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Re-shaping your business

A sustainability report for the
food and beverage sector

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Extinction Rebellion, the Net Zero report – no business can ignore the issue of sustainability. As a consumer movement with the potential to re-shape the business world, it seems to gather pace daily, with calls for new legislation. Few sectors are closer to the consumer than food and beverage companies and that's why we are looking at the business and legal impact of sustainability on these firms.

Our report next month will cover how food and beverage companies are approaching sustainability, and take a look at the implications for legal teams. We will ask what more in-house teams can do to support their businesses as they face one of the defining challenges of our time.



Regulations or culture?

Our research is still in progress but a key theme that is emerging is the question of regulation and corporate culture. As lawyers, we rely on regulations and the legal framework to shape our approach to business issues such as sustainability. But several respondents have warned of the dangers of an approach that is driven mainly by compliance with regulations. They point out that corporate culture is a more important factor in ensuring a successful sustainability strategy. This is a topic we will return to in greater depth in the final report.

There's also the question of size: is it easier for well-resourced global brands and small start-ups to follow through on sustainability than for mid-sized firms? Most firms see this as an opportunity, but for some, it's a clear threat – another theme we will address in the report.

In many ways the sector is well ahead of others, with initiatives on traceability and the circular economy going back many years. Most companies now have some form of sustainability policy or strategy. But while there are some obvious business benefits in efficiency, brand loyalty and "premiumisation", it's not all plain sailing.

Some sustainability initiatives come at a cost, creating a conflict with other business priorities. Others involve change that threatens jobs or established ways of working. Some people argue that sustainability is not compatible with growth, the priority for many investors. In such circumstances business leaders can find their best intentions facing considerable challenges.



The role of in-house lawyers

Should in-house legal teams be reactive or proactive? Most in-house lawyers we have spoken to so far take a reactive role. With small teams and multiple calls on their time, this is understandable, but some like to get more involved, working closely with their colleagues in the CSR teams.

The industry is already highly regulated and it seems likely more legislation will follow: this, of course, will be a primary focus for in-house lawyers. But given this is a business issue, not just a legal one, our research suggests there's an opportunity for them to do more to help their companies keep up with consumer demands and expectations.

Publication in June 2019 – reserve your copy now

We would welcome your thoughts – to contribute to the research, please get in touch with us by May 24. Our report comes out in late June: contact us now to reserve your copy.

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