

# FOOTPRINT

SUSTAINABLE RESPONSIBLE BUSINESS

AUGUST 2015



## The circular economy:

What does it mean for the food sector?

### DIVESTMENT DAY

Is food the next target for campaigners?

### CARBON LABELS

Have they gone out of fashion?

### DRINKS TAX

Q&A with Jamie Oliver Group's CEO

### NUTELLA'S NIGHTMARE

Palm oil claim leaves bad taste

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footprint.digital

# Best foot forward

**W**ELCOME TO THE first digital issue of *Footprint*. Every two months from now on we will be bringing you hard-hitting analysis, in-depth special reports and expert opinions from around the foodservice, catering and hospitality sectors. In between issues there will also be news, analysis and comment available daily through the website, [footprint.digital](http://footprint.digital), and weekly through our newsletter. This will all be delivered through our experienced team of writers and contributors.

In this issue, for example, we have investigated the implications of the divestment movement for your businesses: fossil fuels may well be the target now, but could other sectors with big environmental impacts like food be next in the firing line? Our regular feature topics are still here (including Health & Vitality, Supply Chain and Waste Watch), but we've added some extra ones.

On Reflection, for example, takes a look back at an environmental innovation, story, concept or challenge that has gone off the radar. Our first piece considers carbon labels – an idea consigned to the grocery graveyard, but in line for a second chance among public-sector caterers.

*Footprint* has long been focused on challenging and encouraging the sector as you all seek to entwine commercial reality with sustainable ambition. Hence we also want to delve deeper behind closed doors, and the stories that matter. For that reason we hope to do many more interviews like the ones on these pages with Allister Richards (Gather & Gather's boss) and Neil Barrett (Sodexo's VP for sustainable development). That level of industry insight is invaluable.

Indeed, *Footprint* is not a one-way street. The beauty of our move to 100% digital is that we can interact more with you, the readers. This can be through everything from Twitter to exclusive webinars, online polls and more regular industry viewpoints. And of course there will still be the chance to meet in the real world at our forums.

Our goal is to make the *Footprint* platform the hub for those interested in sustainability in foodservice. This digital project is therefore a work in progress. Over the coming months we want to adapt the magazine, the website and the newsletter to maximise the value to you, the readers. So



please feed back to us regarding which features and techniques work, and which don't. Are you getting enough information? Or too much? Is the website easy to use and the magazine enjoyable to read?

We hope you like the first one. But we want to make each one better than the last.

**David Burrows** is editor of *Footprint* magazine

# Meet the team



## David Burrows, editor, *Footprint* magazine



A graduate in agriculture and environmental sciences, and a postgraduate in periodical journalism, David has spent the past 10 years as a writer and editor in B2B publishing. He has been editor of *Footprint* for three years, a role he combines with freelance writing for other titles including *Ends Europe*, *Retail Week*, *Marketing Week* and *Recycling & Waste World*. He has also worked for *The Grocer* and *Farmers Guardian*. Earlier in his career David spent time working for both DEFRA (on waste) and WWF-UK (as part of the One Planet Food team).

[David@foodservicefootprint.com](mailto:David@foodservicefootprint.com)

## Nick Hughes, associate editor, *Footprint* magazine



Nick is a freelance journalist and editor specialising in food and environmental affairs. He previously worked for *The Grocer* and writes for a variety of trade and business titles including *The Grocer*, *Footprint* and *Retail Week*. During a spell at DEFRA, Nick worked as an adviser on the Elliott review of the integrity and assurance of food supply networks, commissioned by the government in the wake of the horse-meat scandal, and also works for WWF-UK as a food sustainability adviser. Nick has a master's degree in food policy from City University.

## Amy Fetzer news editor & features, *Footprint.digital*



Amy is a journalist, author and consultant specialising in sustainability. Amy's work focuses on creating engaging communications – from environmental white papers, research reports and articles to her book, briefing documents, case studies and workshops – that inspire, entertain and inform. Amy has an MSc in sustainable development from the University of Surrey.

Amy also co-authored the book "Climb the Green Ladder: Make Your Company and Career More Sustainable".

## James Eagle chief subeditor, *Footprint* magazine

James has subedited on national newspapers since 2003 and is currently on the Guardian's night news team. He is also a freelance magazine subeditor and book designer. He has been subediting *Footprint* magazine for the past two years.

## Anya Hart Dyke head of business development, *Footprint*



Anya has been working in sustainability for more than five years, specialising in the food industry since 2012. She also works on responsible procurement in the public sector and campaigns for greater transparency in company supply chains. In a previous life she worked on small arms control in the former Yugoslavia and latterly researched barriers to integration for ethnic and religious minorities in the UK.

## Nick Fenwicke-Clennell & Charles Miers founders and joint CEOs



We launched *Footprint* in 2007 when concerns for the environment were just becoming mainstream with consumers being encouraged to turn lights off, recycle and buy local. The word "sustainability" was barely on the radar.

Like many ideas, *Footprint* came about as the result of a conversation. The conversation we were having revolved around the futility of encouraging individuals to make small changes to lifestyle when the wider impact would be minimal. What was needed, we reasoned, was for the world's biggest organisations to take this on board, so that small changes would make major gains by the very nature of their size and volume of output. For our own interest we looked around for sources of information for interested companies and found none. *Footprint* was born.

When we went to market with the proposition, many thought it was a fad and a temporary marketing wheeze, while some paid lip service. However, a handful of forward-thinking businesses really got it and supported our quest. As soon as other businesses began to realise that "going green", as it was referred to then, actually fell within the realms of business efficiency with a resulting benefit to the bottom line, the penny began to drop.



# News in review

Foodservice gets the cold shoulder from the Conservatives as a new review of food and farming begins.



**E**IGHTY LEADING representatives from the UK food and farming industry met the environment secretary, Elizabeth Truss, in July. They were in Westminster to discuss an “industry-led 25-year plan” that will “up the country’s ambitions for food and farming, setting out how we can grow more, buy more and sell more British food”. Retailers were there. Farmers too. And manufacturers. Even researchers. And yet there is no mention of caterers or foodservice – the “other” £46.6 billion player in the food industry. Bygones (but do let us know if you were invited).

Perhaps more concerning was the focus. There was no mention of a sustainable food system to take us to 2040. Not a sausage. This raises the question: what has happened to the other initiatives over the past few years – the “green food project” and the “UK principles of health and sustainable eating patterns”? DEFRA didn’t respond.

There was also the Food 2030 roadmap from 2010 – though that was a Labour initiative. Now we’re back to a Tory majority. Truss has already claimed that the government’s support for the food industry won the Conservatives the election (fears over Labour-led economic doom and clever targeting of Lib Dem voters in the south-west had no impact, apparently).

“As a one nation government we will keep on backing British farmers,” said the prime minister, David Cameron, as he announced a new food innovation network at the Royal Welsh Show. This against a backdrop of farmer protests – still milk prices and now lamb. In Wales some are threatening to withhold their best livestock for a week.

And what of the first meeting? The decision was apparently taken to split the group into two groups – one to focus on farming and the other on food. The beauty of joined-up thinking.

## Sugar fix

HALF THE population aren’t interested in changing what they eat. As the NHS approaches bursting point thanks to rising levels of obesity and diabetes, market research firm Future Thinking has discovered that 56% of UK consumers have not changed their eating habits as a result of reported increased sugar levels in certain food and drink.

They also remain confused about sugar and fat, said Future Thinking’s Claudia Strauss, and are often left feeling helpless by contradictory messages. “It is clear that sugar is the villain of the piece and will likely remain so for a while but quite how to respond to this news is not yet clear for consumers.”

Those at the British Soft Drinks Association remain equally confused, it seems. Responding to July’s “Carbohydrates and Health” report by the Scientific Advisory Committee on Nutrition (SACN), which included the recommendation that no more than 5% of daily energy should come from sugars, the association’s director general, Gavin Partington, said: “Today’s guidelines make little sense. It is baffling that soft drinks have been singled out and the industry’s work to reduce the nation’s sugar intake ignored.”

There was no such head-scratching over at the Food and Drink Federation. “The most thorough scientific review of carbohydrates and health carried out in recent years should leave people in no doubt that sugars can be enjoyed safely as part of a varied and balanced diet,” said its director general, Ian Wright. “The report confirms what we already know.”

That depends on how you look at it. Ian Macdonald, the SACN’s chair and a medical professor at the University of Nottingham, said: “The evidence is stark – too much sugar is harmful to health and we all need to cut back. The clear and consistent link between a high-sugar diet and conditions like obesity and type 2 diabetes is the wake-up call we need to rethink our diet.”



## Sticky business

THIS ISSUE we’ve taken a look at carbon labels. Remember those? A bit like the minidisc but less successful. Labels tend to be a bit of minefield for brands and consumers alike. Which do you choose?

Some opt for all of them: “Organic, Fairtrade, Rainforest Alliance” coffee, for instance. Some decide not to use them at all: confectionery companies using sustainable palm oil are shying away from the green badge available (see “Spreading the news” later in this issue).

To help companies through the mire (at the last count there were more than 400 labels available), the ISEAL Alliance has launched a Challenge the Label campaign. There are five “universal truths” to sustainability claims, it says: clarity, accuracy, relevance, transparency and robustness. Tick those boxes and you can be sure the claim does what it says on the tin.



# The numbers you need to know

Eco-friendly fish, climate change ignorance and a big win for biscuit lovers.

## Ethical eating



87% of UK consumers are aware of free-range labels. But just 36% say they've heard of the MSC approval scheme for fish.

Source: Mintel, July 2015.

## More fish in schools



The introduction of the School Food Standards in January have resulted in an 18% rise in the number of MSC certified schools.

## Heads in the sand



40% of adults worldwide have never heard of climate change. In the US, Europe and Japan it's 10%. "The contrast between developed and developing countries was striking," said Anthony Leiserowitz, director of the Yale project on climate change communication and co-author of the study in the journal *Nature Climate Change*.

## Million wrapper biscuits



United Biscuits has saved 2.5 tonnes of packaging from landfill through its partnership with TerraCycle. The million or so wrappers have been

## Three-sy does it



reprocessed into pellets and turned into waste bins.

Aldi has made four "commitments" to UK farmers, that could "change the face of retailer and supplier relations in this country", according to the NFU. But

## And the one that got away...



three of them are mandatory under the Groceries Supply Code of Practice. Responding to July's budget the Food and Drink Federation said: "We support the national living wage in principle and many of our leading members have already made individual commitments to pay the living wage." Asked how many it meant by "many" a spokeswoman was not inclined to say.

# Allergic



Gather & Gather boss Allister Richards tells Footprint why he thinks Britain's leading chefs should have spent less time attacking the new EU allergen labelling rules, and more time getting ready for them.

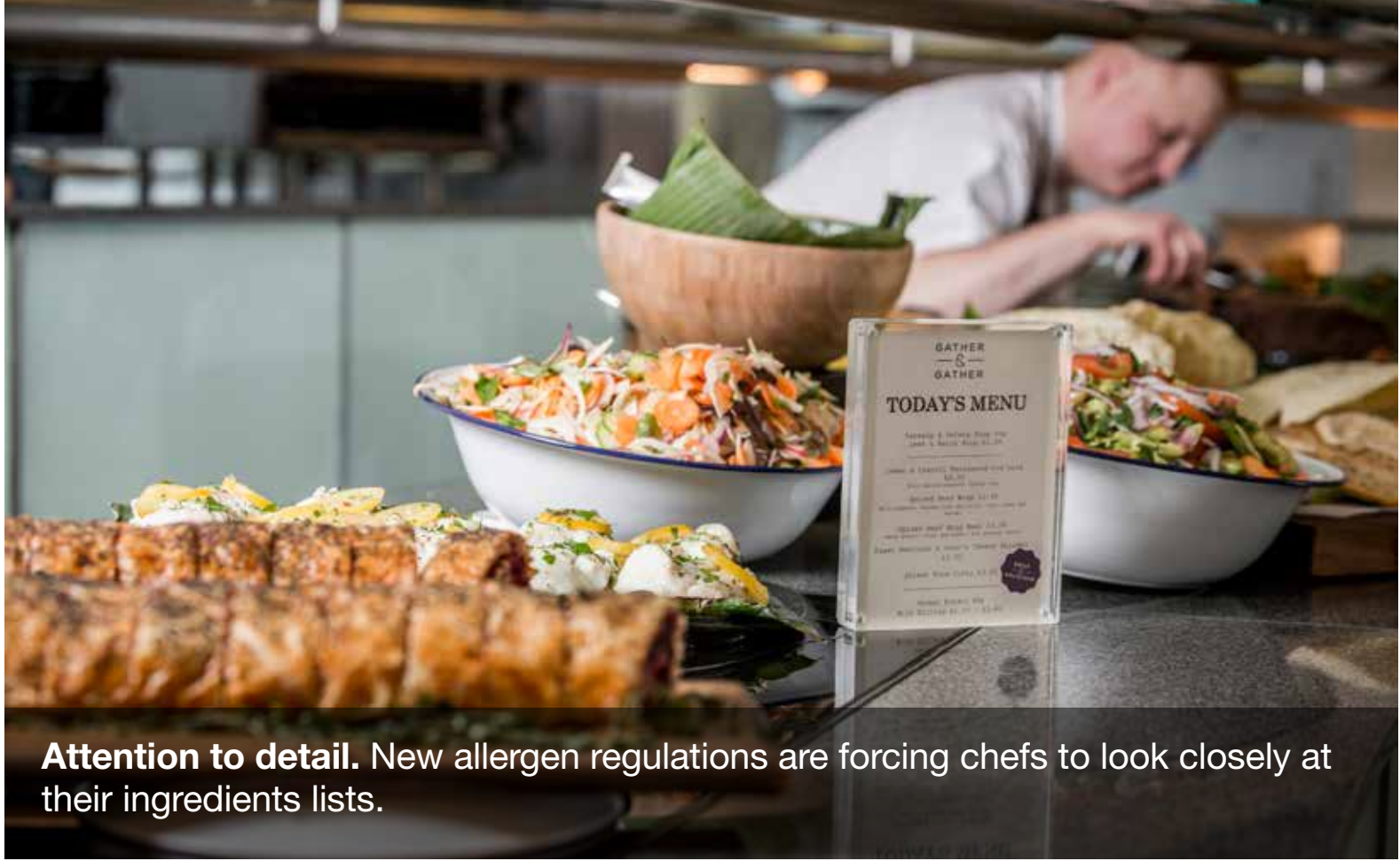
THE SIGNATORIES read like a who's who of the country's top chefs. Albert Roux. Mark Hix. Thomasina Miers. Plus another 100 or so. The letter, published in the *Daily Telegraph*, focused on the EU Food Information for Consumers Regulation – more specifically the 14 allergens that all food business now have to declare.

