

# A Wholesale Commitment to Sustainability





## About FWD

The Federation of Wholesale Distributors (FWD) represents distributors in the food and drink industry in the UK. Our members work with the largest brands to provide storage and delivery infrastructure to ensure that stock can reach both large and small retailers, caterers and private businesses.

FWD members make an important contribution to the UK economy, generating economic activity through the management and distribution of goods worth around £25 billion per annum. Members of the FWD are also large scale employers throughout the country, employing more than 70,000 people directly and supporting employment for many hundreds of thousands of people in associated industries, such as those in the convenience and foodservice sectors.

# Our members

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**BOOKER**

**brakes**  
fresh ideas



## Sustainability

FWD members are acutely aware of the sector's impact on the environment and consider sustainability to be one of their top priorities. As a vital link in the grocery supply chain wholesalers recognise that by improving our sustainability not only can we significantly contribute to the betterment of the environment but we can also boost efficiency, cut costs, engage employees and deliver a better service to our customers.

Despite the challenges faced in recent years from the economic downturn, the wholesale industry has continued efforts to reduce its environmental impact. Wholesale businesses have set stretching environmental targets and made significant investments in energy management systems, site infrastructure and vehicle fleets to ensure that these are achieved. We report on how our sustainability activities are helping us to achieve these

targets in our annual reports, so that we can be held to our pledges by customers, shareholders and consumers.

The progress that wholesalers have made in reducing their environmental impact has received external recognition. FWD members have achieved the ISO 14000 international environmental management standard and a number have also been awarded the rigorous Carbon Trust standard for measurable reductions in their carbon footprint.

The remainder of this pamphlet sets out our commitment to sustainability in further detail and outlines the steps our members have taken to reduce energy consumption, cut packaging and waste and minimise the environmental impact of transporting goods.

## Reducing Energy Consumption

Reducing energy consumption and decarbonising the energy supply is a priority for FWD members. Depots and warehouses have extensive lighting and heating systems, whilst safe product storage makes large scale refrigeration necessary. But with energy prices rising in recent years, action to reduce energy consumption makes not just environmental but also clear commercial sense.

## Energy Reduction Targets

Wholesale businesses have set stretching targets to reduce their energy usage by as much as 15%. The achievement of these reductions has required every part of the business to contribute, with small actions taken by individual employees often being as important as the changes to facilities made by company management. For example, Booker installed low energy light installations in its warehouses at the same time as appointing a green champion in each branch and launching a campaign to encourage staff to switch off lights in areas that are not in use.

### Case study I: Brakes' energy efficient refrigeration system

Brakes' Aylesford distribution centre is a state-of-the-art depot which has been specifically designed to reduce energy consumption. The cold storage facilities at Aylesford have been built with moving partition walls and lower ceilings so managers can ensure that only the required amount of chilled storage space is being brought down to the necessary temperature. This has helped to reduce the carbon footprint of the site as well as helping to save money in energy costs.

Brakes is making significant investment in energy efficient CO<sub>2</sub> refrigeration systems across their network of depots which will help to reduce fuel consumption by 10-15%.



## Monitoring Energy Consumption

Many wholesalers have set up online energy consumption monitoring systems, giving them a clearer idea of where the most energy is being used and the ability to assess the impact of sustainability initiatives. P&H's electricity usage monitoring system allowed them to track the effect of a trial to save

energy by reducing refrigeration levels in frozen operations during the winter months. Meanwhile, a heating management system installed at their Coventry distribution centre allowed them to reduce gas consumption

### Case study 2: Parfett's greener depots

In the last two years, Parfett's has invested just under £400,000 in initiatives to improve the sustainability of its depots.

For example, at its Stockport depot the roof was replaced to increase the availability of natural light and conserve heat by increasing insulation values by 25%.

Meanwhile, at its Somercotes depot Parfett's installed a state-of-the-art lighting system which automatically adjusts light output according to when it is needed.

It is estimated that this will save £13,500 worth of electricity.

