



Fowler Welch
Listening... Responding... Delivering

SUSTAINABILITY IN THE SUPPLY CHAIN

White Paper

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FOWLER WELCH
West Marsh Road, Spalding, Lincolnshire PE11 2BB

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INTRODUCTION

With sustainable development embedded into government policy, the need for organisations to adopt responsible business practices is imperative. But understanding the concept of such a broad subject can be complicated.

According to the Rt Hon. Caroline Spelman MP (former secretary of state for environment, food and rural affairs):

“Sustainability is a three-pronged concept embracing economics, society and the environment, and to be truly sustainable, companies must address all three.”

A sustainable business model is increasingly a key tenet of an organisation’s business objectives. Far from being just another piece of red tape, embracing sustainable strategies often goes hand-in-hand with profitability. The UK is paving the way in sustainable business practice, with 11 of the world’s 100 most sustainable companies based in the UK – including Marks & Spencer, Unilever and Diageo (Corporate Knights, 2016).

As a result, sustainability in the supply chain is also now increasingly seen among high-level executives as essential to delivering long-term profitability. Today, the driving principles of sustainability – namely collaboration, cooperation and consolidation – are the means by which monetary cost, value, and speed can be achieved. Purchasing and supply professionals must engage logistics networks to spearhead sustainable strategies which encompass environmental issues, risk and waste costs, in order to meet not only their own organisation’s objectives – but also those of their customers and partners.

Sustainability and environmental, social and governance responsibilities are no longer add-ons – they are integral to success. It is now best for business to get on the right side of sustainability as it will remain at the forefront of best business practice for many years to come.

Those that have engaged, are on a sustainability journey towards reducing their impact on the environment and natural resources and integrating best practice to drive growth, cost efficiency and resilience for the future. Those that have yet to do so will have to embrace new, more sustainable practices very soon, seeking opportunities to work collaboratively, cooperating with new partners and consolidating operations to improve overall efficiency, in order to remain competitive.

OUTLINING THE OPPORTUNITY

Sustainability and responsible business practice are among some of the most important issues facing the global food industry. The United Nations' sustainable development goals are a universal set of goals that UN member states must use to frame their agendas and political policies over the next 15 years.

Among them, are proposals to:

- Ensure sustainable consumption and production patterns
- End hunger, achieve food security and improved nutrition, and promote sustainable agriculture
- Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation

These overarching objectives will be reflected in legislation, targets and initiatives, and as a result food businesses throughout the supply chain will be fundamental in achieving these global ambitions.

Whilst many organisations have already produced good results in some parts of their operations, supply chains are intricate, highly interconnected and multidimensional. Addressing the overall challenge remains a different prospect and one which few have managed successfully to date. And with sustainability an ever-evolving topic encompassing a broad spectrum of issues – what can organisations within the supply chain do to ensure they are playing their part?

This paper will focus on three key subjects pertinent to the supply chain:

- Food miles
- Food waste
- Packaging

We will explore how these issues affect the supply chain at all levels whilst outlining best practice examples. As the crucial link between producer, manufacturer, retailer and consumer, we will demonstrate how a sustainable supply chain delivers wide ranging benefits, not only for individual organisations but for society as a whole.



rvfoodsystem.org

FOOD MILES

The globalisation of the food industry has brought the issue of food miles into the spotlight on many occasions. Since 1978, the annual amount of food moved in the UK by HGVs has increased by 23%, and the average distance for each trip has increased by over 50% (Defra food miles report, 2005). Some 78% of retailers and 71% of suppliers believe cutting road miles is “the biggest” or “a significant opportunity” for cost savings in their supply chains (Institute of Grocery Distribution, 2015).

Despite this, tackling food miles goes far beyond just calculating how far a product travels from plough to plate. “Increasingly, food manufacturers are focusing on how best to optimise efficiency within overseas supply chains, in order to address responsible growing, food security and sustainability issues, including commercial sustainability,” reports Mark Holmes, of environmental consultancy ADAS.

Manufacturer

Recently, Weetabix launched its Wheat Protocol – a commitment to source the wheat it purchases each year from farmers located within 50 miles of its factory in Burton Latimer, Northamptonshire. The protocol covers a series of commitments to guarantee the quality of the wholegrain wheat and to ensure the protection of the local environment by further reducing food miles and fertilizer usage. Weetabix says it has worked with its farmers to establish a strict protocol covering quality, consistency, traceability and environmental sustainability of the harvest. The scheme has been praised by the National Farmers Union and Environmental Secretary Elizabeth Truss.