“As chefs, restaurateurs, hoteliers and caterers, we are concerned about the bureaucratic nightmare the recent EU allergen regulations have imposed on our businesses,” they wrote. “And it is not just the cost. They will reduce the spontaneity, creativity and innovation restaurants and others in the industry have enjoyed up until now.”

But the fact remains that the regulations are here – and they've been a long time in the making. So while some spend their days writing letters about what they see as a “bureaucratic nightmare”, others have got on the front foot.

Gather & Gather, for one, was planning for the changes – which came into force in December – “way in advance”, says its managing director, Allister Richards. “We ran a big training programme around accountability for what we serve,” he tells *Footprint*. “Our responsibility is to understand categorically what's in the dishes we serve – that's the line in the sand.”

Richards is completely at odds with the stance taken by Hix et al. He even goes so far as to say that some of those on the list may have signed up because they feared going against some of the heavyweights of the culinary scene. While he admits that chefs don't necessarily like following recipes, the new regulations have been a “real eye-opener” for Gather & Gather's staff.



**Attention to detail.** New allergen regulations are forcing chefs to look closely at their ingredients lists.

Some of the allergens are easy to identify, but others are less so. Richards highlights the example of adding a splash of worcestershire sauce to a lasagne – because of the anchovies, the serving company would have to declare the inclusion of fish. How it does this is open to interpretation.

There is no need to label and adjust every menu, but it should be clearly signposted that customers with allergies should speak to a member of staff before ordering. (The Food Standards Agency has a very useful document on its website, with page 13 a good reference point for those in foodservice).

According to the Anaphylaxis Campaign, after six months of the new rules performance varies wildly. At the top end are restaurant chains such as JD Wetherspoon that invite customers to use an online menu builder based on their dietary requirements – boxes can be ticked for all 14 of the allergens, as well as for vegetarian or vegan. There's even a healthy eating option.

Other examples include pubs where staff have photos of food packaging labels on their phones to show to customers and schools that provide printed allergen information for all meals – even the teas served during cricket matches.

Some are still missing the mark, however, with no allergen information or signage. Some offer general disclaimers – for example, “all our products contain allergens” – that are unacceptable under the new rules, while in other cases the campaigners found staff unable or unwilling to help.

Richards – a keen supporter of the campaign and its move to set up a panel of industry experts to improve compliance with the regulations – says part of the challenge is taking away the “fear” among staff, so they can offer the right information and then it's up to customers to use it. There have been some unexpected situations as a result of the heightened awareness, however (see boxout below).

Richards admits that the company's sites haven't yet been subjected to the level of policing he expected. “I know we're ready, though.”

## Customer care

Gather & Gather's Allister Richards describes the effect the allergen regulations and increased awareness are having on his staff.

**“We've been running lots of extra training to raise awareness among staff, and that's been a real eye-opener for our chefs. But it's also prompting some pretty inspiring interactions between our staff and our customers.**

**I remember this one scene happening right before my eyes. A customer went to help himself to the porridge, for which there was information regarding the use of 1% milk. Our member of staff leapt out from behind the counter and told the customer he couldn't eat it, practically snatching the bowl from his hands. ‘I know you always have soya milk in your coffee,’ she said. The customer then explained that whilst milk in coffee didn't agree with him, it was fine in porridge.**

**Dairy isn't among the 14 allergens and it wasn't a textbook approach to protecting our customers, but the sentiment was certainly there. It's only right and proper that we are responsible and accountable for the food we serve.”**

*As told to David Burrows.*

# Behind the headlines



# Sodexo's carbon commitment

The group's plan to slash emissions by 1.7m tonnes is a huge challenge but one that should bring rich rewards.

**S**ODEXO HAS announced plans to cut carbon emissions 34% by 2020. Published on World Environment Day in June, the commitment attracted a fair bit of media attention. However, much of it underplayed not only the homework that went into deciding on that target, but also the challenges that lie ahead in meeting it.

It was a “huge data exercise”, says the group's vice-president for sustainable development, Neil Barrett, who has worked closely with WWF to model the group's overall emissions. About 5,000 sites, 10,000 suppliers and 14 countries were involved in a five-year footprinting exercise that started in 2010 as part of its corporate responsibility roadmap, Better Tomorrow.

Once all the data was collected it was fed into a model built by WWF, and out came a total carbon emissions figure of 5m tonnes for 2010/11. This was taken as the baseline; then work started on calculating how much could be slashed from that in a decade.

It's hard – perhaps even unfair – to compare the target set with other companies in the sector, but given that Sodexo doesn't yet know how it will remove those 1.7m tonnes it's probably fair to say that it's a stretching one. Barrett says: “I'd say it's a big challenge, because it's a global figure and the level of maturity to act varies considerably” from country to country and site to site.



**Renewable drive.**  
Sodexo is prioritising energy efficiency and renewable energy as it looks to cut carbon emissions by 32%.

Eco-pioneer and founder of the carpet company Interface [Ray Anderson](#) has said: “A good target should take your breath away.” Some will always argue that the cost of undertaking such an exercise can have the same effect. Barrett won't confirm the bill so far, or how much the project will save. However, he feels the company now has a “goldmine” of knowledge, data and experience to help it “laser focus” on where the big impacts are.

Unsurprisingly, the majority of Sodexo's emissions are up and down the value chain (the scope 3, or indirect emissions due to the activities of an organisation). “The direct emissions that we have in our operations is very small” at 1.5%, Barrett explains, “so our activity is focused on the indirect emissions.”

Energy efficiency interventions and the use of renewable energy will be priorities – both will also reduce the company's exposure to rising energy costs. With 33,000 sites across the world, rolling out programmes everywhere isn't always easy. However, the benefit is when very small-scale interventions are scaled up. Barrett cites the example of the [Endocube](#), a technology that is helping to reduce energy consumption in refrigeration units by “12 to 25%”.

Another example is in food waste – the third priority area: “Measuring, reporting, tracking [and then cutting] food waste can produce carbon savings of anything up to 10%,” Barrett says.

Energy efficiency, renewables and waste might be the current focus, but Barrett has 1.7m tonnes of savings to find. Does that mean he will need to look at more controversial opportunities? Will he need to consider menus with less meat, for example? He can't say, but in the UK Sodexo is working with WWF in an attempt to come up with a series of Livewell sustainable meals.

There are undoubtedly challenges ahead. But the programme should save the business millions in energy and waste. It could also help future-proof it against further environmental regulation on greenhouse gases.

Barrett is based in Paris where governments will meet this year to [thrash out an international deal](#) to reduce greenhouse gas emissions. Sodexo is the latest in a growing number of businesses that are tackling emissions head on while politicians procrastinate. These are the firms, as New Scientist put it recently, that have concluded “climate change will hit them hard”. Cutting 1.7m tonnes of carbon from a global business won't be easy, but Sodexo believes it will be worth it.

# Spreading the news

Nutella's undeserved criticism from the French environment minister suggests that brands could do more to highlight their progress on sustainable palm oil.



IT'S NOT OFTEN that the likes of Greenpeace will jump to the defence of a multinational food company, but it made an exception for Ferrero. The confectionery firm's Nutella spread was thrust into the spotlight in June thanks to France's environment minister.

"We have to replant a lot of trees because there is massive deforestation that also leads to global warming. We should stop eating Nutella, for example, because it's made with palm oil," Ségolène Royal told the French television network Canal+.

France has got form when it comes Nutella-bashing – in 2012 a "Nutella Tax" was proposed on the basis that the 100m pots the public were getting through every year were fuelling obesity. But this time some unlikely supporters jumped to the brand's defence.

In a blogpost, Greenpeace's global palm oil coordinator, Suzanne Kroger, pointed out that Ferrero is "actually one of the more progressive consumer-facing companies when it comes to palm oil sourcing. Responding to the demands of their customers, Ferrero was one of the first companies to announce a policy to end the use of deforestation palm oil."

Since January this year, the group's products have been "produced with only palm fruit oil that is 100% certified as sustainable and segregated according to the Roundtable on Sustainable Palm Oil [RSPO] supply chain", according to its website.

Greenpeace has in the past been a critic of the RSPO – a report in 2013 suggested that the certification scheme is "not protecting international household brands from the risk that the palm oil they use is tainted with deforestation". It isn't alone: others have long called for the standards to be tightened.

Over the last couple of years, even supporters admit the RSPO has lost some ground because of inertia and conservative elements within it. Talks are beginning to bear fruit, however. The definition of "no deforestation" – a major sticking point – will hopefully be addressed through the development of RSPO+ – an add-on to the RSPO standard to demonstrate no deforestation on the ground rather than just on paper.

Several of the largest users are already heading in that direction. Nestlé has committed to a no deforestation policy, for example. As has Ferrero. But while the bar is being raised, companies appear reluctant to shout about it. If Ferrero had been more vocal, perhaps the message would have got through to Royal? The company declined an interview request from *Footprint*.

Adam Harrison is a senior policy officer at WWF, one of the RSPO's founding members. He says he repeatedly comes across businesses, particularly in the food sector, which are reluctant to talk about palm oil. "It's an industrial vegetable oil ... people just don't want to go there," he explains. "They don't want to get into complicated discussions about the ins and outs."

This meant many were not even labelling the ingredient as such on packs. Thanks to December 2014's EU law on food information to consumers, though, manufacturers can no longer get away with generic titles such as "vegetable oils" – the label has to say "palm oil". This prompted a surge in RSPO-certified palm oil, but very few companies have gone on to use the RSPO logo on their packaging. "It's partly down to the large amount of information on products already and partly because they don't want to draw attention to the fact palm oil is in there," says Harrison. "In most cases brands don't see the value in talking to their consumers about it since the awareness of the issues is so low."

This doesn't concern him too much. "Where brands have been better at communicating is business-to-business – in particular retailers in north-west Europe have really driven manufacturers to engage and change sourcing practices," Harrison adds.

Soon there will be a chance to assess just how much progress has been made. Many of the big food brands have 2015 commitments relating to the sourcing of certified sustainable palm oil, and they will be held to account on those in WWF's 2016 palm oil scorecard.

The case of mistaken identity caused Royal – a politician keen to assert her authority in the run-up to the key climate change talks in Paris later this year – to backtrack with "one thousand apologies". Hopefully those who have made commitments will not be left similarly red-faced.



French environment minister Ségolène Royal urged the public not to eat Nutella because "it's made with palm oil".



# Reducing food wastage

‘Waste not, want not’ – a saying that many of us have had stamped on our conscience from a young age. But practicing what we preach is often somewhat more challenging...



**George Vezza,**  
Managing Director  
UK & Ireland at  
NESTLÉ  
PROFESSIONAL®

Recent G20 reports have revealed an estimated **1.3bn tonnes of food**, or roughly **30 percent of global production**, is lost or wasted worldwide annually.<sup>1</sup>

**These figures are staggering and of global proportions....**

As an industry, there is no doubt that we are listening. 170 organisations are now signed up to the Hospitality and Foodservice Agreement on waste compared with just 70 this time last year, which is undoubtedly positive. But, at the same time, only 12% of the industry’s food waste is currently being recycled, creating a whopping 920,000 tonnes of waste each year.<sup>2</sup>

**It is clear that more needs to be done.**

Nestlé Professional recently joined other industry leaders at a Footprint discussion about the fight on food waste and it was agreed that ‘on the ground’ is where the war can most effectively be waged. From chefs to waiting staff, taking action on food waste must be embedded into every element of kitchen operations.

At Nestlé Professional, we believe in practicing what we preach... That’s why we teamed up with Specialist Waste Recycling (SWR) to develop a free online waste management course, a practical tool to help operators have a positive impact on their waste.

