

Not so keen on green?

Well think again. Antony Turner of CarbonSense tells Patrick Schmitt how utterly vital having a sound ecological strategy is to businesses these days, and how best to implement one

YOU MIGHT, justifiably, be thinking you've got more than enough to do without attempting to save the planet, let alone read about such a topic. Mounting costs, greater government scrutiny, an increasingly penny-pinching customer base, are just some of the headline issues in need of management for anyone in the alcoholic drinks industry.

But there are compelling reasons for the trade to consider carefully its impact on the environment – even if you don't believe in man-made climate change. One of these is cost: not only can increased energy efficiencies save you money, but failure to do so will soon be expensive – expect more taxation linked to CO2 emissions. Then, there's your brand. How do you keep it relevant in the years to come? A clear green message, backed by credible and measurable business practices could certainly be one route to differentiation and sales success. An environmental agenda could become more, not less, important now times are tough.

But how can one persuade investors, or board-level management, to support a green approach? And what route gives the best returns? *the drinks business* decided to speak to Antony Turner, founder and MD of CarbonSense, for some advice. His past clients include Honda F1 – and if he can make a motorsport appear green, it's hard to

believe his techniques won't work on Bourbon or Bordeaux.

It's interesting to note why many people don't take CO2 pollution seriously. For Turner, the reasons are twofold: "One is because we don't price carbon emissions – so you or I or Exxon or the US can put as

WHY CARBON?

For all the pollutants released into the atmosphere from a range of human practices why does the argument and activity centre on carbon? For Antony Turner it's because carbon "provides a metric – and businesses like something you can measure, it allows you to do a carbon footprint analysis". It's also because "carbon accounts for two thirds of greenhouse gases, and if you are in the agricultural sector, then methane and nitrous oxide are also part of the equation, meaning you need to convert them into a carbon equivalent".

And Turner adds, "I point out to people that we put 80m tonnes of CO2 into the atmosphere each day as a species. We keep doing that, and the atmosphere is getting overloaded, and the natural sinks that absorb that, the oceans and forests, are getting overwhelmed. So carbon is the glue that holds the different stories together – the stories of climate change and energy."

much CO2 into the atmosphere as we like without any financial retribution. The other is because we can't see the carbon emissions we are putting in the atmosphere – if we could see that 80 million tonnes a day, we would take notice."

However, both these aspects to the CO2 situation are changing. Firstly, according to Turner, "we are starting to monetise carbon emissions, for example with the EUTS [EU Emissions Trading Scheme], and I think within two years we will have a global scheme – so we are starting to tackle the economics of it." As for the invisible pollutants, CarbonSense has developed a "global carbon visualisation tool which is scientifically accurate". This is due for a launch in the spring and will no doubt make for startling viewing.

"Part of our skill set is to get senior board members and management understanding these issues," he explains. It is also, he adds, "showing them where there are best practices and smart business solutions and where these can become an opportunity".

One of Turner's early projects was for British Telecom. "The company was considering going carbon neutral and we came up with a framework called the 'carbon journey'; a strategic thinking tool for a company to see where it might head towards."

Essentially CarbonSense “suggested there was somewhere beyond carbon neutral which we called ‘carbon positive’ and really much of the work we’ve done since has been helping organisations understand what that means and helping them through the thinking processes which make strategic sense”.

So what does it mean? “Where an organisation has been through the carbon managed process – so it has understood its carbon emissions and it’s reducing those by making efficiencies – it can move into the carbon positive space by measuring the carbon emissions of its sphere of influence.”

Turner takes a supermarket as an example. “Although it can influence its own stores really its greatest sphere of influence is its supply chain – that is the heart of its carbon footprint. By driving some thinking down your supply chain by putting metrics into your purchasing decisions you start to have a bigger influence. Wal-Mart is engaging in a big project at the moment where it is really getting its supply chain to understand this is important, and that it is going to take it seriously as a company.

“So what that does is start to get a whole heap of other actors understanding that this is serious and if you start to measure that and track the changes that happen you can actually show over a few years that the reductions taking place are greater than your own emissions.”

Driving change

And this is where motorsport fits in. “We did a project looking at Honda F1’s emissions as a racing team and a manufacturing business and worked out that if they were to get this [environmental] message across to their fans that would make a big difference. So, say 150m people watch the Grand Prix – if just 1% of those people were to change one light bulb [with an energy-saving bulb] – that would actually save 36,000 tonnes of CO2 from going into the atmosphere, which is three times the emissions of that team, including the cars, making all the kit, the logistics, flying people around the world etc.” Hence Honda were able to grasp the impact of substituting sponsors’ logos and advertising on its F1 car – when it was still racing – with an image of the earth. “These



Green man: Antony Turner, founder & MD, CarbonSense

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are the kinds of things we like to help companies understand, think about and take measures of,” explains Turner.