Environment secretary Elizabeth Truss at the Weetabix factory (photograph: Weetabix)

Retail

Whilst sustainability at producer and manufacturer level is market-leading, a sustainable supply chain can only be achieved if all elements within it are working collaboratively towards the same goal.

Retailer

In an ever-changing retail environment, many organisations are now setting the standard on sustainability. Marks & Spencer – in its quest to become the world's most sustainable major retailer – is one such example. It's Plan A 2020 agenda has been set up in a bid to reduce the social and environmental footprint of the business across all its activities.

Working with suppliers in 70 countries and some two million workers in 2,000 factories and 20,000 farms, Marks & Spencer says its sustainability vision is "supply chain dependent".



In its Global Sourcing Principles, the retailer adds: “We are determined to do everything we can to bring fair sourcing principles to all stages of our supply chain.

“These principles set out what is required and expected from our contracted suppliers – i.e. those with whom we have a direct contract for goods or services – to ensure their facilities meet acceptable standards, and are continually improving.

“We enforce these principles firmly among our contracted suppliers and they must apply the same principles within their supply chain.

“Strict sanctions are applied when standards are not met, or where there is no commitment to improve standards.”

It is clear then that Marks & Spencer's commitment to creating a sustainable future commands all aspects of the supply chain to follow suit. And those who do not, will surely be left behind.

Shopping habits

The ability to adapt is essential if supply chains are to become and remain sustainable. Over the past 30 years shopping habits have changed dramatically. The rise of the supermarket and consumers' 'big weekly shop' inevitably led to an increase in demand for products – and with it, an increase in deliveries.

However, whilst many consumers concentrated on the weekly shop, the rise on single person households and more women going out to work meant many people began to shop more regularly leading to a boost in convenience outlets. This was reflected in the rise of many of the symbol groups and facias such as Tesco Express and Metro, Sainsbury's Local. This has led to more complex logistics requirements such as morning deliveries of lunch items and afternoon deliveries for evening meal options. This added complexity has required additional warehouse infrastructure, smaller more flexible fleets and increased supply chain agility and responsiveness, in order to reduce food miles and avoid food waste.

The recession of 2009 saw shopping habits change once again. As wages remained flat, consumers have sought greater value. They have continued to abandon the weekly shop and instead to spend their money across regular visits to supermarkets, local convenience stores, discounters and the internet. This has had a marked effect on the 'Big Four' who have seen their market share reduced as many consumers have bought the core items of their grocery basket at the discounters and 'topped-up' with other items at the larger supermarkets.

The IGD predicts spending in superstores and hypermarkets will fall from £73.7bn a year to £70.8bn over the next five years. Indeed, Asda recently announced its worst ever quarterly sales on record with a 5.8% slide in like-for-like sales in the last three months of 2015, marking six straight quarters of falling sales (The Telegraph, February 22, 2016).

Whilst the forecast may appear gloomy for superstores, the IGD believes discount retailers and online sales will double by 2019.

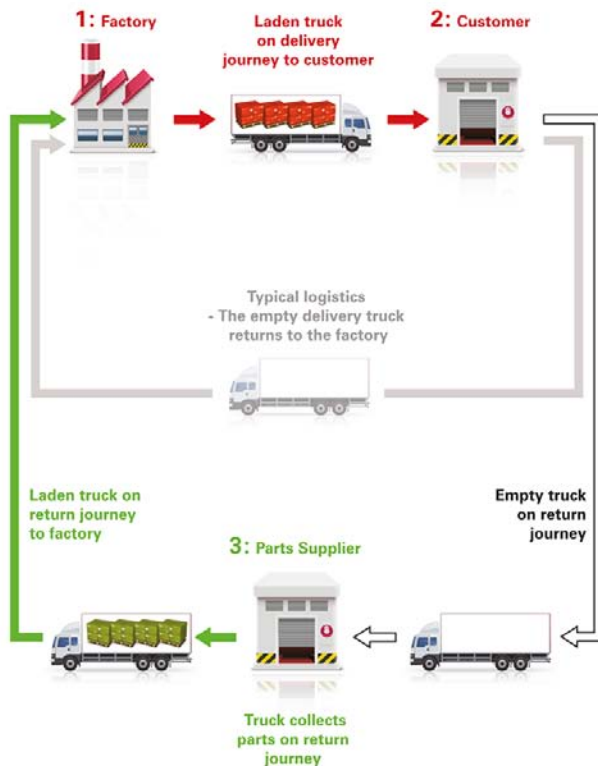
As a result, retailers are increasingly placing smaller, more frequent orders. Supply chain organisations must be prepared to cope with these quick response delivery requirements if they are to remain competitive.

