



Words Matthew Sutcliffe

Martin Beaumont

Chief executive of the Co-operative Group, whose leadership on green issues recently won him a Northwest Business Environment Award.

These days everyone from politicians to pop stars claims to be at the forefront of the fight against climate change. It is, they say, a question of leadership.

So it's instructive that the first thing you notice when visiting the Manchester head office of Martin Beaumont, chief executive of the Co-operative Group, is where it is. Or, more pertinently, where it isn't.

Where it isn't, is at the top of the CIS tower, commanding majestic views over the rolling Pennines, the Cheshire plain and the bustling Manchester skyline, as might befit the captain of the Northwest's biggest company.

“98 percent of the group's electricity comes from renewable sources.”

Instead, Beaumont's seat of power is next door in a rather humbler block, in the shadow of the CIS tower. Perhaps though, this suits him better, for it allows views not from the tower, but of it. And what a view, for the tower is now clad in the UK's largest array of solar panels. It is his company's ability to ally business with the environment that Beaumont has agreed to talk about.

“Companies today with any medium to long term perspective can see that their business will be damaged unless, a) we successfully start tackling the impact of climate change, and b) they are seen by consumers as a brand that can be trusted with the environment.”

Fine words, but any forward thinking chief executive worth his salt these days needs to be able to speak the language of climate change. Think of Jeff Immelt at General Electric, Wal-Mart's Lee Scott or Stuart Rose at M&S. Question is, what is the Co-op doing to prove its environmental credentials?

The answer is quite a lot.

“We've undertaken a whole series of initiatives – almost all the electricity we use is now green,” says Beaumont. In fact, 98 per cent of the group's electricity comes from good quality renewable sources – including, of course, those solar panels on the CIS tower, which generate enough electricity to make nine million cups of tea a year.

“We are looking to generate about 15 per cent of our own energy. We built our first wind farm on our land in Cambridgeshire, with eight turbines. We want to increase that to 14, and we have three other wind farms in the planning stages,” adds Beaumont.

The group has also increased its energy reduction target to an impressive 25 per cent by 2012.

“We are spending £7 million in our stores to reduce the amount of electricity they use, but the payback is massive. You are talking about a 12 month payback time, so there's a very, very strong business case.”

The company also runs the country's largest recycling centre for office waste paper, collecting 5,000 tonnes every year (by electrical powered lorry) and turning it into Co-op loo rolls and kitchen tissue.

Beaumont is as brand conscious and media savvy as any chief executive you could wish to meet. But that's not what drives the company's commitment to the environment. It is, he says, at the heart of the company and what it stands for.

“Our brand is essentially the fact that we are consumer owned. We were originally established by customers to supply reliable, safe food, and 160 years later we are still at the forefront.

“I think we are at a real turning point.”

“We are there to provide the services and products that our customers want but to do it in a way that addresses their concerns about how business operates, and climate change is now almost certainly their number one concern.

“Failing to respond to that challenge would be hugely damaging to our brand and to our ownership structure and everything else because that is what we are there to do.”

No surprise then that the Co-op's environmental leadership was recently recognised with the Queen's Award for Enterprise. But how does Beaumont see his own leadership role within the company?

“Leadership on a matter as important as this has to come from the top. And I believe that we will only meet our goal if our staff are completely aligned to it and committed to it and support it and extol it to our customers.”

It's to demonstrate to staff the commitment of senior management that Beaumont is happy to be photographed opening wind farms or unfurling the flag of the Queen's Award for Enterprise.

Looking to the future, Beaumont says: “Our major competitors are clamouring to get on board with many of the things that we at the Co-op have been doing for years. I think we are at a real turning point.”

TURNING POINTS

1971 Graduates from Cambridge University with a degree in Economics and Land Economy. Starts work as a trainee accountant with KPMG.

1990 Joins United Co-operatives as chief financial officer.

1992 Becomes chief executive of United Co-operatives.

2002 Becomes chief executive of the Co-operative Group.

2007 Announces his retirement to spend more time following his beloved Everton FC and looking after his flock of Soay sheep.