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Costing the Earth

As the global economic downturn continues to affect consumer, suppliers and retailers alike, can we still afford to be green?



In recent years, there has been a significant push by FMCG companies, and a sincere willingness, to find new ways of reducing the environmental impact of their commercial activity. Whilst much of the media attention has been focused on reducing carbon footprints, by minimising CO2 emissions or contributing to carbon offset schemes, retailers and brands have also been investing huge sums in initiatives to reduce retail packaging and landfill volumes, as well as reducing water use and transport miles.

But with the impact of the economic downturn being felt by all, there are some who have questioned whether existing green commitments are likely to be affected as a result of increasing financial pressures. Whilst research would suggest that although price is clearly a major factor in meeting tightening budgets, it also highlights that green and ethical issues will continue to play a central role, both in buying decisions of consumers and in the business strategies of suppliers and retailers such as Tesco have responded by cutting their prices of certain organic products. And suppliers in the PoP industry are responding too.

More efficient energy consumption and better co-ordination of

store visits to deliver and maintain PoP material, without costly repeat visits, are just two examples of where being green is reducing the financial costs associated with carrying out in-store activity. For retailers and brands however, ethical trading is still high on the agenda. Whilst many believe that more attention should be paid to ensure that PoP material is produced in a responsible and appropriate manner in the first place—removing unnecessary over-production, which in turn will help to reduce wastage—the time is now right for retailers and brands to also start paying closer attention to the issue of how post-campaign disposal is managed.

As a result, pioneering suppliers such as CJ Services are taking proactive steps to further improve their environmental performance. The company, which now has its own recycling facility at its Runcorn headquarters, has been awarded ISO 14001:2004 accreditation, acknowledging its commitment to strive for the highest standards in environmental management and to

deliver environmentally responsible products and services for its clients.

Finding innovative ways to recycle certain in-store material can be challenging though. MDF, for instance, is a difficult and harmful product that takes hundreds of years to break down. It can however be sent to fuel power stations—something that, as a business, CJ Services are already actively involved in doing—whilst plastic from display fascia and shelf edges can be sent for the manufacture of pens and garden furniture.

So is green here to stay?

Yes. The reality is that, from a commercial perspective, being green is no longer just good for the environment, its good for business too.