Back hauling

But with more orders comes an increase in deliveries and return journeys and latest figures from the Department of Transport show that almost 30% of road transport operations make the return journey empty (Road Freight Statistics, 2014).

Backhauling is one way the logistics industry has addressed the problem – filling the vehicle with goods for the return journey, thereby cutting the unit costs of logistics and reducing carbon emissions.

High street retailers and third-party logistics providers are among those pioneering the method. However, the increase in convenience shopping can reduce the ability of firms to backhaul as smaller, more frequent deliveries often use smaller vehicles which have limited space for backhauling.



IGD

The IGD points out that a successful backhauling system often requires competing companies to agree to backhaul arrangements and work collaboratively. Nestle and United Biscuits are two examples. The two companies initially met at an IGD workshop set up to investigate opportunities for sharing transport resources. Having discovered their logistics operations and processes were a good match, they agreed to leave competitive behaviour in the supermarkets and collaborate in logistics.

In 2007 the first United Biscuits lorry transported a load of Nestle products from the Nestle York factory to its own distribution centre in Bardon. The collaboration continues to evolve and saves over 280,000 km of road travelling and around 95,000 litres of diesel a year.

IGD's seven steps to successful backhauling collaboration

1. Produce a summary of lanes and volumes
2. Identify potential collaborative lanes with possible partner
3. Agree rates on a lane by lane basis
4. Agree on key performance indicators and a review mechanism
5. Run a pilot
6. Review pilot
7. Roll-out

Collaboration can also be enabled by consolidation – the practice of combining small orders from multiple suppliers, using the delivery fleet more efficiently. It forms a fundamental part of the range of services Fowler Welch offers and helps work towards the FDF emission reduction standards by 2020 as a minimum.

Today, the focus on fewer ‘empty running’ miles and greater synchronisation from multiple suppliers is well established at Fowler Welch and this sharing of resource – be it warehouse space or fleet capacity – is a key driver for continually improving environmental performance. Indeed it is at the heart of everything Fowler Welch does and must now become the norm in operational teams throughout the industry.

FOOD WASTE

As much as half of all the food produced in the world – equivalent to 2bn tonnes – is lost before we have a chance to eat it, according to the Institution of Mechanical Engineers. In its report, *Global Food; Waste Not, Want Not*, the institute also highlighted how in the UK, as much as 30% of vegetable crops are not harvested due to their failure to meet retailers' exacting standards on physical appearance. Compounding the problem, a staggering 50% of food that is bought in Europe and the US is thrown away by consumers.

The report adds: “With the global population estimated to reach 9.5 billion by 2075, mankind needs to ensure it has the food resources available to feed all these people. With current practices wasting up to 50% of all food produced, engineers need to act now and promote sustainable ways to reduce waste from the farm to the supermarket and to the consumer.”

As a result, high profile campaigns including Hugh’s War on Waste, have been launched, shifting the public’s focus onto supply chain sustainability. Shoppers are increasingly selecting products according to their sustainable credentials and it is now the consumer which is becoming the driving force behind fundamental changes in policy. Retailers must respond to these demands if they are to offer products their customers want to buy.

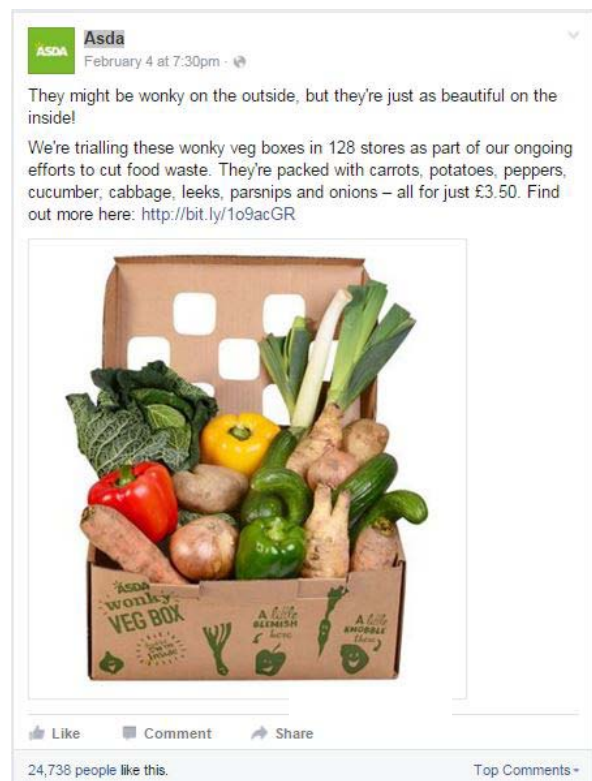
Retailers are in a position to make a difference