And this year, educating catering students about food waste was high up the agenda at the Nestlé Professional Toque d’Or competition. Not only were students at the Grand Finals’ event introduced to the ‘waste not’ philosophy behind ‘nose to tail’ cooking first hand, with butchery demonstrations from Aubrey Allen, but they were also tasked with the practical challenge of producing a dish that could put the sustainable theories they had learnt into practice.

**Ultimately, it all boils down to education.**

The war on waste will only be won if we, as an industry, take collective responsibility for educating the next generation of chefs and restaurateurs about food waste.

Offering catering students opportunities to gain practical, first hand experiences in tackling the issue is one place to start. And joining the drive to get food waste on to the curriculum at catering colleges is another.

At the end of the day, this isn’t just about ‘sticking plaster’ solutions as things won’t change overnight and the more we can do as an industry to embed sustainable waste management in professional kitchen practices, the better.

To access the free online waste management course visit [www.nestleprofessional.com/uk/en/Courses/Pages/Default.aspx](http://www.nestleprofessional.com/uk/en/Courses/Pages/Default.aspx)

<sup>1</sup> <http://www.theguardian.com/environment/2015/may/08/food-waste-an-enormous-economic-problem-say-g20-ministers>

<sup>2</sup> WRAP research, January 2015



# Downing Street keeps food industry waiting

The Conservative election win has produced plenty of euphoria but little concrete policy on the big issues of climate change and health.

**T**HERE'S BEEN discernible euphoria emanating from Conservative MPs and their supporters since the party's surprise victory in the general election in May. Judging by [Liz Truss's recent assertion](#) that it was the Tories' support for the food industry that won the day – despite food barely featuring in the campaign – such rapture risks spilling over into outright delusion.

Thankfully, the summer break has arrived to give us all a rest from the political bedlam of the past six months and we can begin to reflect on what a Conservative government means for food policy over the next five years.

The two exhibits that provide the strongest evidence are the Conservative manifesto and July's emergency budget.

In the former, food was presented primarily through an economic prism with a narrative about supporting British farmers, reducing red tape and opening up new export markets. While the Liberal Democrats' manifesto promised a national food strategy and Labour vowed to resurrect its Food 2030 plan – both of which would have given a leading role to health and environmental issues – the Conservatives offered a Great British Food Unit that will help trademark and promote local foods around the world and support British food at home.

*What we've yet to hear from the Conservatives is a strong position on the environmental and health issues associated with food*

This is consistent with the party's unashamed focus on securing economic recovery. The recognition of food's economic importance will surely be welcomed by most businesses, as will the unexpected cut to corporation tax announced in the July budget along with policies to double the annual investment allowance and cut employer national insurance contributions. More divisive is George Osborne's promise to implement a [compulsory national living wage](#) of £9 by 2020, which may prove burdensome for employers in a sector that offers a high proportion of low-skilled jobs.

Meanwhile, the removal of the climate change levy exemption for renewables, coupled with continued concessions to the oil and gas industries, has left environmental groups questioning the government's commitment to a truly green economy.

What we've yet to hear from the Conservatives is a strong position on the environmental and health issues associated with food, leaving us to assume a continued preference for market- and technology-based solutions and voluntary measures carried over from the last administration. Whether the Conservatives can continue to get away with such a light-touch approach in the longer term is open to debate.

Pressure is mounting for regulators to take decisive action to tackle obesity. With the government's own independent Scientific Advisory Committee on Nutrition (SACN) now saying that the recommended daily intake of sugar [should be halved to 5% of energy](#), the issue will not simply go away. The do-or-die nature of forthcoming climate talks in Paris, meanwhile, means governments the world over will face intense scrutiny over the ambition of their environmental commitments. Food can and should have an important role to play.

With hard policy lacking, the greatest insight into the Tories' food vision may have been provided by Truss's [recent speech](#) at Tech City on the future of food and farming. As part of a plan to release DEFRA's vast treasure trove of data, she sought to position Britain as a country capable of becoming a global leader in food and farming by using science and data to unleash its productive potential, in the process making the food industry an attractive sector both for graduates and apprentices. Truss's vision will be delivered through DEFRA's industry-led [Great British Food and Farming Plan](#), which was launched in July.

It's undoubtedly a compelling vision for the UK's food economy but there remain major questions that need to be answered on how this government plans to tackle the big societal challenges of our time, such as climate change, food poverty and health inequalities – at least if the Conservatives' food plan is to morph into a fully rounded food policy.



# Back of house

Politicians don't seem keen to tax sugary drinks, so the Jamie Oliver Restaurant Group took matters into its own hands. CEO Simon Blagden suggests it won't be long before others follow their lead.



**Simon Blagden,**  
CEO Jamie Oliver Restaurants



## What prompted you to introduce a 10p charge on some sugary drinks?

**Simon Blagden:** At the heart of Jamie's business is a food education charity. Jamie believes that one of the most important ways to help in the fight against obesity and diet-related disease is better food education. We need to educate kids and adults so that they are empowered to decide for themselves when they should eat healthy food and when it's time for a treat. However, he also believes that we need levies or taxes alongside this, to discourage people – or at least make them think about – whether they should be consuming some products less regularly.

Sugary drinks are the start of this process and as a restaurant group we are absolutely behind introducing a levy and will be doing so across all of our UK restaurants from September 1st this year. The money raised will go to Sustain, which will use the funds to support children's food education projects.

## What drinks are covered by your "child health levy"?

**SB:** At the moment, our levy is on soft drinks with added sugar. We will not be taxing fruit juices as the ones we serve at Jamie's Italian contain only natural sugars derived from the fruit, plus vitamin C and other minerals which changes the way those drinks are used by the human body. As diet drinks contain no added sugar we have also decided not to tax them for the time being.

The reason for us choosing to tax soft drinks with added sugar is that they pump your body full of sugar, contain no or very few nutrients and do not fill you up, which makes it very easy to consume too many calories and gain weight.

## What were the risks or opportunities you identified?

**SB:** We firmly believe that the opportunities and positives associated with introducing a small levy far outweigh any risk. Customer satisfaction is always our primary aim at the restaurants, which is why we work on providing the best possible food and service to all of our guests. But we also feel we must take a lead when it comes to affecting public health. A levy on these drinks allows us to raise money to help give children the knowledge to make better food and drink choices, as well as send a message to take urgent action on the public health crisis.

## How did your drinks suppliers react?

**SB:** We have thus far had no reaction. But public reaction has so far been overwhelmingly positive.

## Why didn't you just ban the drinks?

**SB:** We would never ban sugary drinks because we believe everyone should be able to make their own choice. Pretty much every anti-sugar campaigner agrees that the occasional treat is OK. The levy is being brought in to raise awareness of the effect of too much sugar in people's diet, as well raise money for children's food education and put pressure on the government to take action on the public health crisis.

## Why isn't the charge applied to sugary foods as well?

**SB:** No one is suggesting that we ban sugar or cakes or desserts or treats. Everyone loves a treat from time to time – even the most vocal anti-sugar campaigners. What Jamie is saying is that we need to urgently look at ways to reverse the global obesity crisis and the rise in preventable diet-related disease. One way to do this is to educate people to understand what food does to their bodies and how to cook more nutritious food so that a treat from time to time does no harm at all. The problems come when people are filling up on sugary foods and hydrating themselves with sugary drinks day after day.

## Can you see other chains following your lead?

**SB:** We very much hope so. We are currently in the process of meeting other restaurant groups to explain what we are doing and why. We have high hopes that some will choose to join us and the reaction so far has been positive.

## In tackling obesity, is it up to industry to take the lead rather than wait for government regulation?

**SB:** Obesity and diet-related disease cost the NHS billions every year, not to mention the tens of thousands of unnecessary early deaths, many of which could be prevented if people had the knowledge to know what they're eating and how it affects their bodies. Type-2 diabetes and other diet-related diseases are becoming far too common. Of course we are calling on the government for firm action, but as a restaurant group we believe that something has to be done now. This is our first step of a move in the right direction.

# My viewpoint

A growing number of countries are thinking green when it comes to their dietary guidelines. But so far Britain has drawn a blank, says Sue Dobb.



“ **A**S WORLD LEADERS prepare for vitally important climate change negotiations in Paris at the end of the year, it's good to see countries increasingly recognising the huge impact that our eating habits have for the health of the planet.

Sweden is the latest country to take account of the environment in its new dietary guidelines. The advice to “eat greener, not too much and be active” includes recommendations to eat less meat and dairy, to eat seasonally and to choose sustainable seafood. The Swedish food agency joins official bodies in the Netherlands, Nordic countries, France and Germany that have incorporated sustainability into their nutrition guidelines. And it's now stretching further than that.

This year the US Dietary Guidelines Advisory Committee in its Scientific Report recommended the inclusion of environmental criteria within the 2015 US dietary guidelines. The committee said a diet higher in plant-based foods – such as vegetables, fruits, grains, legumes, nuts and seeds – and lower in calories and animal-based foods is more health-promoting and has less environmental impact than the current US diet.

In the UK we've been slower to adopt the win-wins for health and the environment into official guidance. Eating Better has written to Jane Ellison, the public health minister, asking for the UK's official dietary advice – the Eatwell Plate – to be updated in line with the Principles of Healthy & Sustainable Eating Patterns produced under the auspices of DEFRA.

In contrast with the media's obsession with diet fads, the Eatwell Plate provides authoritative official advice on good nutrition. Eatwell is not just advice for the public. It's used by health and nutrition professionals, teachers and educators, caterers designing menus, food manufacturers developing new products, and policy-makers developing and evaluating local and national food policy. It's therefore vital that the advice reflects the latest scientific evidence for nutrition and sustainability.



Using this advice, food companies will be better able to help us all do our bit for the environment through the food we eat, the meals served in our schools and hospitals and the choices available in supermarkets and restaurants.

**Sue Dobb** is coordinator of the Eating Better Alliance

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# Next in the line of fire?

The fossil fuel divestment movement is going mainstream and food companies could become high-profile targets. By Nick Hughes.

**W**HEN A CAUSE unites a group as diverse as the Norwegian parliament, the former chairman of Royal Dutch Shell and one of the world's leading environmentalists you know it's time to sit up and take notice.

The divestment movement, through which institutions are encouraged to sell their investments in the top 200 fossil fuel companies, has become a cause célèbre among environmental campaigners frustrated at a perceived lack of action on climate change by governments and businesses.

The movement has achieved a great deal in a relatively short space of time (see boxout), persuading public and increasingly private institutions to divest from fossil fuel companies. To date the focus has been on the coal, oil and gas companies directly responsible for extracting non-renewable resources, but what if it goes further?

Movements by their nature are dynamic and once goals have been achieved they recalibrate and seek new targets. If the divestment movement were to extend beyond the major fossil fuel companies to businesses that are heavy users of extractives in their supply chains the food industry could find itself firmly in the line of fire.

"People's attention is currently fairly and squarely on the fossil fuel industry because they are at the root of the problem," says Danielle Paffard, UK divestment campaigner at [350.org](http://350.org), the organisation behind the global climate movement. "Food is safe for the moment but it might not always be that way and as we win against these barriers I can see us moving on to the next target."

At the heart of the divestment movement is a perceived lack of global action to seriously address climate change coupled with a reluctance to challenge the unsustainable business models of multinational fossil fuel companies. A [recent report](#) from Canada's Pacific Institute for Climate Solutions on the subject of fossil fuel divestment noted that if countries implemented climate policies consistent with the science of limiting global

average surface temperature warming to 2°C, the current business models of conventional energy companies would face deep structural changes.

The divestment movement originated in the US, where campaigners targeted US-based investors and public organisations, and has since gathered global momentum moving on to targets such as universities with large endowments.

Its primary aims, according to a 2013 report by Oxford University's Smith School entitled Stranded Assets and the Fossil Fuel Divestment Campaign, are to force fossil fuel companies to undergo transformative change and put pressure on governments to enact legislation that requires fossil fuels to be left below ground.

Writing in the Guardian in 2013, Bill McKibben, the US environmental activist who is widely considered the godfather of the divestment movement, explained the rationale thus: "The idea is not that we can bankrupt these companies; they're the richest enterprises in history. But we can give them a black eye, and begin to undermine their political power."

Companies might not be hit in the pocket directly, but there can be lasting damage to their reputation

As McKibben suggests, the risks posed to those targeted are likely to be more reputational than financial. The risk of stranded assets – where environmentally unsustainable assets suffer from unanticipated or premature writeoffs and downward revaluations or are converted to liabilities – is real. However, the Smith School report concluded that the direct effects of fossil fuel divestment on equity or debt are likely to be limited since divested holdings are likely to find their way quickly to neutral investors.

The Pacific Institute report went a step further, arguing that the most likely recipients of divested funds will be banks and financial institutions, as they output a low amount of carbon per dollar of investor earnings. In this case, at least a portion of the divested funds would then be reinvested in projects that perpetuate fossil fuel use, through less direct means.

But even if divestment does not hit businesses directly in the pocket, the reputational damage to a company targeted by a divestment campaign can be costly and lasting. The "stigmatisation process", as the Smith School report terms it, means that any direct impact pales in comparison, as a bad image scares away potential suppliers, subcontractors, employees and customers.