What about offsetting? Is this a credible solution? “Offsetting is a waste of space,” begins Turner. “We thought at one stage it was worthwhile, but there is a paper on our website explaining why it doesn’t make sense. Companies that have done this tend to be those with low direct emissions relative to the size of their business. They have done ▶

GREEN: INTERVIEW

it and claimed to be good green guys but actually it allows them to carry on business as usual and stifles any creativity among the people in their organisation to come up with better solutions." Turner suggests those using this approach should view Cheat Neutral – an internet-based parody of the concept allowing the unfaithful to offset their misdemeanors.

Another driver of the environmental movement comes from the political, rather than retail sphere. "The biggest change over the coming year will come from the political shift which is already occurring from the Obama election. You can now see on youtube a five-minute speech from Obama confirming that climate change is going to be the number one issue and he is committing the US to an 80% carbon reduction by 2050. That is absolutely massive in terms of what it will mean to energy and carbon pricing, as well as putting this issue on the political map. So in 2009 we will see the big driver of this coming from a shift up in gear from policy makers."

As for a global recession, Turner doesn't see that as an obstacle to green initiatives, but does believe we need to "redesign economics". "There is a real connection with an economics that is just focused on growth – without any thought as to what the quality of growth should be – and I'm firmly of the view that we need to redesign economics so that it only provides sustainable growth, growth of what we know are the goods in society."

So get rid of GDP? "GDP is a completely mad indicator. It goes up if you have more divorce, more car accidents and a war. It's ludicrous. We need new indicators of healthy economics and those that are aligned to a radical climate change agenda, which is going to mean repowering and rewiring the planet in a very short period of time."

Technology is of course critical to change when it comes to reducing carbon emissions and Turner believes: "We are going to see some giant solutions. The most interesting technology I see out there is concentrated solar. That is desert mirror power stations containing mirrors that track and focus the sun's rays onto pipes and turn water into steam which goes through turbines which turn generators. That

CV: ANTONY TURNER

Antony Turner founded CarbonSense in 2003. Before starting CarbonSense he was principally in engineering, launching innovative technologies worldwide. In 1999 he helped set up the "Business & Sustainability" courses at Schumacher College, which he managed for five years, and in 2000 he wrote the industry submission on wave and tidal power for the House of Commons Science & Technology Committee.

In 2005 he organised an event at the UK Treasury in 2005 called "Carbon as Currency", which he says "may have helped the Stern Review happen".

THE REALITY IS THAT THERE IS NO POINT IN DOING SOMETHING THAT IS JUST LED BY THE MARKETING GUY – THAT'S SENSELESS

technology is now becoming cost competitive with coal and gas.

"For instance, it has been calculated that the US could power itself totally from a concentrated solar power station taking up 92 by 92 miles in western Arizona. Europe could power itself by putting these power stations in North Africa and southern Spain and the technology to transport that electricity to northern Europe is there already."

Think smart

So what's Turner's advice to those companies who don't see the value in investing in carbon accounting and reduction? "Let's take the example of BP last Christmas. It spent millions of pounds on an advertising campaign educating the public about carbon. Why would an oil company do that? Because their primary

consideration was to reach young graduates – they wanted to get smart young graduates to come to BP. If you look at sectors in trouble now in terms of staff retention and attraction it is the nuclear industry and it is the defence sector, so you have whole sectors now running out of young people. You will find that this is what will start to differentiate. Having worked now with a few big corporates, one of the things they see as most beneficial in terms of not just speaking green but going green is staff retention and employee engagement. Working for a company that doesn't take notice of this would be pretty daft from that perspective."

He warns, however, that those that do decide to reduce carbon emissions need to involve the whole company, and must be wary of promoting a piecemeal approach. "The reality is that there is no point in doing something that is just led by the marketing guy – that's senseless," he says. "But at the same time it is daft to just to be led by your energy manager. This has to be board level. And it has to be understood properly as a holistic, joined-up way of getting a shift in the business and that links into the brand, links into the internal communication, and employee engagement.

"It is also better to first do stuff on the ground, then you're not likely to be caught out. These days the power of the internet will catch out any organisation if it is not doing stuff properly. People will question things."

Finally, Turner, for all his attempts to persuade people and business to comprehensively tackle carbon emissions, reminds that financial and brand-building incentives are unnecessary for the true believers of man-made climate change. "The people who really get this will want to do this anyway," he says, referring to reducing CO2 emissions. "We are changing the atmosphere of the planet and the bit we are changing is the bit that controls the temperature of the planet – do you want to continue with that or not?"

"It doesn't matter if you are a financial director of a multi-billion dollar corporation or Joe Bloggs on the street, once you get that point you find it difficult to consciously engage in activities that are screwing up the system." ab