Asda’s vegetable box is a pioneering example. The supermarket chain has launched £3.50 vegetable boxes featuring misshapen products which would have previously been rejected. The initiative aims to cut food waste across the supply chain whilst giving farmers as fair a deal as possible.

It has been praised by shoppers and campaigners – with an initial Facebook post attracting a quarter of a million likes. As large retailers step up their efforts to demonstrate they are as sustainable as possible – initiatives such as this look set to continue.

Shoppers are keen to know they are making a

difference. Marks & Spencer has shown how providing information to consumers about successful sustainability projects creates a positive feedback loop which will generate more success. One example of this, was in-store information about the amount of money raised for Oxfam from the take-back scheme for clothing. Such communication acts both as a spur to action for a customer, and a strong brand boost for M&S.



As the gateway to consumers, retailers have enormous power to influence people’s consumption choices. There are areas where consumers will want to make their own decisions, so education on the right choices is important; in other cases, retailers could and perhaps should make the choice for them.

Customers could be influenced if retailers only sold products above a certain sustainable standard – if those standards could be defined – and deleted product lines known to be unsustainable. ‘Choice editing’ has already been used in some cases – B&Q for example stopped selling patio heaters some time ago, without any apparent impact on other sales.

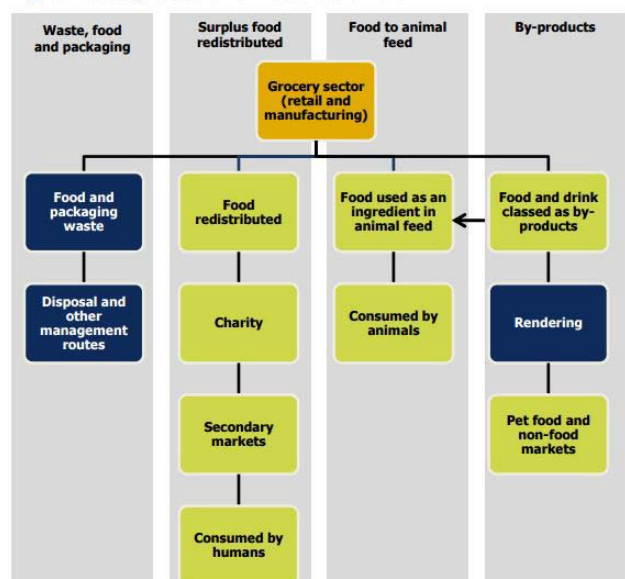
Waste in the supply chain

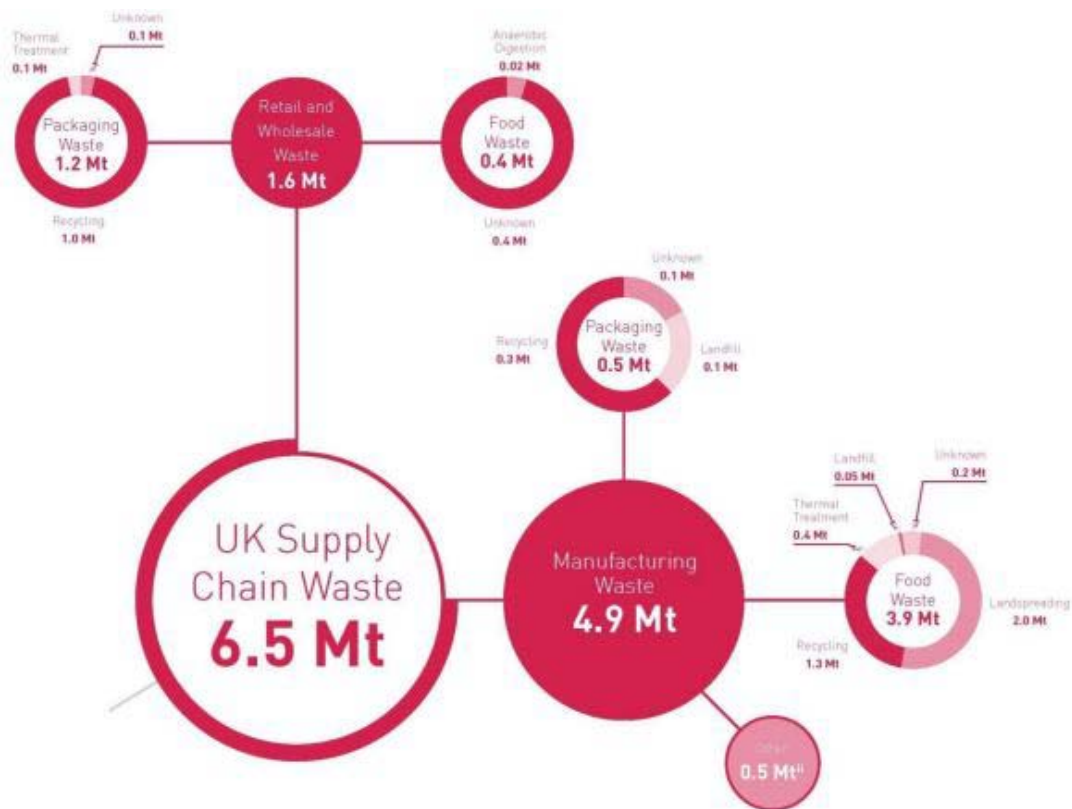
Tackling waste throughout the supply chain is essential if we are to play our part in creating a sustainable society. The Food and Agriculture Organisation of the United Nations claims the food currently wasted in Europe could feed 200 million people. As a result, halving food waste by 2030 is among its sustainable development goals.

Some 10.7 million tonnes of food, drink and packaging processed by the grocery sector was wasted in 2011 (Waste & Resources Action Programme, Estimates of food and drink waste in the supply chain). Although some surplus food is redistributed or turned into animal feed or by-products, the majority of UK supply chain waste (6.5Mt) was disposed of through waste management streams.