Attention is unlikely to be spread evenly between businesses, and certain companies may become scapegoats – particularly those which fail to reinvent or whose rhetoric is perceived to be inconsistent with their actions.

But how is all this relevant to food companies? After all, the fossil fuel divestment campaign has thus far shown no sign of extending to companies whose business models, while heavily reliant on extractives, are not physically responsible for taking oil and coal out of the ground.

The negative societal effects of certain foods and production practices are becoming increasingly well known

The point is that the fossil fuel divestment movement is just one example of a legitimate strategy that the fossil fuelers across many countries have been using for years. As the Smith School report notes, companies involved in gaming, munitions and the provision of adult services have all been subject to divestment campaigns in the 20th century.

The tobacco industry found itself targeted after public health organisations including the American Public Health Association, American Cancer Society, and World Health Organisation found tobacco products to be contrary to their missions and therefore divested.

Unlike tobacco, food is essential to human life; yet the negative societal effects of certain foods and production practices are becoming increasingly well known. The effect of intensive food production, particularly of meat and dairy, on climate change is proved to be substantial, while processed foods high in sugar, salt and saturated fat are consistently cited as major contributors to obesity and other cardiovascular-related diseases.

As companies in all sectors face growing demands for transparency, food companies should be under no illusions that they are safe from public and investor scrutiny.

"Increasingly active ownership from investors will put pressure on laggards and company management should expect this to become more forceful over time. Divestment is one option should investee companies persistently ignore their investors," says Ben Caldecott, the director of the stranded assets programme at the Smith School.

Paffard adds that until campaigners succeed in radically changing the system and levelling the playing field, the coal, oil and gas industry will remain the focus of the fossil fuel divestment movement but in the longer term that could change. "I think where we might see divestment movements move to high-carbon users is as it grows people will see it's an effective tactic at affecting change, and there's every reason that people will adopt tactics that have been successful in the past."

If the food industry does find itself in the spotlight then which companies are most at risk?

Caldecott notes that campaigners pick companies for all sorts of reasons, but those that are in the public eye are more at risk than those that are unknown or have a low public profile. "That is definitely not always the case, and unknown companies can suddenly become the focus of large campaigns, but I think the risks of being a target are probably much higher if you are a well-known brand."

The horse-meat scandal is a case in point. Tesco was one of a number of businesses found to be selling products containing horse meat, but its status as market leader, coupled with a simmering public discontent with its some of its business practices, made it the focal point for public opprobrium.

High-carbon producing sectors such as meat and dairy could be targets

If divestment campaigns are to focus on the food sector, Shane Tomlinson, a senior research fellow for energy, environment and resources at the Chatham House think-tank, believes they are likely to be directed towards high-carbon-producing sectors such as meat and dairy. "There's currently an awareness gap of the impact [of food production on the environment] but if we are going to deliver a low-carbon world we are absolutely going to have to tackle the issue of meat and dairy," he says.

But why stop at carbon? Malcolm Clark, who as coordinator of Sustain's Children's Food Campaign has campaigned on issues such as better school food and clear labelling, says the organisation has not so far considered divestment, but "there does seem to be some legitimacy in looking at that as something that will help push firms to act more positively, such as signing up to public health responsibility deals".

Could it be that future divestment campaigns will target food companies which fail to sign up to voluntary accords on healthy food or whose products are classified as "junk" by nutrient profiling models? And could we see businesses as "junk" divesting assets that are deemed environmentally unsustainable or socially unacceptable, just as the major oil and gas companies divested from coal in the 1990s?

For the moment food businesses are safe from the divestment campaigners' gaze, but the public won't tolerate inaction forever. The grassroots campaign to hold climate change contributors to account is gathering pace. You have been warned.

## Fossil fuel divestment: The story so far

**T**hough many have dismissed the tangible impact of the fossil fuel divestment movement as negligible, the reality is that since 2012 investors around the globe managing nearly \$50bn (£32bn) in combined assets have committed to divest or are starting to review their options for removing their holdings in fossil fuel companies, according to a report from Canada's Pacific Institute for Climate Solutions.

The movement started in the US by targeting core groups such as religious groups or industry-related public organisations and has moved on to other progressive institutions such as universities before going global and targeting large pension funds.

In October 2014, Glasgow University was the first academic institution in Europe to announce it would divest from the fossil fuel industry over the next 10 years, and Warwick University recently followed suit.

The movement is becoming mainstream as it gains the recognition of private institutions. In June this year, the former chairman of Royal Dutch Shell Mark Moody-Stuart said selling oil stocks was a "rational" response to the failure of the oil industry to take meaningful action on climate change.

In May, the insurance company Axa said it would remove €500m (£350m) of coal investments from its portfolio and triple its investment in green technologies and services to more than €3bn by 2020. "Divesting from coal contributes both to de-risking our investment portfolios and to building better alignment with Axa's corporate responsibility strategy to build a stronger, safer and more sustainable society," said Henri de Castries, the company's chairman and CEO.

Also in May, the finance committee of the Norwegian parliament issued a unanimous recommendation to divest the country's sovereign wealth fund, one of the largest in the world, from the coal industry. The result will probably be that many billions of euros are withdrawn from the coal sector.




Danielle Paffard says the food sector is safe ... for the moment.

# Interview:

## The paramount importance of sustainability in logistics and wholesale distribution


We are delighted that Kuehne + Nagel is *Footprint's* newly appointed Brand Ambassador for logistics. Sustainability and efficiency runs through the core of your business, tell us why?



 Some may be unfamiliar with our name, but we're one of the world's leading logistics companies. We work with customers on a global basis to improve the efficiency of their supply chain operations. This can be something really simple like helping a customer achieve better loading efficiency on its sea container movements, or operating a complete end-to-end solution where we are involved in optimising all aspects of the supply chain to reduce our customer's costs and waste less, as well as improving service to their end-Customer.

Sustainability and efficiency are totally compatible – a more efficient operation will have a lower impact on the environment and will ultimately be more sustainable.


### Tell us a little bit about the scale of your network.

 Kuehne + Nagel has approximately 63,000 employees at more than 1000 locations in over 100 countries.

Our foodservice operations in the UK are based on a network of stockholding depots in Greenford, Wellingborough and Trafford Park. These are supported by a number of cross-docking platforms where orders are delivered to the outlet. Our stockholding sites occupy some 540,000ft<sup>2</sup>, that's the equivalent of about 10 football pitches.

We make about 1 million deliveries per year to foodservice outlets in the UK with a fleet of about 250 vehicles. Annually we deliver in excess of 55 million cases of food.


### You have not only built sustainability into your ops but your entire fleet is designed with sustainability in mind.

 Yes, we put a lot of thought into how we design our vehicle fleet. Many of our vehicles are fitted with under-belly compartments that enable us to collect waste materials from the outlet – oil, cardboard, plastic, tin, glass and food. By collecting waste we avoid the need for a separate waste collection vehicle to turn up at the Outlet, reducing vehicle mileage and the impact on the environment. All of the waste is recycled, the oil is turned into bio-diesel and the food is converted to energy through anaerobic digestion. It makes commercial sense too, as by centrally collecting waste we can improve its value for recycling. So far we have saved over 7,000 tonnes of CO<sub>2</sub> from food waste and oil reprocessing, and a further 15,000 tonnes of waste has been recycled.

Elsewhere within our contract logistics business unit we have invested in a fleet of double-deck trailers, so where we have to trunk product from a stockholding point to one of our cross-docking hubs we can double the capacity of the vehicle, again reducing the miles travelled. Additionally we have invested in Frigoblock non-fuel refrigeration systems for a large percentage of our restaurant fleet.

We're now turning our attention to fuels – we've invested in dual-fuel vehicles on our trunking fleet, which use a mix of diesel and liquified natural gas which has a lower carbon footprint.

### You are challenging some traditional logistics models and are trying to encourage the foodservice sector to rethink distribution modes. Tell us more.


 Historically the sector has been supported by a wholesale model where the operator can easily access a wide range of generic foodservice products. This flexibility comes at a price with the Wholesaler taking a healthy margin on the products sold.

Typically, as a foodservice operator evolves it wants to be able to better differentiate the products it uses in its outlets and, once it's reached sufficient scale then it can adopt a directly sourced model for the majority of the products it uses. This gives the operator access to a much wider potential supplier base, allowing it to purchase more efficiently. It isn't just about lower product cost, it's about how the operator can have greater choice and how it can improve its offer to end-customers in a fiercely competitive market.


That's where Kuehne + Nagel step in – we provide the logistics platform that enables operators to choose whatever suppliers they like, and we do the rest – managing the stocks, paying the suppliers, taking the orders from the outlets, managing customer services and picking and delivering the order to each outlet.

Increasingly we're getting involved in supporting customer's source products further upstream, for instance with non-food lines which can be sourced from the far east at lower cost and greater logistics efficiency – and again we can support in terms of managing the global freight aspects.


### Is wholesale and distribution behind the sustainability agenda?

 I think the sector as a whole is increasingly aware of the need for sustainability, and at the same time this has to be achieved within the framework of cost efficiency and effectiveness. We have to look at this from the perspective of the entire supply chain – from minimising waste in outlets, to recycling and reprocessing as much as possible, to operating the most efficient logistics platform, ethically sourcing product and positively managing quality compliance and finally by operating in a socially sustainable way in terms of how we recruit, train, manage and develop our Colleagues in our organisations.

### Why is change necessary?

 With increasing awareness comes responsibility and I think there has been a generational shift in this respect. The younger generations of consumers are much more aware of the sustainability agenda, and much less tolerant of tokenism. From the business perspective these consumers are forming an increasing part of our population of end-customers and colleagues so they rightly expect our businesses to be behaving in an environmentally sustainable way.


### You are driving the sustainability agenda throughout the value chain. What change can we expect over the coming years in the sector?

 Clearly with a growing global population there's more pressure on the food supply chain and this has already manifested itself in rising commodity prices and increased volatility of supply. Supply shortages have become a recurrent theme, particularly where crop failure is an issue.

If you couple this with some of the food safety issues that have materialised in recent years then it's unsurprising that leading Operators are taking a longer-term perspective on managing their end-to-end supply chain security and compliance.


Alongside these supply-side factors we've still got significant pressures on the demand-side with increasing competition for the customer's spend. In order to maintain competitiveness, foodservice operators are likely to adopt a broader perspective in managing the supply chain – identifying ways in which it can leverage greater benefits in terms of removing waste and inefficiency but also by improving supplier choice and supply chain resilience and flexibility when dealing with the increased volatility of supply.

### Why is it important to Kuehne + Nagel to work with Footprint to affect change?


 We're delighted to be part of the debate about how all operators in the sector can work together to share best practice. We're keen to share what we've learnt, and to learn from the experience of others. Footprint is a great platform for the industry to share experiences and to promote more collaborative ways of working.

The need for greater efficiency and sustainability in supply chain operations is being driven from both the supply and the demand side, and in order to maintain the progress that's already been made I think it will be increasingly important for different parts of the supply chain to co-operate together to achieve ongoing improvements.

### Do you have engagement from your clients?

 Absolutely. And that's because whilst we may be responsible for different aspects of the supply chain we share the same goal – to deliver a great service to outlets using the most efficient, cost effective and sustainable supply chain possible. In order to do this we've learnt that we have to work with our customers in a much more dynamic and collaborative way and its working in this way that helps us all unlock new efficiencies.

### Where do you see Kuehne + Nagel in 5 years?

 I'd like to see us taking a leading role in broadening the perception of the supply chain and what it can do for operators – moving away from the traditional view of it being about 'delivering cases of food' towards being seen as a means of delivering the Customer promise. This calls for a more collaborative approach, and I think that's an exciting opportunity for the sector.

Kuehne + Nagel is a global, financially strong logistics business and we are a committed long-term player in the sector. We're fortunate to have enjoyed strong growth in our foodservice operations and obviously we'd like to see that progress continue. We want to be the market-leader in Foodservice logistics within the UK and have a vision of creating the best-invested network, delivering the best quality of service with the greatest efficiency to the UK's leading foodservice operators.



# Opening the door for SMEs

Getting a foothold in a large corporate supply chain can be daunting for SMEs. Sodexo's new supply chain inclusion programme hopes to demystify the process and make it easier for SMEs to work with large organisations. Amy Fetzter reports

While landing a contract with a big facilities service provider is an aspiration for many SMEs, the complexity of dealing with big business often proves a barrier. Concerns often surround whether they can meet demand in terms of production volumes, as well as getting to grips with the increased number of health and safety requirements and processes.

But SMEs can provide valuable diversity. They can support local sourcing, and allow organisations to reflect their local community or region, whilst supporting those communities by sustaining the businesses within them.

Sodexo recognises this, viewing SMEs as a valuable asset. As part of its drive to increase diversity both within its product range, as well as within its workforce, Sodexo launched a supply chain inclusion programme in July.

The new programme will see up to 18 nominated SME or micro-business suppliers attend three workshops covering everything from logistics, procurement and distribution to technical perspectives over a four month period. It will also give participants the opportunity to network with Sodexo and its supply chain, as well as with each other.

