



WSP Environmental

Challenge

Raise the profile of environmental consultancy poised for major growth, in a sector where many firms were seen as technical service providers as opposed to broader business consultants
Position firm as an expert voice on highly competitive issues
Demonstrate the value of PR to the overall business

Obstacles

Business not previously exposed to PR, with sceptical and inexperienced spokespeople
Competition for share of shout on all things 'green'
Perception of environmental advice as a 'distress purchase' rather than a strategic imperative
Varied levels of understanding of WSP Environmental's services within the market

Solution

Undertook a highly targeted media campaign, focusing on vertical trade press and nationals
Tracked Government announcements and industry trends to position key commentators on environmental issues affecting businesses
Recycled marketing collateral such as newsletters to generate commentary opportunities and by-lined article commissions
Set up press office to generate good news flow via appointments and business news

Result

Profile significantly grown in national press, and excellent trade press presence across property and environmental sectors
Key spokespeople seen as 'first port of call' for journalists writing on environmental topics
Increased buy-in from stakeholders initially sceptical about PR
Capitalised on research undertaken by the firm, identifying media-friendly themes to achieve coverage on BBC News 24, Radio Five Live and front page of the Sunday Telegraph



GREEN ENGINEERING

Sustainable by design

From seawater greenhouses to eco-friendly new-builds, engineers can create a greener world, says **Kate Hilpern**

For the past few years, Charlie Paton has been busy designing and creating an award-winning system that uses seawater to provide an economic and sustainable means of cultivating high quality crops, year round, in hot, arid coastal regions. Like many engineering efforts to develop sustainable products for the future, it has enormous potential.

"In many parts of the world, over-pumping of ground water has led to lowering of the water table and salinisation, making traditional agriculture no longer viable," he says. "The Seawater Greenhouse works by humidifying and de-humidifying the ventilation air using solar energy and seawater to provide fresh water and cooling. The greenhouses use very little electrical power and are made with low-cost materials, which are 100 per cent recyclable. The system therefore enables high value crops to be grown year round in some of the hottest countries of the world."

Sustainability is the latest buzzword in engineering circles, and it is very firmly on the agenda to stay, says Brian Robinson at the Institution of Mechanical Engineers. "It's a massively growing area. The challenges of climate change are huge for everyone," he says.

Those who have images of engineers as boffins working away on designs and solutions in isolation should think again, he says. "A lot of the challenges around carbon, energy and water efficiency are not simply about the creation of new products. They're about getting the message across to key influencers, decision makers and purchasers about how important sustainability is."

Simon Pringle, director at the environmental consultancy WSP Environmental, adds that engineers working on sustainability can therefore expect to work in multi-disciplinary teams, "which makes for much more interesting work." He explains: "sustainability is a hybridised area of activity, rather than being about pure engineering, so today's engineers can find themselves working with professionals such as acousticians, policy makers, experts in vibration and light, architects and planners. In fact, this kind of diversity is key to delivering a good project."

Engineers who work at WSP Environmental, which employs 900 people across 60 offices, says projects for their engineers range from working with major corporate and government clients interested in "greening" their

buildings, right through to helping to build sustainable cities in countries such as China. "Here, they have to ensure that waste is recycled as resources and that water usage is cascaded from one building to another very smoothly and that the whole city is carbon efficient - just to name a few examples."

The surge of interest in environmental issues in the engineering world is particularly strong when it comes to buildings. Little wonder when you consider that a staggering 40 per cent of the UK's carbon emissions come from buildings alone - with a similar picture in many other countries. But it's not just altruistic visions of saving the planet that is driving the attempts to do something about it, says EMCOR Energy's managing director, Keith Pedder. "The cost of energy has seen a 100 per cent increase over the last three years. Then there are all the regulations that have recently come in, and there is also a growing element of what's known as corporate social responsibility, whereby companies are trying to be seen to be green because it's good for their reputation."

In some locations, such as London, there are additional green targets, he adds. "Ken Livingstone has put in place a 10 per cent renewable strategy, which means that you now have to produce buildings that have a 10 per cent renewable energy component. And while it's London specific, a lot of other local governments are picking up on what they deem to be workable targets. Next year, this figure will rise to 20 per cent, so it's an aggressive rise, leaving engineers and others no choice but to rise to the challenge."

It's not just new builds that are affected by environmental concerns. The Cowyards development in the Blenheim Estate, Oxfordshire, has been sympathetically restored with sustainability at the top of the agenda. "Existing building materials have been reclaimed and re-used, new timber has been sourced in a responsible manner and optimum environmental performance has been engineered by incorporating natural ventilation and an under-floor heating system that utilises the mass of the solid-stone walls," explains Richard Thorpe, building surveyor at Ridge, who led the project.

A range of engineers were involved, he says. "We had structural engineers, mechanical engineers and electrical engineers, among others and they were all fairly young with an average age in their late twenties. Engineers



Clear benefit: the Seawater Greenhouse (above) enables crops (right) to be grown in arid climates with little energy consumption

tend to love nothing more than a challenge, so you can imagine how they embraced the idea of getting sustainable services to fit with a building of this age, and keeping costs low."

Belinda Morgan, partner at RW Gregory, agrees that the days when engineers had to wait until later in life before getting exciting projects are long gone. She adds, "The massive push on efficiency means that environmental issues aren't an optional bolt-on anymore. They're something that every kind of engineer is expected to work with."