Parfett's also plans to introduce new heater controls and thermostats across all its depots this year with the support of Carbon Trust loans. The anticipated cost savings are around 25%.



## Renewables

Whilst a certain level of energy consumption will always be necessary in the wholesale industry, FWD members have sought to maximise the proportion of their energy needs that are met from renewable sources.

97% of grid electricity used by wholesaler 3663 now comes from renewable sources. Booker has also switched its electricity supply to

an accredited green energy source. Makro uses wind turbines and solar panels to power lighting for the car park at their Hull store. This has attracted interest and admiration from customers suggesting that wholesalers' efforts can influence the wider community too.

The initiatives outlined above are already achieving results. These include:

- In the last five years Booker has succeeded in reducing total carbon emissions by over 5,000 tonnes, despite an increase in sales of 12%.
- In 2009/10 P&H exceeded its target of reducing carbon emissions by 1.5% with the company actually achieving an impressive reduction of 7.35%.
- Since 2008 Brakes has saved almost 1,000 tonnes of carbon dioxide by reducing its energy consumption. Meanwhile, since 2007 Brakes has cut gas usage by over 30%.
- Blakemore was able to reduce its carbon footprint from 12,472 tonnes in 2006/07 to 10,693 tonnes in 2009/10, representing a decrease of almost 15%.

## Cutting packaging and waste

Packaging is required to ensure that products reach customers in good condition. For food products it is particularly important in maintaining safety and hygiene standards. However, packaging of goods uses finite resources such as cardboard and plastic, increases the space needed for storage and transport, and creates large amounts of waste.

The challenge of reducing packaging and waste is one facing the entire food supply chain. FWD members are working to develop a cross-industry approach to tackling

packaging and waste reduction, as well as undertaking initiatives within their own businesses.

Packaging reductions are required across all products if the necessary reductions are to be made.

## Many companies have developed innovative packaging solutions to help reduce the resources used and carbon emissions created.

- Following a successful pilot Booker is rolling out reusable meat trays which will remove the need for 400,000 cardboard cases saving 500 tonnes of packaging. This will also eliminate food waste caused by damages within the supply chain.
- Simply by reducing the thickness of plastic film covering over 160 products Brakes has made it possible to recycle the packaging on these goods.
- Booker's own-label wine from Chile, USA and Australia is now shipped in bulk and bottled in the UK and northern France in light weight bottles. This is saving 978 tonnes of carbon dioxide per year.
- Brakes has introduced a new 'Eco Tray' which has reduced packaging by up to 25%. The new box is made from 100% recycled cardboard and produced using fully biodegradable materials.

Whilst packaging cannot be eliminated entirely, wholesalers are leading the way in helping all parts of the food supply chain to recycle waste packaging. Blakemore has invested £700,000 in creating a comprehensive recycling centre which has allowed it to increase the proportion of their waste recycled from 85% to 95%. Twelve of 3663's depots have machines which allow waste to be bailed as the first stage in the recycling process. These act as hubs for waste from other sites.

link between manufacturers and retailers to help other parts of the retail supply chain to improve their rate of recycling. Most wholesale depots and cash and carries offer on site collection of recyclable items including card, paper, plastics, batteries, printer cartridges and fluorescent light bulbs. A number of wholesalers including Booker, Nisa and Makro, are also utilising the free space in their delivery vehicles on return journeys to collect recyclables direct from customers.

Wholesalers are also using their position as a vital

### Case study 3: Booker's used cooking oil recycling scheme

Booker has collected more than 4m litres of used cooking oil from its catering customers. This oil is recycled into sustainable bio fuel.

Booker customers receive £2 worth of credit for every 20 litres collected. In total more than £400,000 of credit has been returned to customers as part of this scheme.



## Minimising the environmental impact of transporting goods

Transporting goods is one of the largest contributors to carbon dioxide emissions in the retail supply chain. UK food miles alone account for around 20 million tonnes of carbon dioxide a year. Wholesalers play an important role in helping to minimise transport miles by collecting products from various manufacturers and distributing them in fewer trips to retailers both large and small across the country. However, we are also aware of the need to take further action to ensure that our deliveries are as carbon efficient as possible.

