

BTS NRC – 2007

### McDonald's Offers Ethics with Those Fries - transcript

Hoping to boost its green credentials and stave off competition from upscale fast-food chains such as Starbucks, McDonald's has disclosed that as of Jan. 9, all of its 1,200 outlets in Britain will sell only coffee from growers certified by the Rainforest Alliance, the global nonprofit based in New York.

In a deal worth nearly \$100 million for some of the world's poorest farmers, McDonald's will roll out the ethically sourced coffee across its more than 6,200 European restaurants later this year. Now, "we can offer our customers great-tasting coffee that doesn't cost the earth and benefits coffee growers, their communities, and the environment," said Steve Easterbrook, president and chief executive officer of McDonald's U.K..

It's just the latest initiative by McDonald's to overhaul its image and position itself as a leader in the sustainability movement. Worldwide, the company tries where possible to purchase locally produced ingredients. It now obtains beef only from farmers who meet special standards on animal welfare and environmental practices. It recently implemented a global ban on growth-promoting antibiotics in the poultry it buys.

#### **A Bold Effort in Europe**

Indeed, it's in Europe, where a number of public-health scares—ranging from salmonella to mad cow disease—have made consumers increasingly wary, that McDonald's is taking the boldest steps. A dozen years ago, the company put in place a traceability system to track all beef purchased in Europe. McDonald's Europe prohibits the use of antibiotics in its poultry for any purpose other than disease treatment or prevention. And the ban on growth-promoting antibiotics began first in Europe in 2000.

Such moves, McDonald's hopes, will increase customer trust. "Consumers more than ever want to do business with those companies that share their values," says Bob Langert, McDonald's vice-president for corporate social responsibility. "And because of our track record on environmental issues, we see lots of opportunity to close the gap between misconceptions and reality."

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