In the UK, the Courtauld Commitment aims to improve resource efficiency and reduce waste within the grocery sector. Since its launch in 2005, the agreement has helped to cut 2.9 million tonnes of waste - saving £4.9 billion and reducing CO² emissions by 8.1 million tonnes.

Figure 1: Grocery waste and non-waste material flows





As part of the initiative, Sainsbury's has worked alongside WRAP to investigate apple waste and loss in the supply chain. It noted waste hotspots and identified it could save over 125 tonnes of product and £100,000 a year by rolling out better packaging. An improved IT system which allows waste to be better recorded is also proposed.

Technology

Tesco has also invested in technology in a bid to boost sustainability across the supply chain. Research from the supermarket showed that although 31% of the company's food volume is wasted – about half occurs on farms and across the supply chain, while the other half is thrown away by consumers. Less than 1% of this figure relates to food that is lost during the retail end of the supply chain.

Tackling waste at the start of the supply chain is therefore a key driver in reducing Tesco's waste output. As a result, it has worked alongside potato manufacturer Branston to introduce technology that removes stones in the potato-producing process. It is also using drones to better detect pests and diseases.

Other initiatives include guaranteeing suppliers' orders to minimise loss in the field and ensuring every part of the crop goes to human consumption.

Online sustainability portals

In support of its stated ambition to reduce supply chain carbon emissions by 30% by 2020, Tesco has also set up the Tesco Knowledge Hub to encourage its suppliers to share best practice in sustainability. By partnering with sustainability network, 2 Degrees, the online platform allows Tesco's suppliers to share best practice and learnings on a range of sustainability topics.

Now 2,000 suppliers from 20 countries are using the platform to share downloadable information, case studies and expertise on sustainability. One beneficiary is Cheshire-based salad producer, APS Salad. The supplier used the hub to access knowledge and expertise that led to it implementing a range of sustainability measures, including thermal screening and a Bio Refinery. A similar initiative is the Asda Sustain and Save Exchange, which allows suppliers to benchmark themselves against each other to improve resource efficiency in energy, waste and water.