FWD members are working to minimise the environmental impact of transporting goods in a number of ways.

## Reducing transport miles

FWD members take a strategic approach to planning deliveries, using route planning systems to minimise the amount of miles travelled. By ensuring that all of their delivery vehicles are always at full capacity Brakes has avoided travelling over 900,000 miles, saving 430,000 litres of diesel and 1,131 tonnes of carbon dioxide.

Many wholesalers work with their suppliers to make use of usually empty return journeys to carry goods or recyclable waste back to their depots. Working collaboratively with suppliers, Booker has removed one million km per annum from the roads, saving 1,200 tonnes of carbon dioxide; the equivalent of taking eight HGV's off UK roads.

The introduction of multi-temperature delivery vehicles by many wholesalers has also made a significant contribution to reducing food miles, by allowing frozen and ambient goods to be delivered by one vehicle.

## Encouraging driving behaviours which minimise fuel consumption

Changing driving behaviours can significantly reduce fuel consumption. Wholesalers provide all delivery fleet staff with training on 'green driving' practices, such as the Driver Certificate in Professional Competence which includes a 'Safe and Fuel Efficient Driver' module. A number of companies also employ web-based telematic systems, or in-cab technology, allowing drivers and managers to view their real-time fuel efficiency performance.

Automotive innovations have helped modern delivery vehicles to become far more fuel efficient. Many wholesalers are making significant investments to update their fleets. For example, Blakemore has improved the fuel efficiency of its vehicle fleet from 2.98 kilometres per litre in 2006/07 to 3.27 kilometres per litre in 2009/10.

A number of wholesalers have also introduced delivery vehicles running on biofuel: some of this produced from used cooking-oil collected by wholesalers themselves. Each of these vehicles can save around 102 tonnes of carbon dioxide a year.

## Using more fuel efficient vehicles

Whilst most wholesale goods must eventually travel by road to reach retailers, a number of wholesalers are utilising alternative forms of transport to move bulk goods around the country. Booker has its products delivered daily to Scotland by rail from its distribution centre in Wellingborough, Northamptonshire. This reduces the distance driven by delivery vehicle by 151,320 km and saves 140 tonnes of carbon dioxide each year.

## Employee travel

Employee travel can also make a significant contribution to a company's carbon emissions and wholesalers are helping their staff to minimise this wherever possible.

The company cars supplied to P&H staff are accompanied by an online reporting system which advises individual car users of their contribution to climate change on a monthly basis.

Booker encourages colleagues to car share and use the train where possible. The company car options are now restricted to cars with a carbon dioxide value lower than 140gm per km.

Current fleet average emissions are 150g per km, lower than many other fleets and with 200 cars changing this year the average will fall further.

### Case study 4: 3663's transport improvements

3663 have made a number of innovations to their transport operations to improve fuel economy and reduce carbon emissions.

3663's vehicles now have the capacity to be fitted with a partition system that allows goods at three different temperatures to be delivered in one vehicle. This means that only one journey to the customer is needed rather than three. It is estimated that this change has saved 128,000 litres of diesel a week, equating to a saving of 175,000 tonnes of carbon dioxide.

In addition 3663 has introduced a telematics system to improve the planning and logistics of their deliveries. As a first step the company's fleet of vehicles was tracked to monitor their routes, miles travelled and fuel consumption. A Driving for Excellence scheme was then introduced, producing league tables of drivers. A new routing and scheduling package helped to drive further improvements in fleet productivity and allowed 3663 to provide customers with better advanced information about delivery times.



If you would like further information about the FWD or any of the sustainability initiatives outlined in this pamphlet, please contact James Bielby, Chief Executive at [james@fwd-uk.com](mailto:james@fwd-uk.com) or 01323 724 952.

For more information about the FWD you can also visit our website at [www.fwd.co.uk](http://www.fwd.co.uk)