That said, some of her company's projects are more focused on sustainability than others. "You get sectors such as health-care, which have energy targets that they have to meet. But then you get some clients that, almost entirely out of choice, want to be completely carbon neutral."

In such cases, the engineers work on things like reducing the amount of fossil fuels and increasing the use of solar power

and wind power, she says. "In one recent project, we also worked a lot with the ground. Basically, if you bore down into the ground 18 to 20 metres, it holds the temperature at around 11 or 12 degrees. You can use this as a source for cooling in the summer by feeding it through pipes into the building interior. Then, in the winter, that

'THE MASSIVE PUSH ON EFFICIENCY MEANS THAT ENVIRONMENTAL ISSUES AREN'T AN OPTIONAL BOLT-ON ANYMORE'

12 degrees is a lot warmer than the three degrees outside, so it can be used to help heat the building."

Morgan believes there's never been a more exciting time to go into engineering. "It's not just the environmental challenges, but the new technologies that are coming in to meet these challenges," she says.

Stuart Bage, HR manager for GE Water UK, agrees. "Just a few weeks into their role, graduates can be running £1m-worth of equipment, which has an attraction in itself. When you add to that the opportunities to travel and make a genuine difference to societies, the appeal becomes even clearer."

So keen are some major corporate companies to go green that they are employing engineers to come up with solutions in-house. Edore Crowley works in a team of three chemical engineers for pharmaceutical company Pfizer, where she has been involved in the new process to manufacture Pregabalin, that saved tonnes of reagent and waste, and also won the Astra Zeneca Award for Excellence in Green Chemistry and Engineering at the IChemE Awards. "It's still unusual for people like me to have this type of position in a pharmaceutical company, so I feel very lucky. I really enjoy the technical challenges and the fact that my job is different

day after day. Definitely the biggest reward has been coming up with a solution which means that the 50 per cent of the chemistry that was waste is now completely reusable," she says.

Young people considering a career in engineering who have good intentions, but know little about the fine detail of sustainability, can rest assured that it is increasingly being introduced to the curriculum of engineering degrees, says Professor Richard Dodds, fellow of the Royal Academy of Engineering. "It has become more and more clear that employers need graduates who understand the issues, so we've got some visiting professors to develop some course materials and teaching, as well as to encourage department heads to incorporate sustainable development into the curriculum," he says. In fact, since 1998, the Academy has introduced professors with industrial sustainability experience across a network of 26 universities, a figure that continues to grow.



Go green: stop working at home and drive to the office

RICHARD GRAY
Science Correspondent

IT SEEMS the perfect combination of conscience and convenience, but working from home may not be so good for the planet after all.

In fact, the growing numbers who avoid daily commuting could actually be contributing to global warming, research shows.

They typically produce almost a third more carbon dioxide in a year than staff based in offices.

The conclusions will come as a shock to leading industry figures and government officials, who are keen to promote home working as a way for businesses to reduce their impact on the environment and ease pressure on the creaking transport network.

More than 3.4 million people,

about 12 per cent of the work force, now regularly work from home. But research from WSP Environmental, a firm of independent consultants, found that while home workers can save carbon emissions by not commuting, the extra heating and power they use during the winter months can outweigh the benefits.

In an office, heating and electricity are shared but staff working alone at home use more energy to heat their properties.

David Symons, the director of corporate services at WSP Environmental, said: "In homes it is rarely possible just to switch the heating on in one room, so people are heating a whole house through the day in the winter, which uses a lot of power.

"Even boiling a kettle for one person instead of for a few people can increase inefficiency. Encour-

aging home working is seen as a quick win for companies trying to reduce their carbon emissions, but it is not that simple."

The research found working at home during the summer could help reduce carbon dioxide emissions, since few properties have air conditioning and the heating is turned off.

If an employee works at home all year, however, he or she pumps out 2.38 tons of carbon dioxide, whereas a typical office worker produces only 1.68 tons of carbon per year.

Helped by computers and modern telecommunications, home working has become increasingly popular as a way of improving the balance between people's personal and working lives. The number of home workers has risen by more than half a million in 10 years.



Makers wary of burning fingers on old toasters

Old electrical items must now be recycled, but who will pick up the cost? By **Guy Clapperton**

WANT TO get rid of your old toaster? Then you had better take extra care in how you dump it.

Under the WEEE Directive (Waste Electrical and Electronic Equipment), which came into force this month, manufacturers and retailers selling you an electrical item must be prepared to arrange for its disposal when it comes to the end of its working life.

In practice, it's likely to mean you'll be taking your dead toaster or vacuum cleaner to the dump as you might now, but there will be a specific area for electrical and electronic items and it will be funded by a consortium of retailers and manufacturers instead of your local council.

Many items will be affected, including household appliances, IT and telecommunications equipment, audiovisual and lighting, electrical and electronic tools, toys, leisure and sports equipment, medical devices and automatic dispensers. A new symbol is appearing on the boxes in which these items arrive, looking like a wheelie-bin with a line through it, which is a pretty self-explanatory image.

The killer question is who's going to pay for the new recycling schemes. The law will apply retrospectively, so

if you dispose of an old toaster that was bought before the new rulings, you'll still have to take it through the WEEE process.

'Obviously manufacturers will have to bear the cost of products that are already out there,' says Jane Southworth, a lawyer with legal firm Eversheds. 'And if you look at the way prices have come down, I've heard some manufacturers say the WEEE costs would wipe out their profits. You could imagine prices will have to go up to compensate.'