Supply chains must lead the way

It is clear members of the supply chain at all levels have a desire to be more sustainable. But these ambitions will only make a real difference if we work together to drive positive change collaboratively and harness the power of joined-up thinking.

Initiatives such as the Courtauld Commitment are testament to the changes that can be made. As the commitment looks forward to Courtauld 2025 – an ambitious 10-year voluntary agreement that brings together a broad range of organisations to cut resource use and impacts across the food chain – we must ensure that together, we take the next step into creating a sustainable future for all.

PACKAGING

From design, to manufacture and disposal – packaging is crucial to a supply chain’s sustainability. The government’s producer responsibility laws require businesses to adhere to strict packaging criteria including:

- Minimise waste arising from their products and promote their re-use
- Ensure the waste products are treated and meet recovery and recycling targets for the waste materials
- Design products by reducing material use and enhancing reusability and recyclability

These targets, together with the EU’s landfill directive which requires the UK to recycle 50% of waste by 2020, have knock-on implications for the manufacturers. As a result, those suppliers who can help brand owners accomplish both legislative and company-wide sustainability targets will inevitably have the edge over their competitors when it comes to sourcing.

The grocery sector accounts for about 70% of the packaging market and every year around 10 million tonnes of packaging is used in the UK. A balance must be struck between creating packaging which protects the product throughout the supply chain whilst reducing the amount of packaging used at the outset.



Design

Innovations in design are fundamental in driving forward sustainability objectives. Unilever, which purchases over 2.4 million tonnes of packaging every year, says: “The business case is clear. The more we reduce our packaging and the less waste that goes to landfill, the greater the cost savings in materials, energy, transport and disposal. The more we can design in a circular way, the more value we can create for our company and for others.”

One way the company has addressed this challenge is by implementing redesigned packaging – but also redesigned products too. The firm’s compressed spray technology has allowed it to reduce packaging across half of its deodorant range. The new product sizes use half the propellant gas and

on average 25% less aluminium. There are benefits across the supply chain too – more cans now fit into each load meaning 35% less road usage.

Materials

It is not just the size and shape of a product that determines its sustainability. With raw material resources depleting, it is essential that companies strive to use renewable resources in their packaging. Many companies are now investigating what changes they can make to their packaging materials to boost sustainability.



Innocent Drinks has pioneered the use of food grade recycled plastic across its bottle range. The firm first introduced 25% post-consumer recycled content (rPET) to its plastic bottles in 2003 before increasing it to 100% recycled plastic in 2007. A lack of quality recycled plastic meant Innocent had to reduce the content to 35% in 2011, but its smoothie and juice bottles are currently back to 50% rPET. The company is working with suppliers to try and develop new clearer grades of recycled plastic.



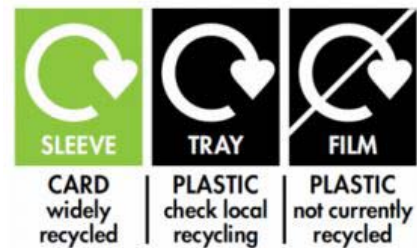
Typhoo Tea achieved zero waste to landfill at its Merseyside site in July 2010 by producing packaging that can be recycled by consumers at home and being the first major tea brand to use recycled board across its brand range. This has resulted in a saving of 348 tonnes of virgin fibre primary carton board and 460 tonnes of CO² per annum.

Mondalez International has transformed the packaging of its Kenco coffee in recent years. In 2009 it launched the Eco Refill – allowing consumers to refill glass jars at home – achieving packaging weight savings of 97%. It later went on to streamline its glass jars to be made from 7% less glass which equates to over 500 tonnes of CO²eq.

To be truly sustainable, today’s packaging must be designed taking the entire life cycle of a product into account – from inception to end of life. The UK recycling rate of ‘waste from households’ reached 44.9% in 2014, rising from 44.1% in 2013 and compares to 40.4% in 2010 (Defra, 2015). It is evident that the public’s attitude to sustainability is changing – and brands must react.



Although it is essential that products are packaged sustainably – the supply chain must also consider the way they are presented to consumers. The On-pack Recycling Label was developed jointly by WRAP and the British Retail Consortium to deliver a UK-wide consistent recycling message across packaging and encourage consumers to recycle more. Almost 500 brands have now joined the scheme since its launch in 2009.



Packaging labels have come under fire many times and most recently food labelling has found itself in the headlines. Love Food Hate Waste says £12.5bn or 7 million tonnes of food and drink is thrown away by UK households every year – the majority of which could have been eaten.

