

PRODUCT RESPONSIBILITY

bearing fruit

GSK's nutritional healthcare division has committed itself to reducing the potentially negative social and environmental impacts of its Ribena drink by looking at all aspects of its life cycle, from the growing of blackcurrants to the disposal and recycling of packaging

Diners at the Bluewater retail park in Dartford, UK, could be forgiven for executing a double take as they eat. Beside the food court sits an unusual vending machine. Instead of dispensing bottled drinks, it collects them.

The machines form part of an innovative carbon reduction strategy created by juice drink brand Ribena. 'We wanted to know whether people would use a recycling machine that might offer something back in return', explains Mark Rhodes, sustainability director at GSK's Nutritional Healthcare business, which manufactures Ribena. In fact, customers were more than happy to put their bottles in the machine without any cash incentive being offered.

GSK's willingness to challenge conventional thinking in this way has turned Ribena into one of the more environmentally friendly beverages on the market. But it easily couldn't have happened. GSK assumed Ribena's carbon footprint was relatively low. In many senses, that perception was accurate. GSK sources its blackcurrants (the base fruit for the brand) from British farmers, thereby keeping carbon-intensive transportation to a minimum.

To be sure, however, the company asked the BestFootForward consultancy to assess the brand's carbon impact. 'While we were doing well on food miles, the study showed a big issue around carbon in packaging,' Rhodes notes.

At the time, GSK was using around one billion PET (Polyethylene Terephthalate) bottles a year across its range. Although Ribena's bottles already had a 40 per cent recycled plastic content, packaging represented 60 per cent of the brand's total carbon emissions.

A plan was developed to up the recycled content of its Ribena bottles to 100 per cent, and with that goal in mind GSK set up an in-house team led by its packaging division. The project team drew on experts in research and development, quality, the supply chain, procurement, sales and communications. GSK also reached out to its packaging suppliers to help.

Meeting the 100 per cent target was not without its challenges. Initial tests showed that the fully recycled bottles had an unattractive yellow tinge. Blow moulding the bottles also proved to be problematic. Close cooperation with its rPET (recycled Polyethylene Terephthalate) and bottle supplier APPE saw both

the company

GSK Nutritional Healthcare, part of the pharmaceuticals and healthcare company GSK, makes well-known drinks brands such as Lucozade, Ribena and Horlicks. It employs around 1000 people in the UK and has an annual turnover in excess of £400million. It:

- was given a 'Big Tick' award in the UK Eco-efficiency section of Business in the Community's 2008 Impact on Society awards
- posts easily visible wall charts in all its factories so that any employee or visitor can see how sites are progressing on measures such as waste reduction, energy consumption and water use
- has developed a bottle sleeve which is 25 per cent lighter and eases removal and separation at recycling facilities
- has reduced the weight of its 500ml Lucozade Sport bottles by eight grams since 2000

problems eventually overcome. In July 2007, less than a year later, GSK was ready to trial a new 100 per cent rPET bottle in shops. The benefits to the environment were significant. The use of rPET reduces carbon dioxide emissions by an estimated 8000 tonnes a year, a 60 per cent reduction compared to using virgin PET. In addition, the move redirects nearly 3500 tonnes of plastic from landfill each year.

Challenges remain, however. Getting enough rPET is a continual problem, and GSK currently has to source its recycled plastic from France. Rhodes hopes that soon new rPET plants in the UK will enable GSK to source additional recycled plastic locally.

Such a development would make it more feasible for GSK to meet its commitment to raise the recycled content of all its drinks brands, which include Lucozade and Horlicks, to an overall average of 50 per cent.

'Until now, a lot of people have been chasing a finite resource. Hopefully, that capacity ceiling will now begin to disappear, although other brands are now beginning to follow the Ribena lead,' Rhodes states.

For all its importance, packaging doesn't constitute the beginning and end of Ribena's responsible production. Conscious of that fact, GSK has put in place a strategy to address other impacts of the brand during its life cycle. For instance, the factory that makes Ribena and Lucozade has recently achieved 'zero-to-landfill' status, which means any waste created gets recycled and none goes to landfill. As with all beverage products, water usage appears high on the list of key issues. Around 2.2 litres of water go into making one litre of ready to drink Ribena. GSK is examining ways of making potential efficiencies at the bottle washing

packaging doesn't constitute the beginning and end of GSK's responsible production



■ GSK is working with the Scottish Crop Institute and farmers to develop alternative blackcurrant varieties that will make the British crop more sustainable

stage – a major source of water use – more efficient. And the company recently announced that it is to invest £67million in its own bottling plant – a move that will reduce raw material consumption and energy use.

There are also significant gains to be made with respect to power production. Bottle-making requires considerable amounts of electricity, so to meet the need for additional power, GSK intends to install a ‘tri-generation’ heat and power plant at its Ribena factory in Gloucestershire. As well as producing electricity, the combined gas-powered system will use the energy for heating and cooling.

The company is additionally concentrating its attentions at the other end of its production chain, with suppliers. More than 90 per cent of the UK’s blackcurrant crop goes into Ribena, and as a result, blackcurrant farmers rely heavily on GSK for the sustainability of their individual businesses.

With its eye on the future, GSK is working with the Dundee-based Scottish Crop Research Institute to develop alternative variety types. Blackcurrants require cold winters to break bud evenly. With Britain experiencing a trend towards warmer winters, there’s a danger GSK will eventually have to shift production to colder climes in northern Europe. ‘At the moment, we’re testing New Zealand varieties, which survive better in warmer winters. That way, we hope to maintain the sustainable food chain that we currently enjoy,’ says Rhodes.

GSK is interested in improving the environmental performance of its 41 supplier farms as well. Working with the Wildlife Trusts, a conservation charity, each of Ribena’s blackcurrant suppliers is provided with a biodiversity action plan based on detailed site inspections. Each plan recommends steps to protect and encourage local flora and fauna.

Three years on, GSK is now beginning to communicate its progress to consumers more actively. Its commitment to 100 per cent recyclable plastic and its work with Wildlife Trusts, for example, both now

feature on Ribena’s on-pack labelling. Richard Swannell, director of organics and retail at the UK government-funded Waste & Resources Action Programme, which helps develop markets for waste material, recently described Ribena’s on-pack messaging as a ‘great step in helping consumers to understand the importance of recycling’.

Back in Bluewater, the bottle collection machines are fulfilling a similar role. Now GSK is considering options for rolling out more around the country. They are more expensive than standard recycling bins, yet at least GSK can save money on incentive schemes. ‘We found it didn’t matter if we offered a financial reward or not,’ admits Rhodes. ‘Today, recycling is part of people’s everyday behaviour.’ Ribena isn’t solely responsible for that turn-around. But its contribution is worthy of note.

■ Further information: Julia King, vice president, corporate social responsibility, GSK, at julia.f.king@gsk.com

comment GLAXOSMITHKLINE



GSK has tangibly demonstrated its commitment to addressing the externalities of its packaging as a key part of reducing the carbon footprint and landfill impact of its products and production processes. It will be interesting to see how the company attempts to address the need for more rPET plants in the UK so that its initiatives might be copied by others.

Of particular interest:

- the lead that it has taken in working with the rPET and bottle suppliers to overcome barriers to increasing the recycled content of its packaging
- the commitment to waste reduction includes a ‘zero-to-landfill factory’ for Ribena manufacturing and an in-house bottle blowing that dramatically reduces water consumption
- the concern for the long term sustainability of its current supply chain in the UK.

NICOLE DANDO, INSTITUTE OF BUSINESS ETHICS