David Symons, director of corporate services at consultancy WSP Environmental, agrees that retail costs are likely to increase. 'Nobody really knows what will happen; there will be different competitive pressures on companies and other factors as regards prices,' he says.

'My feeling is that in terms of how this will affect the consumer, first the cost will go up but then it'll be quite evolutionary. People will start to be able to take their consumer goods to civic amenity sites for recycling, and it's likely that the consortia involved will be providing the facilities for the councils rather than leaving it to the councils themselves.'

Although the directive on which the legislation is based requires



Electrical goods such as computers will end up at the council tip, but the cost of recycling them may put up retail prices. Photograph by Jeff Morgan

retailers and manufacturers to make consumers aware they are buying WEEE-applicable products and what that means, a glance around most electronics retailers tells you that, beyond a couple of small signs on the wall, nobody's busting any guts.

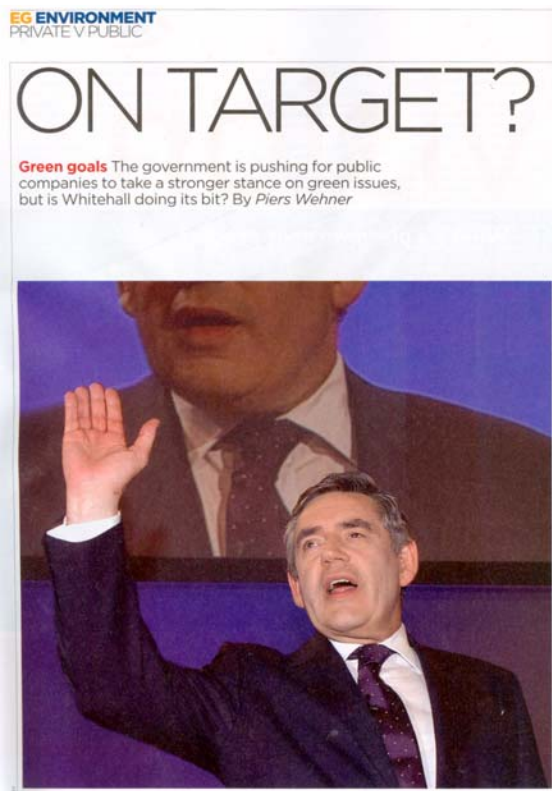
So what happens if you don't adhere to these new strictures? From the consumer's point of view the answer is nothing - you're urged to adhere to WEEE disposals but nobody can force you. Clearly if you're dumping something in a public place there will be repercussions, but

at the moment if you continue to drop your toaster in your bin there's no immediate plan to make it an offence.

'It's certainly a weakness,' admits Southworth. 'My own personal view is that the WEEE directive has certain targets, and we as a state can probably meet those targets by collecting all the large white goods that are floating about. It'll be a number of years before people stop putting those toasters into dustbins; bottle banks have been around for years and still only about a third of recyclable glass ends up in them.'



WSP Environmental: Estates Gazette



In Gordon Brown's first conference speech as prime minister, the environment was notable only by its absence. Indeed, despite a Climate Change Bill already nudging its way onto the legislative timetable, the government appears to have lost its appetite for its greens.

And the Labour Party isn't alone. During the conference season the Conservative Party leader, David Cameron, shied away from some of his "greener" policy initiatives, such as a tax on supermarket car-parks, in favour of a shift toward traditional Tory values, namely tax cuts.

But while the rhetoric has lessened - we are no longer constantly reminded of climate change in such apocalyptic terms by the politicians - the issue is still at the forefront of the political agenda.

Targets have been introduced, and more are on their way. The public sector - from Whitehall to the GLA to rural county councils - has changed gear and is now shifting the pressure to save the planet to the private sector.

For some developers, it seems as though they are being asked to do all the work. "We agree that we should save the planet," says Chris Crook, managing director of Countryside Southern. "But you want me to save the planet before you do."

Following its own standards
So while the government is putting pressure on the private sector, is Whitehall pulling its own weight?

Drivers Jonas's head of sustainability, Jon Lovell, believes that, in the main, it is. "Central government has now set very high standards for itself in terms of new development and major refurbishments on its own estate, which sends a strong message to the wider industry, particularly when the procurement power of government is considered," he says.

Whitehall's own standards are quite impressive. By 2012 the entire estate will be carbon neutral - a policy that applies not just to the core estate, but to "all central government departments, executive agencies, and to non-departmental public bodies".

To do this the mandarins plan to dramatically reduce carbon emissions, use renewable energy and offset the remaining balance of emissions. Any emissions that cannot be eliminated will be offset either through carbon reduction projects overseas or by investing in energy efficiency on the government estate.

On top of this, former PM Tony

The government has taken a lead on sustainability, but will it be able to meet its own targets?

Blair said that Whitehall would reduce carbon emissions from its office based estate by 30% by 2020.

By 2020 it has pledged to recycle 75% of all waste; to reduce the amount of waste generated by 25%; to reduce water consumption by 25%; and to increase energy efficiency by 30% per m².

"The government has come out and taken a lead on this," says David Symons, head of sustainability at WSP Environmental. "But the challenge is in implementing these targets, not in setting them. The targets themselves are laudable, but very difficult to meet."