Warburtons is among the brands which have reacted to the outcry by changing the labels on all its products across the UK in line with Defra and Food Standards Agency best practice guidance on displaying date labels.



2009



2010

The new label clearly shows the 'best before' date, followed by a single number in brackets, known as a 'control code system'. So a loaf marked 'best before' 11 Oct (2) indicates a 'display until' date of 9 October. This simple, but effective code, helps shop staff when managing products on-shelf.

Giving consumers one date, instead of two, reduces the potential for confusion and makes the 'best before' date much easier to see. This, together with consistent on-pack storage guidance, helps them to get the most from the food that they buy, at its best, and can save them money through less waste.

Retailers can lead the way

Packaging of all forms has a part to play in creating a sustainable supply chains and the government's 5p bag charge has put these issues at the forefront of shoppers' minds. The scheme requires all large businesses to charge for single-use plastic bags and over the next 10 years is expected to create £780 million of benefits to the UK economy.

Many supermarkets now offer online customers the option of having their shopping delivered bag-less while Ocado has taken it one step further. The online grocer recently launched its Bag Recycle Bonus Scheme. The scheme allows customers to hand over plastic bags from any retailer to Ocado – which will pay 5p per bag. The bags are then recycled into new Ocado carrier bags.

Packaging in all forms must be considered – and where needed redesigned – if we are to deliver on our ambitions to develop sustainable supply chains in the future. Retailers, producers and manufacturers have great scope to drive change and there are many positive benefits in doing so. In addition to financial savings including production costs and waste charges, innovative packaging solutions also encourages brand loyalty and with that comes sales and growth. It is a win-win scenario – and because of that it must be given considered thought.

FROM SMALL ACORNS

In a changing retail environment, many large companies in the food industry have implemented a fast, sustainable supply chain that enables them to react to changing consumer trends and spending. So in this highly competitive and fast moving sector, how can SMEs, including producers and manufacturers, look to compete?

Often SMEs, producers and manufacturers can be large enough to need an active and constant supply chain, but do not have the necessary warehousing or distribution infrastructure in place to match the requirements of their customers.

In order to compete, SMEs could look to employ a supply chain specialist who could help with all the processes involved with meeting supply, demand and sustainability objectives. This also allows them to adopt newer and more flexible supply chain practices.

An experienced consolidator could help support SMEs to compete with multi-national companies by providing them with the ability to react to consumer demand. This could also help to make their supply chain more sustainable and cost effective, helping to boost profits.

One key way of staying in synch with changing consumer demand is to maintain stock close to store with regular deliveries to regional distribution centres. This can ensure that stock is available as and when it's needed. So if a period of warm weather encourages consumers to buy meat for a barbecue, the supply chain can react rapidly. This approach has the added benefit of helping reduce food waste by reducing the risk of produce spoiling due to an over-supply of a product. An experienced supply chain specialist can provide a constant transportation of stock as an all-inclusive service which is key to helping balance supply and demand.

Having a flexible supply chain is crucial as it can help to react to changes in trends as well as increasing stock efficiency. With retailers setting stringent requirements for suppliers such as providing a sustainable and environmentally aware supply chain, SMEs must ensure that they are doing all they can to meet these standards.

Although investments in sustainable solutions may appear daunting for SMEs – the benefits will often outweigh the risk. In addition to making significant savings in the long-run, small companies which can prove their sustainable credentials will find that negotiating from a position of strength, greatly improves their competitive offer. Initiatives such as Asda's vegetable box and Weetabix's wheat protocol will also go a long way to supporting SMEs and large organisations must continue to strive to support their smaller suppliers.

HOW FOWLER WELCH IS DRIVING SUSTAINABILITY

Adopting and encouraging more sustainable logistics operations is at the heart of what Fowler Welch does.

We are helping our customers become more sustainable by reducing emissions through lower emission vehicles and cutting food miles with more efficient and environmentally friendly business practices.

One of the key ways we have reduced emissions is through constantly updating our fleet. We have one of the most active fleet replacement programmes in the industry. Every three years we introduce the most modern, fuel efficient, low emission vehicles. As a result, our fleet has the lowest 'down times' on the market.

In addition, we have led the industry in the adoption of new Euro6 engines and currently operate more Euro6 vehicles as a percentage of our fleet than any other supply chain operator. These have yielded a 2.5% reduction in CO₂ emissions to date.