Sodexo has teamed up with a number of agencies to help identify SMEs which meet certain social, diversity or minority criteria set out for the programme.

The suppliers range from fairtrade chocolate makers Divine Chocolate and Good4U, a family-owned health food company whose product range includes sprouted seeds and seed-based snacks, to Joe & Seph's, a family business with a mission to produce the best-tasting popcorn in the world. There are also a number of non-food SMEs participating in the programme.

"It can be very daunting for SMEs to try and deal with large corporations,"



**Steve Jobson,**  
buying director,  
Sodexo UK  
and Ireland

explains Steve Jobson, buying director, Sodexo UK and Ireland. "We deal on a huge scale - we spend \$10b globally, and serve 1m meals a day. We provide services at some 2,000 locations across the UK and Ireland. Small companies can often feel out of their depth when dealing with global organisations like Sodexo and this programme is all about looking at ways to help address this issue.

"The challenges are mainly around scale as some may find it hard to keep up with demand. Health and safety is also critical to Sodexo and our requirements can seem intimidating. But there is a very strong business case for getting SMEs on board with programmes like this.

"The first part of the business case links in with our 'Better Tomorrow Plan' corporate responsibility roadmap which focuses on the economic and social development of the communities and regions we operate in.

"The second is that it gives us a competitive advantage - we can use the best and most agile suppliers in the market place. Having diversity means we don't have to rely solely on large suppliers. Third, the government and public sector believes in these programmes, so SME initiatives help us in our relationships with key stakeholders in this area, and we can demonstrate our commitment to assisting government in hitting their published targets on increasing SME spend.

"The fourth sell is innovation. By dealing with smaller, more nimble suppliers, we can get really close to market trends and innovations, which allows us to bring new products to market quicker."

But what about the issues, such as long payment terms, that SMEs sometimes come across when working with large organisations.

"We already work with 4,500 SMEs outside of our core supply base," explains Steve, "and for each one, we work with them to ensure issues such as payment terms are agreeable for both parties.

"By the end of the programme, the participants will have clear knowledge of how to work with Sodexo. They know from the outset that the aim of the programme is not necessarily to become a supplier, but that they will be armed with the understanding and confidence that may or may not spur them onto to develop their businesses in order to meet the needs of a large organisation such as Sodexo. For us, if we can develop a supplier relationship with these businesses that would be fantastic. But equally, if we can arm them with valuable information which will help them develop and grow, then for us, the programme will have been a success."

# Message in a bottle



Innocent is an interesting brand. It wants to be your friend, and it chats to you from its conversational packs which promise you a product that “tastes good, does good”. But the business that started with three guys selling smoothies at a music festival is now a global business owned by Coca-Cola, so can it still hold true to its cosy, down-home image?

Now, I've got to come clean, I love Innocent drinks. I read their packs, and I find it hard not to be seduced by their patter. And I'm not the only one – apparently about 20 people every week take Innocent up on their offer to turn up at Fruit Towers and say “hi”. Old ladies (and trendy hipsters) knit hats for their bottles to wear during their annual winter Big Knit fundraising campaign for Age UK. And kids send in videos of themselves singing the songs they've written about the veg they've grown as part of Innocent's school food campaign.

But the cynic in me has always wondered whether a business that's grown as big as Innocent has, and that has got into bed with Coke, has had to shed its warm, friendly ways. So I headed to Fruit Towers to meet Nick Canney, the MD, to find out how the company has kept true to its founding principles whilst spreading its fruity tentacles across the world.

## Simple idea, simple values

“It's 16 years since the business started on the premise of doing people some good,” explains Nick. “The idea was to put fruit, and nothing but fruit, into a bottle, and to sell that to people. It sounds easy today but at the time it was a challenge, especially doing it in a way that was sustainable, and doing business in a way that gave a bit back. But the business has worked hard to ensure the fundamental principles hold true, and that's reflected in the Innocent promise of ‘tastes good, does good.’”

The company does seem to try to tackle sustainability from all angles, from their ingredients, production, packaging, company culture and legacy. Activities range from working with suppliers to reduce the impact of their fruit production to rethinking their packaging to save plastic or to include FSC-certified materials, and giving 10% of profits to charity.

## Picking the right people

“We've still got lovely, tasty products, but these days, we're doing it in a different, and more professional way. Our mission is to be Europe's favourite little drinks company and we know that getting there will be about how we act – about doing the small things beautifully. As we're achieving more and more scale, keeping those traditional values is more and more challenging. But I think we're still managing. Deciding who joins the business takes a long time because it's only through the people that work here that we can make sure the values of the business are maintained.”

## Coca-cola light

Sounds good, but Innocent isn't an independent anymore, after Coca-Cola took full control in 2013. Does Daddy Coca-Cola agree? Apparently, they have to.

“Coke own 96% of Innocent, but we're connected not integrated. We're still managed and run 100% independently and by a board with over 35 years collective experience at Innocent. And Coke are hugely supportive of us running independently. They know what we do – they do a huge amount themselves – it's shared but it doesn't overlap. Fruit offering, for example, overlaps, and when it comes to the supply chain, sometimes there are some synergies there. Where we find an opportunity we share it but we are left very much to run our own business.”

The offices certainly embody the brand with a casual, friendly feel including a photo history up the staircase, and sustainability-related mottos, murals and projects on the walls, but I want to know more about how “tastes good, does good” translates into practice.

## Thirsty strawberries

“Sustainability is fundamental to business nowadays,” says Nick. “At Innocent we want to leave things better than we find them, which translates into going beyond compliance to partner with our suppliers on sustainability projects and investing in certified fruit like Rainforest Alliance Certified bananas when appropriate. We know that water availability is becoming an issue in the region of Spain where we source our strawberries, so we've been working with strawberry farmers for the last five years to grow strawberries of the same quality and quantity, using between 10-40% less water.”

I follow this point up with Clemmie Nettleford, Innocent PR, later to find out how this saving translated into practice. “We found that high water savings are possible using both existing irrigation equipment, managed according to best practice guidelines from the University of Cordoba, and with new precision irrigation equipment,” she explains. “All of the farmers that our University partner works with are keen to adopt their water management advice because they want to continue to farm strawberries for decades to come, in harmony with nature.

“The University of Cordoba now advises farmers responsible for a 1500ha area of strawberry cultivation, they have a blog that's followed by 6,000 people all over the world and an app to help farmers optimise their water use. However, 1500ha is only around 16% of the land cultivated with strawberries in this region of Spain, so in order to address the scale of the water challenge, we recognised the need to partner with other buyers and organisations across Europe. With this in mind, last year we convened a group of European brands, retailers and NGOs to encourage wide-scale adoption of our recommendations across the region.”

## Ugly pineapples

Nick also tells me about another project Innocent is doing with pineapples. Apparently, pineapples are traditionally grown using high levels of agrochemicals to make them look beautiful because the fresh market want perfect shape, colour and crown. However, looks aren't important when you only want fruit for its juice, but as less than 10% of a pineapple crop is sold for juice, it's hard to influence farming methods. Innocent is determined to try to grow more sustainable pineapples so the company is helping to trial a project to understand whether achieving sustainability benefits by growing pineapples for “juice-only” can be economically viable.

“In theory,” explains Clemmie, “we think it's possible to grow pineapples for juice using 10-20% less agrochemicals, but the price of fresh pineapples is currently so high that the cost saving of reducing agrochemicals might not be enough to encourage farmers to switch to juice-only production. We've helped to start a trial plantation for juice-only so that we can stop theorising and see exactly what the cost savings and quality difference is like, but pineapples take 14 months to grow so you'll have to bear with us for the results...”

## The power of partnerships

Targeting sustainability efforts at the specific impacts that are relevant to your business is crucial, but I wanted to know how Innocent decides where to direct its efforts.

“We get to these solutions by having a team in the field, working really closely with our suppliers,” says Nick. “We aim to visit our suppliers about seven times in two years, to really work with them to see how sustainable their practices are and to work together to find solutions. And then once that's been done, patience and time become important, because you can't keep popping and changing partnerships or pineapple projects or suppliers, you need to make long term partnerships – partnership is really key.”

Now, I've interviewed scores of people about successful sustainability in business, and I'd say there's a consensus that no matter how good an idea is, the financials still have to add up. But when I put this to Nick, he is adamant that while they aim to choose the specific projects that provide the best sustainability opportunity as well as economic opportunity, if an idea addresses an impact, and works towards the “tastes good, does good” motto, then that can be enough to make it fly.

## Sugar, sugar

Now I wouldn't have done my job if I didn't ask about sugar. There was a media furore last year after newspapers reported on the “horrifying levels of sugar” in fruit-based drinks, reporting that there were six teaspoons of (natural) sugar in an Innocent mango and passion fruit smoothie.

This is only the same level of natural sugars that would be in the two pieces of fruit that the smoothie is equivalent to. But it's still an issue that concerns me. Because the fact it's been whizzed up in a smoothie makes it much easier to consume, and I know my kids would glug down two or three smoothies in one sitting, and drink juice all day, every day, if I'd let them. Which I don't, and of course, many others take a commonsense approach too.

But I know there are exceptions - those who let their kids glug away because they feel it's a healthy choice; they'd prefer their kids drank something rather than nothing; or it's one less battle to fight when a child wants juice instead of water. And there are adults too who drink more juice than the recommended RDA.

The concern is that six teaspoons is the World Health Organisations recommended daily limit, and experts believe that high levels of sugar are contributing to chronic conditions such as diabetes, heart disease, tooth decay and cancer.

Yet it's a tricky subject, because in the UK, two thirds of the population aren't getting their recommended five fruit and veg a day, and I agree with Innocent that smoothies and juices can be a good way to get one or two vital portions of good stuff into people. And it's true that journalists like me who confuse everyone by talking about sugar could well be stopping people from using smoothies and juices to get some of their five a day.

So how does the company address the issue?

## Tackle it head on

Well they start by having a clear section on their website that sets out a commonsense approach. It explains that smoothies (250ml) will only ever count for two portions of your five a day, and juice (150ml) one, no matter how much you drink.

When it comes to weight gain, they list several studies which “have shown that people who drink fruit juice in line with dietary recommendations have better diets overall, have better health indicators (like insulin sensitivity) and are at a lower risk of obesity than people who don't drink fruit juice.”

And, when it comes to the effect on teeth, they quote a couple of studies that found no difference on tooth enamel whether certain fruits were eaten whole or juiced.

Nick, when I raise the issue with him, is clearly exasperated by the whole debate.

“It's simple for me – an Innocent smoothie is nothing but fruit. The bottle contains two portions of fruit so it's two of your five-a-day. And if you look at some of the issues in the UK, yes you've got obesity and concerns about sugar, but a bigger issue is that people are not eating enough fruit and veg, with two thirds of the UK population not getting their five a day. We know not getting enough fruit and veg contributes to issues like high blood pressure, heart disease and other conditions.”

And he also has faith in the public's ability to moderate their intake, quoting figures from the UK National Diet and Nutrition Survey, which found that the average fruit juice consumption among consumers of juice falls just below 150ml/day.

So commonsense may indeed prevail, and consumers do need to take responsibility for sensible consumption. However, the company is also taking some steps to reduce the sugar levels in some of their drinks.

“One of the other things we're doing is putting vegetables – like beetroot – into our drinks to take a little of the sweetness out and reduce natural sugar levels. Our ‘bubbles’ range also has about half the calories.

“We've got to get back to a positive message about fruit, to stop the people who've been confused [by the negative press] from getting confused again – we don't want people to over consume but we need to give people a good, easy way to get two of their five a day.”

The sugar issue is Innocent's nemesis because its products are always going to contain natural sugars, and it's a hard one to resolve because the more the company engages in the debate, and the more media that results, and the more potential there is for Joe Public to be confused. The problem is that it's low key, transparent website approach might not reach those who need educating the most.

However, after a final tour of the offices, during which Nick shows me a hand-knitted bottle-top hat with an RAF emblem, knitted by a grandmother to honour her late serviceman husband, I leave feeling that while Innocent hasn't got all the answers, it's certainly trying, and it's has not been spoilt by its success.





# The circular economy gets rolling

Brussels is starting to push for a closed-loop approach which could bring enormous health and economic benefits.

EUROPE'S NEW circular economy package is finally starting to make its way through Brussels. In July, the European Commission published its first consultation to garner public opinion, while in the European Parliament MEPs voted in favour of a number of measures they feel should be included in any new policy.

The original plan, binned by the incoming commission in February, focused on waste. There were stretching recycling targets (70% by 2030) and a phasing out of landfilling of recyclable materials by 2025. The plan had many supporters, though there was an admission that it was far from perfect. Of particular concern was the focus on waste rather than resource.

"We need to use our resources more intelligently, design our products with a view to their reuse and recycling, and set ambitious targets for waste reduction and recycling," said the commission's first vice-president, Frans Timmermans, the man in charge of seeing the "more ambitious" package through.

The new plan will probably maintain some of these targets, but some of the biggest changes could be the triggers used to meet them. There is a renewed interest in product design, as well as the introduction of mandatory recycling schemes. Landfill bans remain on the cards, as well as a move to "pay as you throw". Perhaps more controversial was a suggestion by MEPs that, for food, biodegradable packaging should be the default option.