For Symons, some parts of the public sector are far ahead of the

"The challenge is in implementing these targets, not in setting them. The targets themselves are laudable, but very difficult to meet" David Symons, WSP Environmental

private sector: "The Environment Agency and Defra are providing a strong lead," he says. "But the really amazing steps forward are being made by agencies such as HM Prisons Service. It is the second largest landowner in the country after the MOD and it has made huge environmental improvements."

A number of local authorities are also leading the way. One is Lincolnshire county council. It aims to ensure that every major development in the county is environmental sustainable and ahead of any of the current requirements.

The council's planned Innovation Centre on Brayford Enterprise Park in Lincoln, for instance, has been designed to be virtually carbon neutral when it completes next year. It boasts a biodiverse roof, wind turbines and ground-heat pumps, which will service its 22 offices.

"There is nothing in the private sector that is even close to that," says Shelagh Coates, Lincolnshire county council's investment and marketing manager, who has been spearheading the drive for sustainable development across the county.

Plans are also in place for the UK's first biomass energy plant, which the council wants to build in Sleaford. It will generate enough electricity to

meet the needs of 90,000 homes and save more than 250,000 tonnes pa of carbon dioxide.

Energy is created from the burning of 420,000 bales of straw - some 200,000 tonnes - sourced from farms within a 50-mile radius of Sleaford. And the council is also the force behind the £7m EPIC, an eco-friendly showcase for environmental technologies being built on the Lincolnshire Showground.

In West Lindsay, the new council buildings, which will open for business in November, have been built with the environment in mind. Power will be provided by solar panels, the toilets will be flushed using rainwater, and smart lighting stops all the good work from being ruined, as it means that, unlike most council offices, the lights won't be on when nobody's home. The council is set to make a saving of £60,000pa purely because of the reduction in energy costs.

"The way to create a sustainable economy is by leading the way," says Coates. "We expect the private sector to take a lead from us."

The notion is admirable. But for some, the private sector is actually doing far better than the public.

"There are a number of private-sector developers who would be able to teach many of those government departments and local authorities a thing or two about delivering high standards in environmental sustainability," says Lovell.

One is Lend Lease, which this month published a sustainability report. It includes a detailed audit of 11 indicators, such as energy consumption, water use and waste production, across the company's retail assets.

A carbon-neutral goal
The desire is for every part of the portfolio to meet the same standards as the company's own European headquarters at Hanover Square, which is carbon neutral and uses environmentally friendly materials including bamboo, rubber flooring, and furniture made from recyclable materials.

Meanwhile, British Land, Europe's largest property company by assets, announced that it will be carbon neutral by 2009.

The company has already reduced energy usage by 4% across the portfolio and water by 16%.

Stephen Hester, chief executive of British Land, says: "Establishing British Land as a carbon neutral company does not signal a change in

EG ENVIRONMENT PRIVATE V PUBLIC

strategy, but an acceleration. We are taking an activist approach, stepping up existing efforts and aim to lead the market in developing and managing buildings in a sustainable manner."

The reason, Hester points out, is not purely philanthropic.

"This will help future-proof our properties, enhance our brand and relationships with customers and stakeholders and so increase the long-term value of the business. By financing, developing and managing properties that responsibly utilise energy, water and waste, we conserve the world's resources and reduce our costs and those of our occupiers."

Green being the optimum choice
The approach is not unique, says Claire Shuttleworth, White Young Green's sustainability adviser:

"Increasingly, we find that many organisations in the private sector are adopting stringent sustainability principles and standards in a bid to differentiate themselves in the market place; enhance their property values or to future-proof their developments."

"Being green is no longer seen as a tree-hugging activity; there is a realisation that it has significant commercial benefits both now and in the future."

But while the likes of Lincolnshire and Lend Lease want to be on the side of the angels, others are not so forward thinking.

"Some local authorities are doing great things on the management of their estates and in their role as civic leaders," says Drivers Jonas's Lovell. "Others are still doing next to nothing."

"The same can be said of the private sector. There is real innovation and

201 Bishopsgate/ Broadgate Tower: British Land has announced that the company will be carbon neutral by 2009

Pie-crust promises or reachable targets?

In housebuilding, the government is demanding that all homes be carbon neutral by 2016.

"That isn't a step-change," says Chris Crook, managing director of Countryside Southern. "It's a whole staircase."

"In terms of the technology required to meet these targets and the timescale demanded, these are the most stringent challenges that anyone is facing in Europe."

According to the requirements, all affordable housing has to be "code for sustainable homes" level three in two years.

That means that as most schemes are mixed-use, and most authorities demand a proportion of affordable housing, this is already going to have a major impact on the property industry.

"The real crunch comes, though, in five years' time, when we will be required to build at level five and six," says Crook. "That is going to be difficult."

At level six, water usage is capped at 85 litres per person per day. It sounds like quite a lot of water, until you realise that a power shower gets through that amount in five minutes.

To put all this in context, one of the paragons of sustainability, Greenwich Millennium Village, would be lucky to register as level three. "If anyone says that the private sector isn't pulling its weight, or isn't leading the way in

terms of sustainability," says Crook, "ask them where they got their figures. Because it wasn't from this country."

But far from being purely antagonistic, the mutual chivvying from both public and private sectors has been beneficial, says White Young Green's Shuttleworth. "In many cases the private and public sectors can learn a great deal from each other. Recently, we have been working with a group comprising both public- and private-sector organisations that have come together to look at how they can address issues such as climate change, sustainable development and sustainable design and construction in their local area."