Unlike other operators, 100% of our trailers are equipped to offer dual temperature transportation. This means we reduce empty trailer journeys, maximise space and make single, not multiple, deliveries.

We have also worked hard to increase miles per gallon and reduce emissions. Innovations have included the introduction of new aerodynamic designs such as automated 'top hats' on our tractors to minimise air resistance, low rolling resistance tyres which have achieved a 3% improvement in mpg and fuel additives to maximise efficiency and reduce emissions on our fridge trailers.

But trucks are only part of the story. One of the best ways to improve environmental efficiency is to reduce food miles by reducing vehicle movements, whilst ensuring lorries are being used as efficiently as possible when they are on the road.

There are many examples of how we are working with customers to improve efficiency. In Kent we have established Integrated Service Solutions (ISS) a joint venture with Direct Produce Supplies. ISS provides a complete end to end service from producer to retailer via our state of the art pack house. This approach has reduced the number of steps in the distribution chain, which in turn has cut the amount of produce being spoiled, and by getting it to the customer more quickly increases shelf life, both of which are significant in reducing food waste and cutting food miles.

In Southampton we are working with Dairy Crest to enable them to sell their whey protein globally by operating a dual warehouse in conjunction with Southampton Stevedores. The site is used to distribute the dairy by-product in the UK via our fleet and internationally via New Zealand dairy co-operative, Fonterra, who also use the same facility for product they have bought from Dairy Crest. This innovative solution reduces the number of vehicle movements and provides all partners with an efficient and cost effective distribution solution.

For leading pork producer Tulip, we provide a range of supply chain services. For example at our Heywood depot we run a co-packing operation, which means that products that previously were sent to another site for packaging are now packed at our ambient warehouse. Again, this has significantly reduced the number of vehicle movements.

We also work with bakers Warburtons, distributing the ingredients needed daily to their bakeries. These are called off by each site on a 'just in time' basis. This ensures that storage at each bakery is minimised and that each site receives the right amount of ingredients daily. This has helped reduce food waste and cut food miles by creating a more efficient distribution system.

In addition, we provide a range of services such as consolidation, less than load and vendor managed inventory which help facilitate improved sustainability by fostering supply chain efficiency and minimising food miles.

Whatever the challenge, we are always looking for new and better ways of helping our customers achieve a more sustainable supply chain.

CONCLUSION

Sustainable supply chain management involves integrating environmentally and financially viable practices into the complete supply chain lifecycle, from product design and development, to material selection, (including raw material extraction or agricultural production), manufacturing, packaging, transportation, warehousing, distribution, consumption, return and disposal.

Environmentally sustainable supply chain management and practices can assist organisations in reducing their total carbon footprint but also in optimising their end-to-end operations to achieve greater cost savings and profitability.

Sustainability must have a strategic perspective; it will shape the future of businesses and should become the 'unconscious' way of working for everyone.

From the biggest global players to the smallest SMEs, we all need to keep an open mind and experiment. Innovation is vital. The way forward demands new skills, new ways of thinking and communicating and new ways of engaging.

We have shown that collaboration is key to unlocking creativity, finding new ways of approaching familiar problems and generating widely-accepted solutions. Initiatives such as backhauling show the progress which can be made when competing companies work co-operatively.

To maximise the potential that collaboration offers companies will benefit most from working with highly networked logistics partners who have the experience, flexibility and range of solutions to allow the greatest environmental gains to be made.

Collaboration can be truly effective when all partners share the same vision and are trusted to excel in their specialism in order to achieve a shared goal. Farmers are best at growing crops, food producers at creating great brands and retailers best at anticipating consumer wants and needs. In the same way specialist logistics operators excel at building flexible and sustainable ways of getting food from farm to fork.

Companies which have embraced collaborative working are evidence that joining forces does not hamper competition. In fact, the opposite is true and those businesses who have embraced the principles of collaboration, co-operation and consolidation are now enjoying dramatic cost reductions, together with improvements in speed, service levels and customer satisfaction.

It is essential then that supply chain partners place innovation, partnership and co-operation at the centre of their business objectives if they are to remain competitive and futureproof. In doing so, they will ensure they are at the cutting edge of sustainability.

We now need to build a vibrant and collaborative community of business leaders whose collective work can have a positive impact on the delivery of sustainability strategies within their own organisations and the supply chain as a whole.