Outside Brussels, the lobbying and discussions continue. Some observers expect to see more bans on certain materials – perhaps like the one [introduced in New York](#) for polystyrene foam. There are those also pushing for more financial instruments such as taxes applied to single-use items that are a symbol of the linear economy (make, use, dispose). In a circular economy, so the definition by WRAP goes, "we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each service life".

WRAP isn't alone in pushing for food waste to be at the heart of any future plans. "Food waste is a global problem, and needs a collective solution to reduce and prevent it," its CEO, Jane Goodwin, said recently. "I believe EU member states are well placed to take a leading role to meet this aim. And so I would expect an ambitious circular economy package to include a Europe wide commitment to achieve this."

The idea of targets and regulation has, however, got the UK government in a sweat. A paper leaked from DEFRA, just before the MEPs' vote in July, suggested that new targets were not the way to go. "We feel that a greater emphasis needs to be given to other measures such as voluntary agreements with industry and incentives to reward behavioural changes," the officials said.

This was no surprise to many. Back in January at the Foodservice Packaging Association conference, DEFRA representatives made no bones about the fact that the targets laid down in the original plan were too high. The Conservatives, at least if their first three months in office are anything to go by, also appear allergic to any form of forward-thinking environmental regulation or incentives.

Voluntary agreements, including the Courtauld Commitment and the Hospitality and Foodservice Agreement, have encouraged progress. But are they enough to encourage businesses to shift from the linear models of the past to the circular models of the future?

"They do have a role, but I think if we are looking at the kind of step change involved in moving to a circular economy, then regulation is the way to go," says Nia Owen, a consultant with Ricardo-AEA. "This will provide the certainty for businesses to move forward on this together and give them the confidence to invest."

So what might some of these new systems look like? Some are simple and have been around for many years. "The introduction of the PET bottle in the late 1970s and the development of surrounding collection, sorting and recycling infrastructure has led to the creation of an industry standard and arguably provides one of the best examples of circular plastic flows within the economy," wrote Jamie Butterworth, the then CEO of the Ellen MacArthur Foundation, in [an article for Waste Management World](#).

Other examples are appearing across Europe. Barcelona, for example, has developed a vision of increasing its self-sufficiency that includes the target of producing half of its food in the city and the surrounding region. Food retailer Walmart, meanwhile, has built greenhouses near or attached to its stores to shorten the supply chain of some fresh vegetables.

Others are even further down the path. Built in a repurposed industrial building, [The Plant](#) uses carefully selected tilapia, vegetables, beer and kombucha tea production to balance its waste and feedstock needs. "The fish produce ammonia-based waste that is sent through a biofilter where solids settle out and the rest is broken down into nitrates. Those nitrates are then fed to plants growing in hydroponic beds. By absorbing the nitrates, the plants clean the water, which is returned to the fish," the website reads. Combined with a commercial kitchen and an anaerobic digestion chamber to convert remaining waste into power and steam, this is a fully closed-loop, zero-waste system.

Technology will also play a critical role in the evolution of even more exciting approaches to circular flows. Everything from precision farming techniques to reduce pesticide inputs through to the use of big data to predict demand will be employed. This can be expensive, but the savings will far outweigh any costs. And significantly.

The Ellen MacArthur Foundation [recently calculated](#) that by 2030 the European food sector could save €320 billion (£225 billion) by adopting a system based on circular design principles. People would also end up spending less on food. "Combining lower calorie intake with an 80% reduction in food waste would mean providing a healthy diet for the European population would require up to 40% fewer calories by 2050. This could lower average household spending by 40%," the researchers suggest.

The fact that the food system is wasteful and unhealthy is a major problem, according to the foundation's project manager, Ashima Sukhdev. However, the principles of circular economy business models are beginning to gain traction.

"Our vision for the sector features reconnected nutrient loops that would encourage the rehabilitation of degraded land, farms that would be located close to consumers through urban and peri-urban farming, organic agriculture that would minimise the need for fertiliser and pesticides, and digital solutions that would match supply with demand, creating less waste," [she explained in a recent article for Footprint](#).

The economic and environmental effects of transitioning to such a food system are "staggering", she added. "By 2050, food cost per person could be more than 30% lower than today, synthetic fertiliser consumption could fall by as much as 80%, overall carbon dioxide emissions could fall by 60%, and water consumption could be cut by as much as 70%."

The year 2050 is a long way off. Today, many in the foodservice sector will view the circular economy as theoretical rather than practical. The concepts are hard to decipher and the language can be impenetrable. This shouldn't be a reason to ignore it all though. "It's an incredibly interesting time to be looking at some of this," says Harriet Parke, a food expert with Eunomia Research and Consulting.



# ‘Non’ to food waste laws

Campaigners want Britain to follow France’s example, but is targeting supermarkets the right tactic?



**T**HE MOVEMENT to regulate, or rather eliminate, food waste is gathering momentum. Campaigners, spurred by the introduction of a new law in France, have joined forces to launch the “Stop Food Waste in Europe” petition. Their plea to the European Commission is a simple one: “Every supermarket must give its unsold food to a charity of its choice.”

If only it were that easy. Back in January, the British Retail Consortium revealed for the first time the combined retail food waste figure. Using data from seven major supermarkets, and with the help of WRAP, the group calculated that in 2013 just 1.3% of all waste food came from grocers. In other words, supermarkets generated 200,000 of the UK’s 15m tonne total.

This finding echoed those by Tesco a year before: a wartsandall waste audit by the country’s biggest supermarket chain found that the lion’s share of waste happened in the home or in the field. For example, 1% of bagged salads were thrown out by stores, but 35% ended up in customers’ bins, 17% never left the field and 15% were lost during processing.

With this in mind, are campaigners wasting energy lobbying for laws that affect such a small fraction of food waste?

Perhaps. There is little doubt that the lion’s share of food waste occurs up or downstream of the supermarkets. There is an argument, however, that the small amounts of waste at retail level are simply the result of the supermarkets shifting waste up or down the supply chain. High profile reports and a series of waste audits have forced some to bring food waste to the centre of their sustainability agenda – and target reductions in customers’ homes and on suppliers’ farms.

This isn’t to say that retail-level waste should be forgotten. Tesco alone chucks away 55,400 tonnes of food at its stores every year – almost half of which is edible. The worrying and well-publicised increase in the number of people visiting food banks is reason enough to ensure that this kind of waste finds its way to a hungry mouth rather than a hole in the ground. Tesco’s new trial with Fareshare provides one example of what could be achieved.

In July, the House of Lords EU select committee formally called on the European Commission to take action. This included a proposal for EU food donation guidelines.

What this campaign is doing, once again, is raising awareness of food waste. Apparently, 2014 was ‘European year against food waste’, but this year may well now prove pivotal. The new circular economy package is slowly but surely taking shape (see this issue’s analysis) and policies to help combat food waste are firmly on the agenda.

## Polystyrene ban

Organisers of the Edinburgh Mela festival have once again banned food traders from using polystyrene. Instead, the 30,000 visitors will use compostable packaging for any takeaway food bought on site. This can be put in the same bins as food waste and taken to a commercial composting site.

Most conventional takeaway packaging goes to landfill or incineration, both of which cost £100 a tonne. Food waste recycling costs around £43 a tonne, so compostable packaging can boost recycling rates and save on gate fees,” says Eilidh Brunton, group recycling consultant for compostable packaging provider Vegware.

The initiative, now in its third year, is a smallerscale version of the approach taken at the London 2012 Olympics. It can work well on enclosed sites where the right bins and treatment facilities are available. As some have suggested, this isn’t always the case for compostable materials. It can also be a headache for other packaging.

Banning polystyrene also appears to be à la mode, with New York leading the way. Oxford City Council considered a ban in a bid to reduce litter, but was reportedly talked out of it by the Foodservice Packaging Association. The FPA argued that the polystyrene being used was, in fact, recyclable – the problem was finding a suitable treatment site for it. Discussions are apparently ongoing to find a solution.

## Cup charge

Recycling food-on-the-go packaging is a headache, so the focus is currently on reducing it. Consultants at Eunomia have suggested that charges for singleuse coffee cups are in order. Some 2.5 billion cups are used every year – and they tend to fill up street bins, leading to a lot of “indirect” littering.

“A financial incentive for consumers to opt for reusable over singleuse cups would encourage both litter prevention and waste prevention,” they said. The most effective way to incentivise this switch “would be an obligatory charge on singleuse cups”. They added: “The focus would be on encouraging behaviour change. The charge would, in order to achieve this, need to be relatively high, perhaps in excess of 25p per item.”

In other words, something very similar to the plastic bag charge. Speaking of which, UK shoppers used more bags last year than in 2013 – 8.5 billion against 8.3 billion – according to new figures published by WRAP.

In Scotland, bag use fell by 147m last year – despite the 5p levy only being in place for the last 11 weeks of the year. A charge is also in place in Wales. England’s will come into force this October.





# Bug bites

Eating insects could offer huge benefits for food security, but how will firms overcome the ick factor? Brand expert Imogen Birt reports.



**A**BOUT 80% of the world's nations already enjoy eating insects but it's yet to take off in Western markets. Some companies are starting to raise the profile of entomophagy, but none have managed to break into the mainstream.

Exo and Chapul are part of a growing band of crowdsourced cricket flour and insect-based protein bar manufacturers, targeting the niche audience of CrossFitters, bodybuilders and extreme paleo-dieters.

However, this is fuel, not food. These bars and ingredients also follow the visual cues and codes of mainstream protein bars where the ingredients and flavours are less important than the potential physical result. The consumer benefits of gluten-free, no soy, grain-free and dairy-free, combined with the high protein, make them very functional. The bars attempt to make you forget that you're eating insects – something that the vast majority of consumers aren't ready to try, let alone having it brought to their attention

Wahaca took a more foodie approach to trying to hide the insect source of its experimental Chapulines fundido in 2013. Its solution to the ick factor was to smother the grasshoppers in cheese, hiding much of the insects' texture and flavour rather than making them the hero of the dish. This highlighted the perceived challenge of the dish and the underlying assumption that consumers will not enjoy the grasshoppers. Unsurprisingly, this dish has not remained on the menu.

One strategy has been to hide insects in dishes, as Wahaca did with grasshoppers

There are limits to making insects appealing as a novelty challenge or functional foodstuff. Instead, some are treating them as premium ingredients. At the extreme end is the Nordic Food Lab, which uses insects with pride rather than apologetically. It feels people should eat insects because they are delicious in their own right, and focuses on exploring the potential of the ingredient and making it desirable. Its recent product launch in collaboration with the Cambridge Distillery, Anty Gin, contains "the essence of approximately 62 wood ants" in every bottle. At £200 a bottle in a 99-bottle run, it's a premium, limited edition offering.

A move from Planet Organic in the UK shows further signs of the market changing. It teamed up with Grub to become the first store to sell edible insects as an ingredient rather than a novelty item. This is a positive approach which again makes no attempt to hide the insects; rather the retailer highlights their versatility, taste and nutritional punch. The focus on desirability from a taste and experience perspective is a sign that some consumers' perception is slowly changing.

Desirability often seems forgotten when trying to market more sustainable products and services. The assumption that consumers will buy products based on a more sustainable story is true for only a minority of your potential audience. To capture the wider audience, brands need to delight and excite consumers rather than try to educate them, especially – as with eating insects – where psychological barriers exist.

One report suggested that the market for insects in Europe could hit £230m by 2020, though there are legislative as well as branding challenges to iron out first. No brand or product has yet managed to strike the right balance between consumer benefits and consumer appeal for the wider Western market. But this is unlikely to stop more foodservice and retail brands having a go.



**Imogen Birt** is a consultant at **Dragon Rouge**, the global design and innovation consultancy.





# Briefing: Do we need antibiotic-free labels on food?

With the overuse of medicine linked to the rise of MRSA, pressure is mounting on the food industry to act. Experts give their view.



## New investigation

An investigation by the *Guardian* newspaper found that pork sold by several leading supermarkets was contaminated with a strain of MRSA. The so-called superbug has been linked with the overuse of powerful antibiotics on intensive farms. The pork was not British, but research published at the same time by the Alliance to Save Antibiotics identified MRSA in meat from British pig farms.

## Health risks

The health risks associated with this finding are thought to be very small, as the bug is eliminated through cooking. RUMA, the Responsible Use of Medicines in Agriculture Alliance, highlights that there is an international system to set a maximum residue level for every active ingredient, including antibiotics, used in medicines to treat food-producing animals. This is the level at which consumption is deemed safe. One toxicologist involved in the process apparently said the “Danger: cliff edge” sign is set at three miles inland.

## Consumer concern

However, pressure is mounting on the government to look at the issue of antibiotic use afresh. Last year a survey by the National Office of Animal Health found that 81% believe that the use of antibiotics in livestock makes them less effective for people – up from 76% in 2012.

