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MAKING SENSE OF SUSTAINABILITY – VOICES OF THE WORLD FOOD BUSINESS SUMMIT

One expert believes that corporate social responsibility is the way of the future for family-owned retailers. Another, after a mammoth walk through Africa in the footsteps of two ancestors, has made radical changes to her patterns of consumption. And a third says that German consumers buy organic because of guilt over how much they consume – and will pay more to feel even better about themselves.

These are some of the voices of the 52nd World Food Business Summit in Munich, hosted by CIES – The Food Business Forum, the world's only independent association of food retail companies, suppliers and co-operatives – in Munich, Germany, between 18-20 June 2008. The theme of the conference is *Growth and Sustainability – Building Profit with Responsibility*. CEOs, chairmen and senior executives representing more than 430 of the world's largest retailers, suppliers and manufacturers are attending the Summit.

Dr August Oetker, of Germany's Oetker Group of companies, which have interests in food manufacturing and retailing, brewing, shipping and insurance, takes the view that for family-owned enterprises, corporate social responsibility (CSR) is a prerequisite for sustainable market success.

In his presentation to the Summit, Oetker states that CSR has moved beyond "the niche of socio-romantic philanthropy, an approach that was met with sympathetic smiles", to one where it is a central way of doing business – and that public acceptance of companies is becoming more dependant on how they approach CSR.

"Corporate social responsibility today is one of the factors that is becoming ever more important in the way analysts, consumer protection organisations and increasingly consumers, too, judge companies. And it is precisely family-run businesses which tend to be the focus of public interest, because their morality and credibility can be only too well represented in the conduct of the entrepreneur or the entrepreneurial family," says Oetker.

CSR, for Oetker, is manifested inwardly in terms of fair labour practices, outwardly in that companies must take responsibility for the effects of their activities on the environment and society, and thirdly through corporate citizenship – the civic involvement of companies in the communities in which they operate.

For South African journalist **Patricia Glyn**, who in 2005 retraced on foot an 1863 hunting trip to the Victoria Falls by two great-great-uncles, after their journal describing an unspoiled and untamed Africa inspired her to do so, life would never be "normal" again when she returned to her home in Johannesburg.

"As I watched the dawn [over the Victoria Falls] that morning ... I thought about what needed changing in my conduct to answer the kind of pledges I had made on the road. And the pledges had been made in response to the terrible ravaging of our continent since my ancestors came through here. I have to need less, burn less, consume less. I have to eat differently. I have to learn an African language. It's about walking through life in harmony with the people and the landscape of my sub-continent," Glyn says.

"It's not the life I used to lead as I work conscientiously to reduce my carbon footprint ... I took a hard look at our oceans and learned that we have only 10% of our fresh fish stocks left. But what mostly persuaded me to give up fish was the fact that for every kilo of linefish that's brought in, an estimated four kilos of dolphins, penguins, albatrosses and turtles die on the lines. Then I studied the dairy and egg industries and there are practices there which I want to have nothing to do with. So I am now vegan and very happily so ...

"I have cleared out of my house any products which aren't animal or planet friendly, I think six times before buying anything new, and [am] doing many other things to prolong my life and that of my environment," Glyn continues.

Psychologist **Stephan Grünewald** tells the Summit in his presentation, *On the Couch: An Analysis of Green Consumerism in Germany*, that German green consumerism was born out of post-Second World War guilt, and emerged during that country's economic resurgence in the 1960s. The idea of "saving the world" was a central goal.

"Even today green consumerism remains a reaction to consumer guilt, felt about personal greed in the Land of Milk and Honey. German consumers derive pleasure from immoderate consumption but also fear the negative consequences of indulgence," Grünewald argues, continuing that the consequences of that greed include overweight children, health issues, Third World hunger and even terrorism.

But, he continues, while price and green ethics are both important for consumers, they are not key drivers to purchase – they legitimise the purchase. And people are prepared to pay more for that legitimacy.

"Consumers are neither *Homo economicus* nor *Homo ecologicus*, but people who seek a sense of purpose, inspiration, experience, social intimacy and empowerment from shopping. Retailers often (too often) think in terms of price. Shoppers think in terms of life value.

"Growth and sustainability, profitability and responsibility, are not contradictory. Successful players will be those who provide consumers with added value in their everyday lives: a sense of purpose, orientation, enjoyable event character plus empowerment with a clear conscience!"

Comments Summit chairman Gareth Ackerman: "There is a growing sense of morality and ethics in the world of food retailing: consumers are demanding to know that the food they buy is healthy and produced sustainably and ethically, and retailers and suppliers are becoming more aware that the way in which they respond to these demands will determine their future viability.

"These speakers truly reflect, in their own ways, the theme of the Summit: how to responsibly balance growth and sustainability. This is a critically important debate – and voices such as these at the World Food Business Summit, make it equally fascinating."

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