

Activists take on global brands



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Well financed, well organised and benefiting from shared best practices, activists are taking on the world's biggest brands, from Big Mac to Shell, from Nike to Ford. Brand-owners can no longer preach to the masses from a distance and expect to keep their faults hidden. One ad from the Rainforest Action Network (RAN) is worth 100 from Ford, which it targeted recently. The balance of power is changing.

On 2 December 2004, RAN took out a full-page ad in the New York Times, addressed to Bill Ford Junior. The headline: 'Gas Guzzling is un-American'. Surrounding photographs in the ad show oil fields, a hurricane lashing a coast, a child with asthma, a dead bird, a coffin of an American soldier... And in between them, a spanking new Ford 4x4.

The open letter, signed by Michael Brune, executive director of RAN, talks about the hopes raised by environmentalists when Bill Ford Jnr took charge... "but four years later the facts tell a very different story. Ford has ranked dead last among all major automakers in overall fuel efficiency every year since you became CEO..." the letter reads. The charges against Ford mount: "Less than five years after proclaiming that your company was 'the world's leading producer and seller of electric vehicles' you have also eliminated Ford's zero emission electric and natural gas vehicle programs."

It is a public challenge for Bill Ford to do better, the letter states. "It is time for Ford to recapture its spirit of innovation and lead America to a future free from oil. We've cured polio, put a man on the moon and decoded the human genome. America needs you to hire engineers and build clean cars, not lobbyists to weaken environmental standards..."

The letter ends: "Mr Ford, if this is your best, then your best won't do. America deserves better."

It's one heck of a Christmas Present!

Activism 101

The personal assault on Bill Ford is part of a carefully calculated strategy. In the Rainforest Activist Toolbox a critical piece of advice is:

- Primary targets (a target is always a person. It is never an institution or elected body.)
- Who has the power to give you what you want?
- What power do you have over them?

Secondary targets:

- Who has the power over the people with the power to give you what you want?
- What power do you have over them?

Other advice in the toolbox ranges from how to set objectives, to how to start a ruckus. RAN has already notched up victories against Citibank and Bank of America. Now its activism 101 tutorial shows how small groups anywhere in the world can take on the mighty and prevail.

Rainforest Action Network has become a powerful brand in its own right - and with power comes controversy.

Fairtrade calls foul

Fairtrade endorses products that ensure the producers, mostly small co-operatives, receive prices that ensure sustainability. For instance, in 2003 the market price for washed Arabica coffee beans averaged at 65 US cents per pound. The agreed international Fairtrade price for Arabica was \$1,26 per pound, plus a premium of 15 US cents for organic.

Fairtrade started over 20 years ago in Europe, as a fringe movement. In the last few years it has moved into the mainstream. Sales of Fairtrade brands in Britain increased by 46 percent from 2002 to 2003, reaching an estimated £92 million at retail value. In the last 12 months, the Co-op has converted all its own brand coffee to carry the Fairtrade mark - Café Direct, whose entire range is Fairtrade certified - has grown to be the 6th largest coffee brand in the UK. And now Marks & Spencer has switched all the coffee used in its 198 Café Revive outlets to Fairtrade certified. Café Revive is the third largest coffee shop in the UK, serving over 20 million cups of coffee a year and the Fairtrade endorsement is a meaningful challenge to Starbucks.

Meanwhile, Kraft and Nestle, seeing the trend, plan to launch their own ethically aware brands in the new year. Kraft is proposing to pay a 20% premium to farmers on the price of beans in the open market. This is significantly less than Fairtrade prices - undeterred, Kraft is turning to Rainforest Action Network for its ethical certification.

Kraft says their consumers will not pay the premium that Fairtrade demands, and the RAN endorsement ensures environmental sustainability. Fairtrade asks: how can you separate environmental sustainability from economic sustainability. If people are not making enough to send their children to school they are not going to be pre-occupied with long-term issues around damage to the environment.

Fairtrade worries that a profusion of endorsement brands will harm the movement. RAN is silent on the matter. As brandowners pay a royalty on turnover for the endorsement, being ethical is a multi-million dollar business - financing more campaigns like the one running against Ford.

Altering the balance of power

In South Africa the first rumblings are being heard - activists demonstrate outside fashion retailers, protesting the surge of clothing imports (mainly from China, often from sweatshops) that contributed to the loss of 20 000 jobs in the manufacturing industry last year, and 12 000 more jobs from January to September this year.

Farsighted brands are taking the ethical high ground as a competitive advantage. Thandi wines from Elgin, carrying the Fairtrade endorsement, are sold in Tesco's. Woolworths offer premium honey that is badger-friendly, BP advertises petrol that is heavy metal free.

And Ford introduced a hybrid 4x4 that combines an electric and petrol engine, resulting in 97% less hydrocarbon emissions. A bouquet for Bill? Not from RAN. If the company can do it for one vehicle that accounts for less than 0,5% of Ford sales, asks the open letter, why not do it for the whole fleet?

Something to chew on with the Christmas turkey, Mr Ford.

- Mke Freedman is a partner in Freedthinkers focusing on brand R&D.

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