## Food firms react

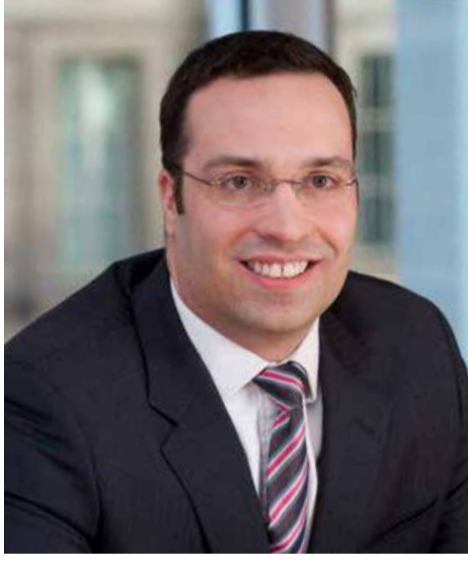
Some food companies have already moved to reduce or eliminate their use of certain antibiotics. In the US, where intensive farming is carried on a much larger scale than the UK and antibiotic use is said to be much higher, the likes of McDonald’s have made commitments. However, these have been criticised as greenwashing.

## New label

All this has led to renewed interest in the introduction of an antibiotic-free label on foods to put consumers’ minds at rest and force the food sector to think twice about antibiotic use. However, the three experts we asked all questioned the validity of such a scheme.

“It is probably not something that’s needed. However, it is perhaps now becoming something that is becoming more desired by consumers and is part of the growing interest by consumers in the provenance of their food.

“In some countries, this labelling has raised more questions and actually created more public concern. There is no obvious way to convey this information without the potential to confuse consumers. The best approach is likely to be a more focused version of the approach applied to allergens.”



**Dominic Watkins**, head of food group, law firm DWF

“We’re not aware of any consumer interest in such a label and it is difficult to see how it would benefit consumers. If such labelling was required it would need to be a global initiative as the food in UK supermarkets is globally sourced. It would, of course, be impossible to include antibiotic information in processed foods which can be made from meat from a number of animals.”



**John FitzGerald**, RUMA secretary general

“Antibiotic-resistant bacteria is transferred through a number of pathways, of which meat is one. Those with direct contact with pigs treated on a routine basis are at higher risk of contamination, as are those who they interact with. Studies are also showing increased cases of human resistance in those who have no direct contact with farmed animals, showing that resistant bacteria is also spread through the environment.

“Introducing a labelling system would not impact these other areas and so the spread of resistant bacteria would continue. It would risk missing the systemic problem, which is one of routine misuse of antibiotics in order to compensate for the often crowded conditions of intensive systems, where disease outbreaks are more common and harder to control. Introducing labels risks ... turning meat products from animals raised without antibiotics into premium products – rather than the absolute norm.



“We believe that animals must and should be treated with antibiotics as and when is necessary – and when this mirrors diagnosis from a qualified vet. It is the routine, prophylactic use that must stop.”

**Emma Rose**, Alliance to Save our Antibiotics



# THE NEXT GREEN THING

Osborne's living wage: a boost for breadwinners, or just bread and circuses?



**N**O SOONER HAD George Osborne announced the government's plans to effectively replace the minimum wage with a "national living wage" than the press statements started to flood in. Some felt it was "reckless", others prophesied job losses. The Living Wage Foundation on the other hand was "delighted" with the news – albeit with some caveats.

The chancellor's proposed wage – £7.20 from April next year, rising to £9 by 2020 – is below that calculated by the Living Wage Foundation (£9.15 in London and £7.85 outside). It also applies only to over-25s. A [recent story](#) by the Independent highlighted some of the "flaws" emerging in the government's "showpiece work policy" included the hundreds of thousands of apprentices aged 25 and over who could miss out on the pay rise.

Excluding under-25s and apprentices was a "shameful sleight of hand", according to the Unite union's assistant general secretary Steve Turner. "Osborne's national living wage is becoming more and more like one of those dodgy supermarket deals," he added. "You think you've got a good offer, but look at the small print and you're getting conned."

Retailers were also inclined to tell the chancellor to bog off. Pete Cheema, the chief executive of the Scottish Grocers' Federation, called it "a reckless policy which could have a disastrous effect on the retail industry".

The British Hospitality Association was equally miffed with the "surprise" announcement. "Despite the chancellor trying to alleviate the pain with adjustments to corporation tax and employment allowances, these changes do not go far enough to reduce the impact on [smaller businesses] and mitigate potential job losses across the industry," said its chief executive, Ufi Ibrahim. An online poll by Footprint found that 53% of readers said the government's announcement would result in job cuts.

The Food and Drink Federation suggested the impact wouldn't be quite as dramatic as that. "The counterbalance of a reduction in corporation tax and national insurance contributions will go some way in helping food and drink manufacturers to manage this change," said its director general, Ian Wright. "We support the national living wage in principle and many of our leading members have already made individual commitments to pay the living wage."

Whether that's the government's figure or the higher one calculated by the Living Wage Foundation is not clear. There is concern that Osborne's attempt at a political quick win could undermine years of work encouraging 1,588 employers outside the capital to pay £7.85 and those inside to stretch to £9.15. Will companies go further than the new baseline?

It's unlikely many smaller companies will. For the larger firms in the food sector, campaigners will continue to argue that the benefits outweigh the costs. For instance, an independent study examining the business benefits of implementing a living wage policy in London found that more than 80% of employers believe that the wage had enhanced the quality of the work of their staff, while absenteeism falling by approximately 25%.

Two-thirds of employers reported a significant impact on recruitment and retention within their organisation. Meanwhile, 70% of employers felt that their commitment to pay staff more had increased consumer awareness of their organisation's commitment to be an ethical employer. As the Sodexo boss, Debbie White, [told Footprint in January](#): "I'm a strong believer that businesses should be held accountable for things where they can have a major impact on the community in which they live and work."

Good or bad, ill-thought-out or well-intentioned, what the chancellor has done is thrust the living wage debate firmly into the spotlight. Sodexo is one of the companies looking for solutions rather than complaining of the problems. It's a big player in the industry of course, but there are others. Many have so far hidden behind the statements pushed by sector representatives. They won't be able to for much longer.

# 10 tips from Acquire Services Limited on how to 'sustainably shake up your business'



**Andy Badger**  
Managing Director,  
Acquire Services

ANYONE INVOLVED in foodservice will know how important 'sustainability' has become to end-eaters. To help caterers understand and influence their food offers there has been some new technology developments that help businesses construct and implement Corporate Social Responsibility objectives including CO2 emission and waste reduction. Specialists in online procurement, Acquire Services Limited, has launched a new dashboard application, 'Green10', which has been specially designed to provide transparency of procurement profiles in the foodservice industry and boost businesses green credentials in ten simple ways. Here's how...

## 1 Cutting food miles:

One of the most straightforward ways to reduce your businesses environmental impact is to limit deliveries to your kitchen door. Fewer deliveries equals less CO2. To reduce food miles, streamline the number of deliveries you have by using 'Green10' to log the number of deliveries and distances to depots – making it simple to track your food mileage performance.

## 2 Clean conscience:

Decide who you want to work with; Suppliers' Corporate Social Responsibility policies will always differ but 'Green10' monitors the effectiveness of each of our suppliers' policies and regularly audits their performance against a series of key performance metrics so you can choose to work with them or not. It's up to you.

## 3 In season

Use fresh, seasonal produce, when it's at its best to enhance menus. It's possible to track the seasonality of goods and calculate the overall percentage of "seasonal" produce purchased by trading outlet.

## 4 Conserve:

Pledge your support to the conservation of renewable resources by supporting supply chains whose products and packaging materials are certified as sourced from renewable channels.

## 5 Local, local, local:

Take advantage of local and UK producers to boost your businesses green credentials. Whatever you decide is local, whether its 5 miles, 50 miles or 500 miles, it's possible to track the origin of goods and calculate the overall percentage of "local" purchasing by trading unit and throughout an estate.

## 6 Culture club:

Today, the UK enjoys a wide ranging population comprising many different ethnic groups, cultures and religions from around the world. Diversity of population means diversity of food preference and it's crucial that caterers respond to the needs of their consumers. Where religious or cultural beliefs dictate the specification of food then foodservice operators must be confident in their supply chain being appropriately certified or accredited.

## 7 Animal magic:

Consumer interest in the fair treatment of animals is a growing trend, from high-welfare meat to free-range eggs. Be sure to meet customers' demands by working with only ethical producers.

## 8 Eat your greens:

Promote healthy eating by offering a range of menu choices and dietary information, allowing customers to make informed health decisions. Quite simply, people want to know what they are eating! It's a common consumer engagement strategy to make available healthy eating regimes which consumers can participate in if they wish to do so.

## 9 'Pack it in':

Government initiatives to reduce packaging waste are on the horizon and landfill waste has been targeted for reduction. Get ahead by connecting with suitably qualified Waste Contractors and suppliers who use sustainable packaging.

## 10 Waste not, want not:

Manage menus and take advantage of 'Green10' to carefully manage food ordering to reduce food waste. In addition to controlling food orders effectively and managing over production it's also important that the waste which is produced is disposed of properly and measured effectively so that waste reduction activity is mapped and progress is monitored.

Acquire Services Limited offers a range of services and systems, developed to support care catering operations of all sizes. For more information go to [www.acquireservices.com](http://www.acquireservices.com)

# Nothing is new but everything is different

Sustainability in business is constantly evolving, so how can an organisation keep its approach not only up-to-date but market leading? Amy Fetzer reports on a Bidvest steering group set up to answer just that question.



**H**ow can we maintain sustainability in our DNA, keep ahead of the marketplace, and make sure stakeholders meet their client needs? These were the questions posed by Bidvest Foodservice's group sales and marketing director Andy Kemp.

Keen to ensure Bidvest Foodservice's refreshed sustainability plan actually meets the needs of their clients, suppliers and a dynamic market, they invited their main stakeholders – a customer, a supplier, industry experts and key members of their own team - to help them identify key priorities for the next 12 months.

The insights that resulted apply across the foodservice industry:

## **If you want to be the best, benchmark the rest.**

By assessing what your competitors are doing in the market place, suggested Paula Moon, brand and communications manager, Nestlé Professional, you can learn from best practice, spot opportunities for leadership, identify areas with significant impacts and find fruitful collaborations.

## **Proactive approach.**

"There is nothing new in this agenda," explained Charles Miers, Footprint co-founder, "but it is evolving rapidly and organizations have to stay proactive, because what was market leading last year, is basic standard next year. What is new is our understanding of issues. There is now a great deal of knowledge, which is turning into understanding. The debate has shifted."

## **Collaboration is vital.**

Collaborate with your clients, suppliers, competitors and the rest of the industry because bringing people together finds the best solutions, explained Charles Miers. Even traditional adversaries, such as pub groups, are coming together to work on distribution models. Other businesses are collaborating to purchase energy together and there is evidence of competitive barriers being broken down.

## **Data is key.**

Verifiable facts and genuine sustainability stories/achievements are crucial, said Shirley Duncalf, head of sustainability, Bidvest Foodservice. Anything that doesn't have evidence behind it won't necessarily be treated as robust information. This is why Bidvest uses external verification and experts to find and verify the data needed to measure impacts and talk about achievements.

## **Soundbites get messages across.**

If a supplier, such as Bidvest Foodservice, provide bite-sized information, suggested Wendy Bartlett, CEO, Bartlett Mitchell, this can be used in client communications strategies to engage customers, such as including sustainability stories and stats on consumables, posters or emails.

## **Clear messages clear confusion.**

There was consensus that consumers and clients are often confused by sustainability terminology and certification schemes, and what they actually stand for, so choose clear messages and certifications that will mean something to your stakeholders.

## **Seek out the personal stories.**

These, the group agreed, demonstrate sustainability in action and help translate concepts (such as free-range, local, fairtrade) into a connection with what the consumer is eating (e.g. a case study about the farmer who farmed the beef). These can also be used by catering teams to promote menus/meals.

## **Flag up certification in procurement/menu systems.**

Wendy Bartlett suggested flagging up sustainability credentials, such as free-range or fairtrade, within the menu and procurement ordering system in the same way that allergens are. This information could be used to make purchasing decisions as well as in menu marketing and descriptions.

## **Ask more from certification schemes.**

Across the board from consumers to industry, there is confusion over the plethora of certification schemes and what they mean, agreed the group. Choose the ones that resonate best with your stakeholders, then ask the certification scheme to supply you with stories to use within your communications to translate to your clients, and their customers, what the label means in an engaging way.

## **Education for all.**

Education is crucial across the board, observed Charles Miers. This ranges from the importance of educating customers and stakeholders but also encompasses the importance of sustainability in education in general, and how forward thinking companies are looking into ways of helping to further this agenda.

## **Engage and understand the next generation.**

The younger generation particularly care about sustainability, observed Andy Kemp, group sales and marketing director, Bidvest Foodservice. Baby boomers eat totally differently from "millennials". Understanding the next generation and educating them about sustainability issues is crucial – such as redressing the issue that waste isn't a subject touched upon in some catering colleges.

## **Meet your customers needs, even those they don't know about yet.**

If you provide what consumers seem to want, or say they want, you'll risk falling behind, especially as trends and interests change, pointed out Brendan Hunter, Wrap. Fast food giants in the States are losing market share to those offering healthier, fresher, less processed alternatives that "millennials" want. Leaders are those who anticipate and keep ahead of the market.

