



BSR Conference 2008 | Sustainability: Leadership Required John Anderson, Levi Strauss & Co.

Plenary Session Summary

Wednesday, November 5, 2008 | 12:30–1:30 p.m.

Speakers

- **John Anderson**, President and CEO, Levi Strauss & Co.
- **Aron Cramer**, President and CEO, Business for Social Responsibility (moderator)

Highlights

- Collaboration among companies, governments, NGOs, and employees is the key to driving the sustainability agenda forward in companies and in society.
- Although approaches may need to change to reflect transformations in the company, corporate social responsibility (CSR) will continue to be central to business even in tough economic times.
- A history of corporate citizenship can create loyalty and goodwill in customers that will buoy companies during business downturns.

Memorable Quotes

- “When the economy gets tough, if all other things are equal, consumers will continue to go to companies they trust.”
- “There’s no more powerful way [to create a socially responsible corporate culture] than to get principles and profits working together.”

Overview

Cramer began the session by describing Levi Strauss & Co.’s (LS&CO) long-standing commitment to CSR and asked Anderson why LS&CO maintains this commitment today. Anderson responded that the company’s commitment to social responsibility remains as strong today as it has always been. However, as the company has transformed from a manufacturing- to a marketing-focused business, LS&CO’s approach to CSR also has evolved. For example, when the company shifted its manufacturing to suppliers, it also shifted its attention to sourcing guidelines. In the future, Anderson expects that LS&CO won’t act as a stand-alone lever for change; instead, the company will seek to collaborate with others to drive sustainability forward. The company’s commitment will remain constant because the values of citizenship have been fully integrated into its culture.





Business for Social Responsibility

Cramer followed up by asking whether Anderson anticipates any changes in CSR at LS&CO as a consequence of current economic conditions. Anderson explained that as commodity prices increase, companies are being forced to consider which costs are really necessary. His company has linked its environmental sustainability and productivity responsibilities, which has led to real cost benefits. In previous downturns, the company built up significant capital with its customers through its citizenship efforts, and Anderson believes that in the end, companies that stay the course with their CSR initiatives will be stronger.

Cramer then raised the topic of public policy, and Anderson described the importance of engagement in policy issues for global companies like LS&CO. While working with governments can decrease market entry speed, it can also be a mechanism for ensuring regulation enforcement and conserving company resources.

Anderson elaborated on several of the social responsibility partnerships that his company is undertaking. On the issue of environmental impact reduction, LS&CO has joined with Procter & Gamble to decrease water use. The company is also partnering with stakeholders and other apparel companies to explore more sustainable organic cotton and has created avenues for employees to collaborate on innovative sustainability solutions.

Cramer then opened up the conversation for questions from the audience. The first participant asked whether Anderson would rather that LS&CO be accused of “greenwashing” or “greenhushing.” Anderson replied that he would always rather be slightly uncomfortable and err on the side of transparency. He cited LS&CO’s public disclosure of its contractors as an example of an uncomfortable risk that was nonetheless the right thing to do.

Anderson was then asked about the marketing of LS&CO’s organic cotton products. In response, he said that the company may not have done enough over the years to educate consumers about the benefits of organic cotton, and that there may be more work for the entire apparel industry to do in this area.

* * *

This summary is also available on www.bsr.org/bsrconferences/2008/session-summaries.cfm.

