making a positive contribution to improving public health and tackling obesity back in 2004. Since then we have continued to show real leadership in how we have responded. For example, through our members' work to change the recipes of well-loved brands without making any compromises on taste, quality or price, and to extend the range of healthier choices available to shoppers.

Much has already been achieved – as our work at FDF demonstrates – so we are seeking to build further progress on top of that. It's a new way of working for all of us. The process itself is very different. But the issues are clearly not going away.

This is why FDF, and its members, are committed to engaging fully, positively and



proactively in the public health debate and in discussions with the Government on other key challenges facing society such as climate change. These huge challenges require a concerted effort on behalf of a wide range of actors if we are to meet them. And we firmly believe, as the Organisation for Economic Co-operation and Development made clear last year, that “co-operation between government and industry is the single most critical link in a multi-stakeholder approach”.

Pasty power

Biofuel company Greenergy is turning pasties, pies and crisps into fuel. Oil and fat is extracted from the misshapen, overcooked or out of date foods and then blended with diesel. Andrew Owens, Greenergy's chief executive, said: "We've always tried to find ways of reducing the environmental impact of our fuel and as oil prices continue to rise, it's obviously important to develop alternative sources of fuel." Imagine if all high-fat foods were turned into biofuel...obesity crisis and climate change solved in one hit.



Fairer fillings

From pasties to another British lunch favourite: sandwiches (seamless segues are the norm here). The RSPCA has discovered that we don't really care about what we put in our sandwiches – as long as it's cheap. Egg and cress is a favourite, even if the hens have been sandwiched together in battery cages. So, the animal charity is encouraging people to think about what's in their sandwiches and choose fairer fillings.

And finally...

A new survey of 350 people has named Hugh Fearnley-Whittingstall as the top 'green' celebrity, ahead of Jamie Oliver and the Prince of Wales. Rio Ferdinand, who is developing an eco mansion, was also in the top five. Sustainable 'Celebrity Come Dine with Me' anyone?

Dear, well, everyone

All this sustainability chat can make your head hurt. We've always been green grocers, but now we've got to be greener grocers. It's a long journey: a bit like the M25 it's slow and disrupted by 'beeping horns'. Everyone wants attention, so it's easy to be distracted by those who beep loudest.

Take plastic bags. Mrs Green Grosser uses them for her gym kit. I use them to carry all my important work around (manbags are a little metrosexual around here). However, neither of us tends to re-use them for the weekly shop. It's not good, I know, and we'd be laughed out of Modbury – or stoned out – but we always forget to take the 123 bags we have (I counted) and re-use them for the purpose for which they were originally designed.

We're not alone. But it doesn't really matter. According to some boffins who have studied the bags for about six years, the bags we get in our local Tesco (or Morrisons, of course, or any other supermarket in town) have the lowest carbon footprint of any type of bag – 1.57kg CO₂e. That's 171 times less damaging than those cotton bags made from the recycled trousers of hippies. And even less (1.4kg CO₂e) if it ends up as a gym bag, a manbag or even a poo bag (there's a new puppy in the GG household).

So, why on earth do we carry on wasting time, energy and money on plastic bags? I don't want to see them strewn across the countryside, but that's a different issue. It seems the best way of us carting our shopping home is in a good old HDPE bag (many are now made up of recycled material). And we'll continue trying to re-use them for whatever we like.

Once in a while we'll remember and use them for our shopping; and perhaps even drop the other 113 bags into the collection point too (there are now 5,000 of these nationwide). So, take the expensive research, the campaigns and the policy papers taxes, put them in a bag and leave them under the bed (with the gym kit). After all, it'll save another 0.17kg of carbon.

Green Grosser

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