## **Sugar is a hot topic.**

First it was salt, then fat, now sugar is in the spotlight, observed Catherine Hinchcliff, head of customer marketing, Bidvest Foodservice, with the biggest industry interest currently on free-from ranges including free-from sugar and lactose-free choices which are becoming more important. Even small changes in calorie content can have a dramatic impact when you're feeding vast numbers of people, pointed out Paula Moon, and with obesity such a big issue, it's time to tackle the elephant in the room. Also, by avoiding sugar, people shouldn't turn to things high in salt or high in fat. It's all about balance - replacing one bad thing with another counteracts any good one is trying to do.

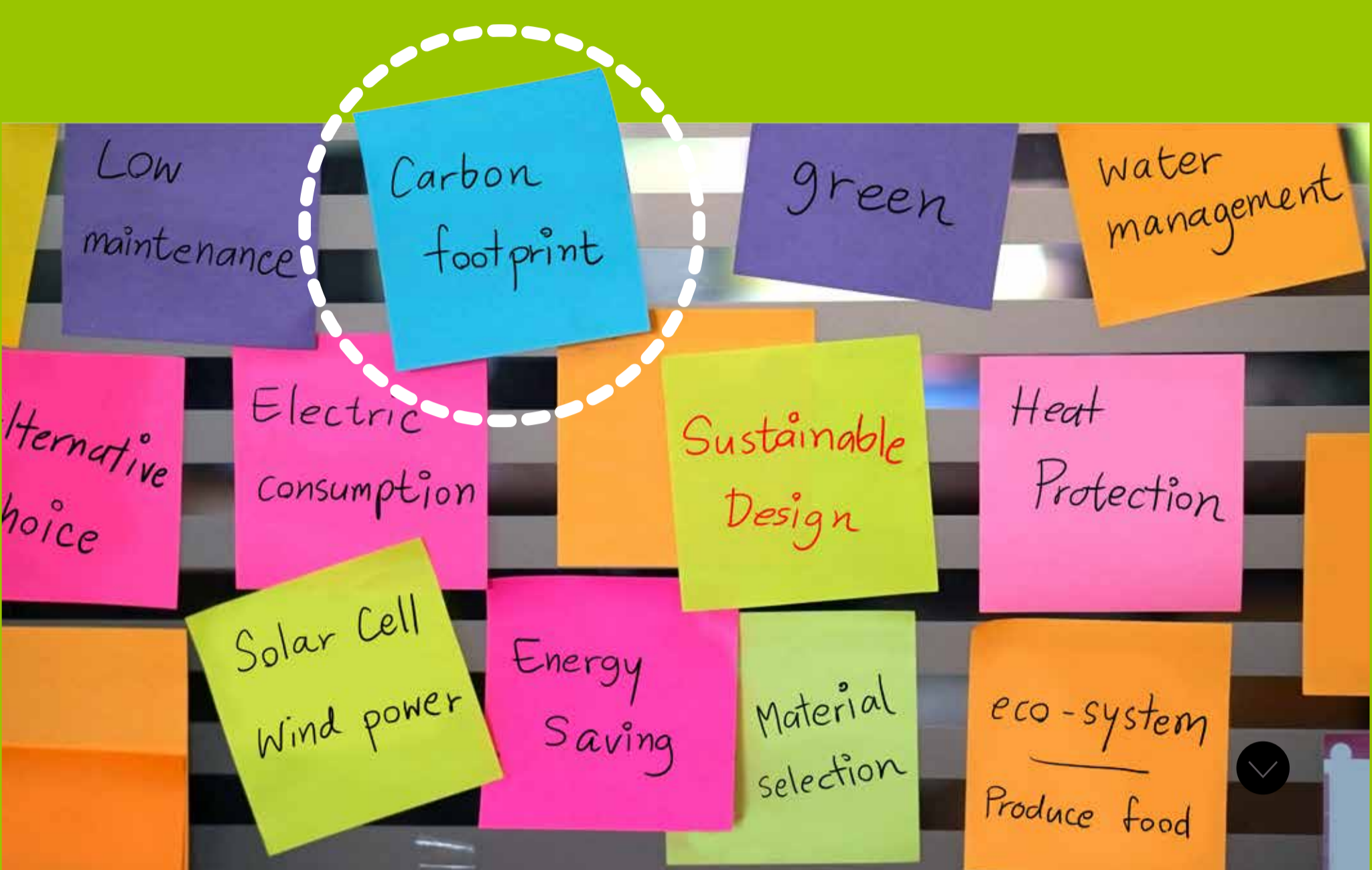
## **Anticipate legislation changes.**

This allows your organisation and your clients to prepare, and ultimately makes changes smoother and more cost efficient. "What myself and our customers appreciate about Bidvest is its ability to anticipate legislation," noted Diana Spellman, Partners In Purchasing. "It identified areas of legislative change early on and found solutions so that keeping up with the changes wasn't problematic. For example, when we requested allergens, we got nutritional information too, so we can prepare ourselves for the nutritional changes that are coming."

The challenge, it was agreed, is often knowing where best to direct efforts when so many areas are deserving of attention. From getting the industry together to decide upon clearer, and perhaps fewer, certification schemes to researching "millennial" generational trends, or providing more sustainability sound bites for customers, round tables are a great way of exploring the issues. "You're the conduit," said Charles Miers, "you bring everyone together." And those companies, like Bidvest Foodservice, who recognize the value in bringing customers, suppliers and industry experts together to help them keep sustainability a part of their DNA whilst delivering what their customers want, are already one step further along the road to achieving it.

# On reflection: Carbon labels

They were hot news under Labour, out in the cold when Cameron came in – but the idea hasn't been abandoned completely.



CARBON LABELS were all the rage a few years back. Who could forget Sir Terry Leahy's [commitment in 2007](#), as CEO of Tesco, to footprint and label the supermarket's entire product range? The government was pretty keen on the idea too – in the same year it launched a label using a standardised measurement method under the PAS 2050 standard. The Carbon Trust was behind the scheme. Darran Messem, the trust's managing director for certification, says: "DEFRA was apparently particularly keen on it at the time."

Times have changed. In 2007 there was a Labour government, with ministers who seemingly grasped the importance of meat consumption in relation to climate change (DEFRA even launched a website – now nowhere to be found – highlighting the links). Businesses were also keen to wear their sustainability on their sleeves.

"We are proud to be leading the way on sustainability footprint," said PepsiCo UK in 2010. "The carbon reduction logo is a public commitment to reducing our carbon year on year and ensures that we work hard to find innovative ways of making efficiencies at every step of our supply chain."

By then there were carbon labels on £2 billion worth of products, including PepsiCo's Walkers crisps and Quaker oats. But the recession had well and truly begun to bite too. And there was a new government in place, selling itself as the "greenest", though proving to be anything but. Carbon labelling was one of a number of schemes that came unstuck.

Some doubted it would ever have caught on anyway. "First, it's incredibly expensive to do an analysis to a level where you can say my product is better than yours," says Nicky Chambers, a strategy adviser at Anthesis Consulting. "Second, consumers are largely not interested. And third, unless the label is mandated by law, then you're never going to get more than one label per category – and that's the best in class."

This all certainly did for Tesco's ambitious project – it struggled to reach 1,000 analyses by 2011 and the following year pulled the plug. The supermarket had also become frustrated by the lack of interest from competitors and other food brands. Judging from its website, it's around that time that PepsiCo's interest – at least regarding public-facing footprints – waned.

## Supermarkets may have gone off carbon labels, but there could be opportunities for foodservice

But that doesn't mean that [carbon footprinting](#) has disappeared too. Rather, the emphasis has shifted. "From my experience the work is now going on behind closed doors," explains Simon Hann, a lifecycle analysis specialist with consultants Eunomia. "Businesses are using these analyses to find carbon hotspots in their ranges and processes" rather than to footprint every single product.

PepsiCo has done just that, according to Messem. Rather than look at a product-level footprint for Tropicana, for example, Messem's team will work with the manufacturer to produce a model of all its drinks. This brings the cost per product down to pounds rather than thousands of pounds, he says. Chambers adds: "It's about where the biggest reduction in carbon can be made for the smallest investment."

The government is also pushing what it regards as this simpler, more cost-effective approach through its Produce Sustainability Forum, run by the Waste & Resources Action Programme. [A shortlist](#) of priority products and priority impacts within grocery supply chains was published last year, along with actions to cut carbon in these hot spots. It's unclear what has happened since.

Though the grocery sector has gone off the idea of product labelling and footprinting, there could well be opportunities for those in foodservice. The sector has been "a little slow off the mark", Messem says, but being able to flag the environmental impact of certain menus, and even meals, could provide a USP in tenders. It's "very straightforward" to do a calculation for a meal and that kind of information could be particularly useful to clients, he adds.

The fact that all this heavy lifting – that is, the analyses and in turn meaningful reductions – has been carried out behind closed doors also means that there's no need to confuse diners with labels and grams of carbon. Instead the communication and marketing can focus on creating the "brand warmth" that comes with taking action, says Chambers.

*A longer version of this article was first published as [Have carbon labels come unstuck?](#) by the Institute of Food Safety, Integrity and Protection. It has been published here with permission.*



# Exclusive Invitation: TUCO & Footprint Frontline Farming Field Trip

TUCO Members and stakeholders are invited to join the TUCO Board and Footprint team 6th & 7th of October in the West Country for the Frontline Farming Field Trip



The two-day Field-Trip (literally) will be kicking off at River Cottage where the delegation will be spending an action-packed day full of sustainability focused activities. The day will culminate in a very special dinner. Delegates will be staying at the beautiful Deer Park Country House Hotel. On the last day the group will be

heading onwards to the beautiful county of Somerset where we will be learning about modern sustainable farming methods at Wyke Farm. The famous Footprint Barn Lunch will be served followed by a surprise guest speaker...

Objective: In line with TUCO's mission statement Share, Learn, Buy, Grow, the TUCO & Footprint Field Tour aims to give members and stakeholders the opportunity to learn from the leaders at

the forefront of the responsible business agenda further up the food supply chain.

The tour will allow members and stakeholders to get as close to the frontline of the sustainability battle as possible; to grow knowledge base, allowing individuals to take this thought leadership back to their own businesses in order to share with those who will aid implementation in their own commercial buying operations.

Our unequivocal desired outcome is that those attending to have had a fun and informative time, but on a serious note are able to speak, with authority, within their own organisations about everything learnt pertaining to sustainable agriculture, husbandry and sourcing.

and



## Day one...

- 07.30 Coach depart from London Imperial College South Kensington (Members closer to Axminster than London are welcome to make their own way to Axminster station from where they will be picked up and taken to River Cottage at 10.45)
- 11.00 Arrival at River Cottage HQ
- 11.30 - 12.00 Welcome with tea and coffee
- 12.00 - 13.15 Activity session 1 Farmhouse: Head Chef Gelf Alderson to discuss sustainability and sourcing policies at HQ; how to work in the garden as well as local suppliers.
- 13.15 - 14.30 Activity session 2 Cook School: With one of the River Cottage Chef Tutors, delegates will make their own seasonal 2 course lunch to enjoy there and then.
- 14.30 - 15.45 Activity session 3 Farm Tour: Head Gardner Will Livingstone will take delegates on an in-depth tour of the farm, covering growing for the kitchen.
- 16.00 - 17.00 The Group reconvenes in the yurt for canapés and a welcome aperitif
- 17.00 - 17.30 The group reconvenes in the threshing barn and are seated for Gelf Alderson to take delegates through his in-depth menu for the evening, walking through provenance of the food. Then the 4 course meal begins!
- 18.30 - 22.00 Dinner
- 22.00 Tractors are available to take guests back up the hill.
- 22.15 Depart to Hotels

## Day two...

- 0800 - 9.00 Breakfast
- 09.00 Coach Departs
- 10.30 Arrival at Wyke Farm
- 10.45 - 13.00 A unique insight into how the UK's best loved cheddar is actually made - using energy that is taken from Wyke Farm's own renewable energy sources. Visit the Wyke Farms Bio-digester Plant in the Bruton Valley - the leading renewable energy plant in Europe and it's visitor centre.
- 13.00 - 14.00 Footprint's famous "Lunch in a Barn"
- 14.00 - 15.00 Keynote + Debate
- 15.00 - 15.30 Finish off in the famous farm shop
- 15.30 - 16.30 Visit Cheddar Gorge Caves and see how Ashley Chase matures its vintage cheddar using natural & sustainable resources - the caves themselves.
- 16.30 Depart
- 19.30 Arrive back in London



**Cost:** £495 per person for TUCO members (including £350 TUCO subsidy)  
£945 per person for TUCO non members  
Spaces for this tour are limited.

The cost includes all schedules for River Cottage and Wyke Farm events, all transport and accommodation. Extra charges for taxi journeys or mini buses over and above the scheduled journeys are chargeable. Breakfast, lunch and dinner are included in the cost. Welcome drinks and half a bottle of wine per person are included in the costs. Any extra drinks over and above these are chargeable post event and a bar bill at the hotel is not included.

**Book tickets here:** [www.footprint.digital/event/tuco](http://www.footprint.digital/event/tuco)



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