But the government needed resort to regulation to ensure the private sector meets the highest of standards, says WSP's Environmental's Symons.

"Customers are far more effective than any red tape. And for environmental improvements tenant demand does more than Part L, or carbon requirements, or whatever target will be set next."

After all, targets and promises are like piecrust - easily made and easily broken. The government has already acknowledged that it will not be able to meet the emissions targets set by the Kyoto treaty.

But when the market decides it wants something, it generally gets it.



corporate ambition at one end of the market, based firmly on an understanding of the financial and marketability benefits of making the transition to a sustainable, resource-efficient development business.

"While others continue to knock out low-specifications which may or may not meet the bare minimum in terms of regulatory requirements, but which is rarely captured because enforcement capacity is so limited," according to Lovell. "This reinforces the importance of raising regulatory standards."

And that is exactly what the public sector, and government especially, is doing. "If you look at the requirements for housebuilding," says Symons, "you get an idea of where the regulations might be heading for commercial developers."



'WHAT WE'RE NOT GOING TO DO IS TAKE OUT double-page spreads in Sunday newspapers,' says Terry Hartwell, property director at home and garden retailer B&Q. 'We're careful not to put the rhetoric before the action.'

Green rhetoric is rife in the retail sector because the environment has become the latest battleground as retailers look to win the hearts, minds, and ultimately the money of consumers.

Marks & Spencer has its high-profile Plan A campaign, Tesco has applied its 'Every little helps' mantra to its corporate responsibility brochure and organic produce is a huge growth sector (see box, overleaf).

But what action are retailers taking to back up the 'greenwash'? Biodegradable bags, sourcing from local suppliers and recycled packaging all feature. But there is little, if anything, in the marketing literature when it comes to energy-efficient buildings. Even the National Consumer Council's Greening

Supermarkets report, published last November, ignored the energy efficiency of buildings next to the environmental impact of plastic bags and packaging waste.

At B&Q Hartwell says that reducing the energy consumption of its buildings is key to its bid to become greener. 'We have a specification for all of our new stores that says a building should be purpose built for us, and within that specification there are a number of green initiatives,' he says.

This includes reducing energy consumption from lighting by specifying that new stores have at least 15% natural light. The buildings should have a BREEAM rating of 'excellent', or 'very good' at the minimum.

New stores are fitted with automatic dimming systems so the lights come on as it gets darker outside, and Hartwell says the firm is installing them in older units too. The system also means lights can be used on half power when staff are restocking the shelves at night.

Although the environmental argument for this is compelling – last year B&Q reduced the carbon dioxide emissions from the stores by 8% – Hartwell says there are strong financial arguments too: the automatic dimming system can save up to 25% on a firm's electricity bills.

B&Q also monitors the water consumption in each of its buildings and encourages stores to compete against each other to see which can achieve the biggest reductions.

SLICK CAMPAIGNS

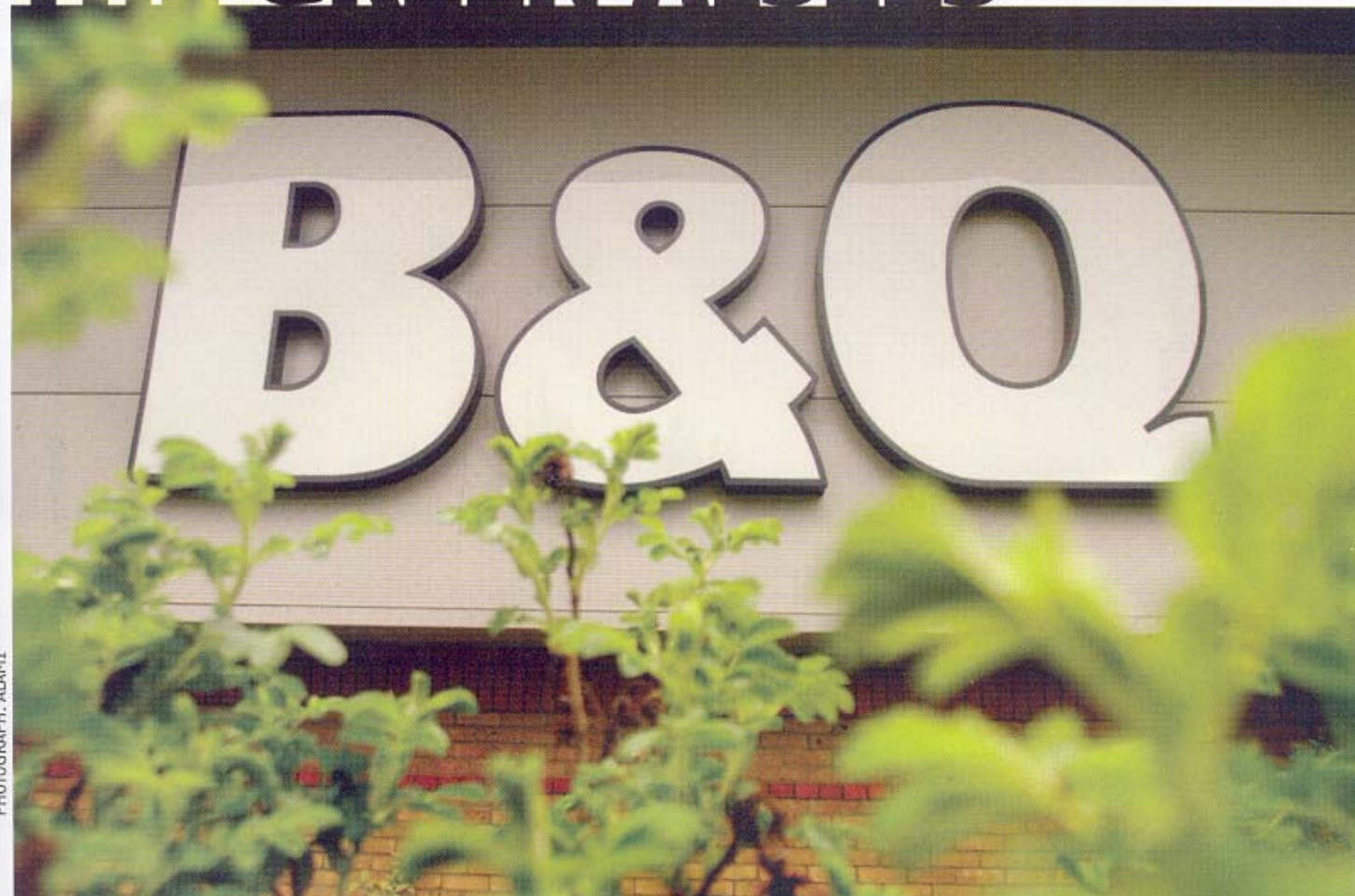
So full marks to B&Q. But it is easy to become cynical about the retail sector's motives, and difficult to sort the fact from the slick campaigns. Miles Keeping, author of the King Sturge European Property Sustainability Matters report, says the growing importance of green issues in the retail sector is mostly motivated by competition.

