



Sustainable Business Awards for the South East 2003

Case Study - Shepherd Neame Ltd

Company Background

Shepherd Neame Ltd., established in 1698, is Britain's oldest brewer. It invests in manufacturing, maintaining its existing Kentish brands, new product development and holds a quality reputation for brewing foreign beers under licence. The brewery's range of ales and lagers can be found nationally and abroad. The company also owns and maintains to a high standard a considerable estate of tenanted and managed public houses throughout the South East of England. It is the biggest owner, and therefore guardian, of listed buildings in Kent. Shepherd Neame remains an independent family-run business, committed to its core activities of brewing and pub retailing.

The company aims to retain its unique brewing heritage whilst ensuring it remains a diversified and innovative market leader. In today's competitive business environment this will be achieved through targeted investment, excellent management and continual customer satisfaction.

Sustainability Initiatives

Shepherd Neame is the only brewery in the country to have achieved the ISO14001 standard for Environmental Management Systems. The company has substantially undershot the Government's Energy Efficient Quotient (EEQ) and believes that further savings can be made, through additional investment. Additionally the company has taken steps to reduce water consumption, the production of CO₂ emissions and effluent discharges.

Key Achievements

- Further improvements in utility and water usage and effluent discharge for the benefit of the environment.
- Splitting the site with the acquisition of new distribution and warehouse facility. This has improved the townscape and reduced the HGV traffic into Faversham by 150 movements per week.
- Ongoing investment in social responsibility.

Resource Efficiency

Shepherd Neame undertook a detailed waste audit in October 2003 to discover if it can reduce consumption and recycle/reuse any more of its waste.

Energy Efficiency

Shepherd Neame has substantially improved upon the Government's Energy Efficient Quotient (EEQ). However, committed to continual improvement, the company has recently made further practical improvements to its systems such as:

- Fitting Economisers to its boilers.
- Fitting a modern compressor, which enables greater cooling for 5% less energy.



Renovation of thatch at Chestfield Barn, Whitstable, Kent

Water

Shepherd Neame is continually investigating how to reduce its water consumption further. It has already substantially reduced the water used in brewing to 5.02:1 and has set a target to achieve 3.5:1 by 2005-2006.

The company plans to modify its cleaning units at a cost of £235,000. This system will recycle the final rinse, reducing water consumption by 10%. It is also investigating equipment which will separate water from product waste and reuse it for washing and cooling.

Social Responsibility

Shepherd Neame is one of the largest contributors to local sports sponsorship and other charitable activities within Kent. The company is a primary sponsor of Kent County Cricket Club, Kent Rugby Football Union and sponsors many other local activities, particularly those at grass roots and village level.

Other charitable and community initiatives include:

- The award winning Kent Messenger and Shepherd Neame charity walk for hospices which has raised £45,000 in 2003.
- A charity cricket game was staged to raise £25,000 for the Spitfire memorial at Capel-le-Ferne. Two thousand spectators came to watch Old England play against Shepherd Neame.
- Involvement in the Hop Festival every year. Money raised is donated to local charities.
- Organising a Games Evening for all suppliers. Money raised in this event is presented to a local multiple sclerosis sufferer.
- Raising £7,500 for the Victoria Cross Memorial through Spitfire Beer.
- Opening the first 21st Century thatched pub, near Gravesend. Shepherd Neame has lovingly transformed the 18th Century oak shell and reclaimed 17th Century flooring and an inglenook fireplace.



Using 'Greta' barge to make first wind-powered beer delivery from Faversham, Kent to the Anchor at Rowhedge, Essex

- Traditional Delivery - for the first time in 100 years the company delivered its beer from Faversham to Colchester in the traditional way. This involved a horse and cart transporting the beer to a 110 year-old London barge which was restored in the 1980s. Shepherd Neame has a rewarding relationship with the skipper, and sponsor the sails.
- Post Offices - Shepherd Neame is about to launch an innovative Post Office network in its bars to bring back post offices to rural communities. These will be serviced by a roaming postmaster.
- Installing Broadband at four pilot sites where it was previously considered not to be viable.
- Developing more sophisticated 'proof of age' cards for children in the Kent region to discourage under age drinking.

Supply Chain Management

Shepherd Neame, as far as it is able, buys all key brewing materials locally and is building relationships with farmers in the area to improve upon this. By-products are fed locally for milk production and fattening. The Brewery was the first to receive FEMAS accreditation for quality supply of its by-products.

Transport

Nationally the distribution of beer is changing rapidly with a growing requirement to supply into larger but fewer regional distribution centres.

The company's distribution is being reviewed to enable vehicles, where possible, to deliver full loads to either Faversham Brewery, supermarkets, or to regional distribution centres. This is reducing the number of vehicle movements onto the Shepherd Neame site.

Acquisition of a new out of town warehousing and distribution site will result in a reduction in the number of heavy vehicle movements through the town centre by about 30 per day. The new site has good road access to the motorway. It will also enable a large number of the company's employees to either walk or cycle to work as part of the company's green travel plan.



From left to right, Ian Dixon, Denne Hill Farm owner Roddy Loder-Symonds, Jonathan Neame and James Loder-Symonds toasting this year's barley harvest with Bishops Finger Kentish Ale

The commitment to this change of site will be of benefit to town, employees and company.

Awards

- Finalist in SEEDA Sustainable Business Awards 2002



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