'Some think it is the right thing to do, but most are jockeying for position, especially →

■ Retailers are shouting loud about their environmental credentials, but is it more than just a green gloss?

Richard Heap reports

THE GREEN AISLES





ENVIRONMENT: COLLABORATION

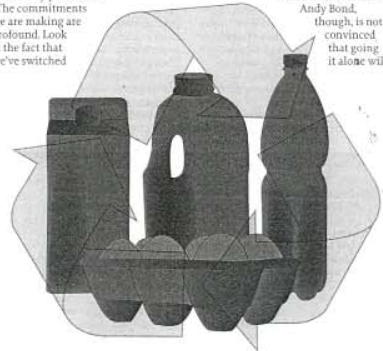
UNITED WE STAND

Can retailers put competitiveness aside for the good of the environment? Asda boss Andy Bond thinks so. **Charlotte Dennis-Jones** explores how willing the sector is to collaborate



When a retailer announces its latest green brainwave, there is generally a real benefit to that retailer's image. The positive PR to be gleaned is enormous – you only need to look at the column inches devoted to Marks & Spencer's Plan A initiative for evidence. There is also more than a whiff of green competitiveness in the air. Last year, no sooner had a raft of environmental initiatives been announced by one supermarket, than others were busy working on new ways to earn themselves an eco-friendly reputation. But retailers' greenness is a genuine force for good when it goes beyond mere marketing. As Marks & Spencer head of corporate social responsibility (CSR) Mike Barry points out: "The commitments we are making are profound. Look at the fact that we've switched

all the eggs we sell to free range. That took 10 years. You don't achieve that by a couple of guys sitting down and doing it for a bit of positive PR." But M&S chief executive Stuart Rose readily admits that saving the planet is a competitive business. Speaking shortly after the launch of Plan A last year, he said: "No one had announced a big initiative up until then and we wanted to be the first. I'm not crowing, but it's important. It does, I'm not going to deny, give you a competitive advantage." Speaking at the Retail Week Conference earlier this year, Sainsbury's chief executive Justin King backed Rose's sentiment up: "It's about respect for the environment. However, what drives change is competition," he said.



Asda chief executive Andy Bond, though, is not convinced that going it alone will get the best results. He insists retailers must work together to speed up the scale and pace of change. "With a lot of green initiatives, the danger is falling into the trap of trying to do it on your own for competitive or PR reasons. I do think that beyond just good business sense, whereby we can save money and invest in prices and gain more traction, we can get further by working collaboratively," he says. Pressure groups are certainly urging retailers to co-operate far more. Friends of the Earth campaigner Vicki Hild says present collaborations need to go further and happen faster. "We don't see a huge amount of progress and we see time and time again that voluntary action isn't going to deliver on these issues," she says. So are there signs that this will change in the future? Bond believes so. "I do think that more and more we're seeing a mood change and we will continue to see that over the next five years," he says. Todd Cort, senior consultant at environment consultancy CSR Network, agrees. "Green issues are a different field than we're used to in business. To really get it right, you have to accept that you don't have all the answers. CSR professionals are great networkers. They know their role is to make their company better, but at the same time, they know they have to bring other people into the mix to make progress," he says.

OPENING CHANNELS FOR DEBATE There are numerous areas in which joint discussions are taking place already. These include the Roundtable on Sustainable Palm Oil and retailers' progress with the Waste & Resources Action Programme (WRAP), which has included a commitment to reduce plastic bag consumption by 25 per

cent. They are also in talks with the Courtauld Commitment – a WRAP plan to establish a certification system. The Courtauld Commitment will significantly help reduce packaging, because the retailers involved in the scheme are all asking the same suppliers to scale it down. As the Co-op environment manager Chris Shearlock says: "They wouldn't necessarily want to do it if it was just one small retailer calling for this." However, the number of retailers participating willingly is debatable. Cort says: "There is a scale of grey between retailers being pulled to the table and those proactively stepping up to it." All are under a certain amount of government pressure to participate in WRAP – and the Courtauld Commitment works to their advantage. As Cort points out: "If they can establish a certification system, those who subscribe would naturally get competitor advantage and could advertise on the back of that." Joint discussions are also making some headway with finding a consistent approach to carbon labelling. Retailers, manufacturers and the National Farmers Union are all working with Defra, the Carbon Trust and the BRC to form working groups to decide on a standard form of measurement and, from there, find a labelling system. A few years ago, such an idea would have seemed impossible, but now common sense has prevailed and retailers are ever closer to finding a unified solution. And British Retail Consortium (BRC) director general Kevin Hawkins says that when they do, it will be a sign that "they can crack anything". Kingfisher head of CSR Ray Baker says not a week goes by without the

meeting of some form of working group, largely set up by organised federations such as the BRC, and, in Kingfisher's case, the European DIY Retailers Association. "Areas such as supply chain are so big, we just can't do it alone," he says. "If you didn't have collaboration or discussion, we'd sink when it comes to CSR." **WORDS INTO ACTION** But joint discussions and pledges are very different to proactively helping each other and sharing resources. Doing so is an altogether more altruistic way of approaching greens. Bond has already put his cards on the table and offered smaller retailers the opportunity to share recycling networks and opportunities to join forces over backhauling. Asda has also upgraded its truck technology, which improves fuel efficiency by monitoring driver performance. It is giving away about 700 units costing £400 each to smaller companies that can't afford them, amounting to a £280,000 donation. Bond also cites packaging and waste reduction – at present made very difficult by the use of different material specifications – as an area of particular focus. By uniting on this issue, retailers can help manufacturers become more efficient in their production techniques and help local councils recycle. "By working collaboratively, we can become more efficient in their production techniques," he says. He also believes it makes good business sense to work together in such areas – transport being a prime candidate. "The average UK lorry is only 50 per cent full and the ability to make use of the arrangement is not going to be solved by individual



“ WITH A LOT OF GREEN INITIATIVES, THE DANGER IS FALLING INTO THE TRAP OF TRYING TO DO IT ON YOUR OWN FOR COMPETITIVE OR PR REASONS ANDY BOND, ASDA ”

companies," he says. Shearlock agrees that backhauling is the "obvious area where retailers can collaborate to reduce environmental impact". However, Hawkins says that while there is scope for co-operation on a practical basis, there remain certain obstacles. In terms of recycling networks, the stipulations vary hugely from one council to another, so recycling is difficult enough across one company – let alone across several. And although sharing backhauling is certainly possible, it would provide retailers with significant challenges in terms of routing and scheduling their fleets. Cort says that one practice where there is a far greater need for working together is reporting on performance. Most retailers' CSR reports will cover all the major issues, but the scope of work ranges hugely from one

retailer to another. Consumers wanting to decipher and compare their achievements will find it practically impossible. But Bond is quick to point out that greater transparency can lead to problems. "Where there is a scheme that publicises carbon reduction, for example, there is a danger that people don't understand the start point. If you were awful to start with, you look like you've improved a lot. Let's say you have one retailer that is already fantastically efficient and reduces packaging by 25 per cent, and you have another that wasn't efficient at all, but reduces packaging by 50 per cent who's better?" M&S's head of CSR Mike Barry says it is unrealistic to expect retailers to put aside competition for the sake of the green agenda. "We both compete and collaborate

– and that's the way it should be. We need to compete because that's what we're good at. It drives change and innovation and that can drive us to new heights. Collaboration drives good consistent standards across the whole sector," he says. He believes that retailers should only collaborate where it adds value. WSP Environmental director David Symons agrees. Work together, certainly – but do so on your own terms, he says. "If you work on the basis of saying: 'Yes we're going to collaborate because others are,' it's just the tail wagging the dog. Ultimately, it could destroy your shareholder value because it would just be tacked on the side." Only once retailers have a clear strategy can they then decide on collaboration potential with competitors and, where possible, take a lead on that collaboration. But when it comes to those facets of sustainability that are unique to the business's brand proposition or developing strong competitive advantage, Symons questions why retailers would want to co-operate at all. "These are businesses, at the end of the day," he says. As Hawkins notes, 10 years ago, any form of co-operation among retailers was practically unheard of. These are businesses where fierce competition is a part of their DNA, after all. Progress is undoubtedly being made, but meeting around a table to discuss the difficulties of packaging reduction is very different to lending practical support. Will it happen? Bond has laid down the gauntlet and things may well change over the next few years. But philanthropy in the business sense doesn't come easily to retailers and for many, this may just be one green step too far. □



WSP Environmental: The Grocer



GREEN THINKING IS THE NEW LEAN THINKING

Everyone's painting their supply chains green. But there are plenty of challenges in trying

Not so long ago, efficiency was the main goal for supply chain bosses. These days, it's being green and that means retailers and suppliers are being forced to take a long hard look at their operations. But greening the supply chain is easier said than done. And the first question is where to start. "There's so much consumer interest in climate change that it has exerted a gravitational pull on issues such as food miles, waste and energy costs," says Beverley Parrish, associate director at WSP Environmental. "But if we reduce food miles, aren't we cutting out developing economies from the EIU market? That doesn't hold too well with corporate social responsibility principles. It's complex." Inevitably, much of the activity – and rhetoric – has centred on consumer-facing initiatives. Last month, M&S announced it would re-label three quarters of its clothing to include the words 'Think Climate – Wash at 30C' on labels, for instance. As part of its highly publicised Plan A to become carbon neutral within five years, it has

started marking air-freight details on packaging. Tesco meanwhile has unveiled its own green programme and gone head-to-head with the Carbon Trust on carbon footprinting. There has also been a plethora of reduce, reuse, recycle initiatives, notably Anya Hindmarch's 'I'm NOT a plastic bag', available at Sainsbury's which has been elevated to the status of must-have fashion item. But while the consumer stuff continues to grab the column inches, away from the public gaze attention is slowly beginning to turn to issues in the wider supply chain. Prompted as much by soaring costs as environmental concerns, many businesses are now starting to look at how to reduce their energy, waste and water use. With vehicle utilisation running at an estimated 20% and fuel costs continuing to rise, it's no surprise transport and fuel initiatives are high on many agendas. In February, IGD held a follow-up to last November's inaugural Sustainable Food Industry Summit to explore the potential for collaborative distribution networks and the

"The joint venture with Chep means we are reducing fuel consumption and CO2 emissions as well as allowing Tesco and its suppliers to improve vehicle utilisation"

ALEX LAFFEY Tesco transport director

use of more environmentally friendly fuels. And last month, pallet and container pooling company Chep announced a joint venture with Tesco, major manufacturers and key trade associations to reduce vehicle movements. Under Managed Recovery, Chep will take care of the return of used pallets. Suppliers delivering loaded pallets into Tesco no longer have to receive in exchange the same number of empty pallets. "It means we are reducing fuel consumption and CO2 emissions as well as allowing Tesco and its suppliers to improve vehicle utilisation," says Alex Laffey, transport director at Tesco. Logistics providers are also greening up. Wincanton last month launched a shared distribution initiative designed to encourage collaboration between retailers and suppliers by offering a nationwide transport platform to share regional distribution warehousing and routes to minimise empty running. Wincanton's operations controller David Hall thinks the move could have a "hugely significant impact" in terms of reducing congestion

to make logistics more ethically and environmentally friendly, not least where to start

and cutting emissions. Meanwhile, Asda, Lloyds and Tesco are all investing in bio-fuels. Tesco's 2,000 lorries have been running on a 50% biodiesel mix since January, reducing its CO2 emissions by an estimated 14%. Sainsbury's has rolled out electric vans for home deliveries, while the Co-operative Group is using natural compressed gas. But biofuels should not be seen as the panacea to all the industry's fuel woes, warns Parrish. "There's already been so much demand that areas of food production are being turned over to biofuels. That's not necessarily in the interest of the environment or consumers." There may be easier wins in the area of packaging and waste. Many suppliers are switching to lighter gauge materials to both save costs and be more environmentally friendly. Take the lighter Grolsch beer bottle and Heinz can-ends. Technology is helping. But supply chain bosses need to take care that IT is part of the solution not the problem, warns Kevin Berry, systems director at Waitrose. The multiple now tries to buy

Top tips for greening your supply chain

- 1 Establish a clear position for your organisation first
- 2 Strategy should be clear and simple
- 3 Define your objectives and how to measure success
- 4 Let your business dictate the issues to focus on, not the media
- 5 Lead from board level and by example
- 6 Keep up to date with legislation
- 7 Be in it for the long term. A six-month programme is rarely effective
- 8 Embed the programme in existing supply chain management
- 9 Measure, track and report on your progress
- 10 Promote voluntary partnerships to share best practice and focus on clear and achievable goals

Source: WSP Environmental

more energy-efficient IT equipment and ensure IT projects have discernible green benefits. Berry says it is also important to have your distribution centres in the right place and highlights the reduction in drive time that has followed its recent acquisition of a new depot from Morrisons in Aylesford. Waitrose has announced that it will be using energy only from sustainable sources by the end of next year. Sustainable sourcing throughout the supply chain is the key, agrees Parrish. But local sourcing and reducing food miles are fraught with issues, she argues: "If something is intensively farmed in this country, it could have a higher carbon footprint than something produced overseas." Most experts expect suppliers to work harder at streamlining their operation, minimising downtime and reducing waste, as well as look at distributed energy networks, where energy is produced on site. Parrish highlights the National Industrial Symbiosis Programme to divert waste from landfill. There will be more focus on in-store energy use, she adds.

There is also likely to be less emphasis on IT "hardware" and more on the "software" of people, according to the 80th anniversary report from the Chartered Institute of Logistics and Transport. "While many suppliers are currently moving production overseas, that may change as the emphasis shifts to 'value chains' that reflect consumer concerns about ethics and the environmental impact of food, it adds. However, first there needs to be more collaboration. "Given rising transportation costs, the number of collaborations in transportation of goods is disappointing," says Don Brenchley, director of collaborative solutions at JDA Software. Barry Bolton, chairman of ACM Waste Management, adds: "Businesses need to work with suppliers and take a greener path because it is the collective greening of supply chains that will enable us to reduce CO2 emissions and maintain manageable levels of greenhouse gases." In short, only when businesses get past the rhetoric and work collaboratively will supply chains really start to turn green. ■