Teaching Case

Journal of Applied Case Research
Sponsored by the Southwest Case Research Association

“BUSINESS AS UNUSUAL”: A CASE STUDY ON THE BODY SHOP

Subhadip Roy
ICFAI University, India

Lopamudra Ghosh
ICFAI University, India

© Journal of Applied Case Research
Accepted: September 2008
“BUSINESS AS UNUSUAL”¹: A CASE STUDY ON THE BODY SHOP

“The business has existed for one reason only – to allow us to use our success to act as a force of change, to continue the education and consciousness-raising of our staff, to assist development in the Third World and above all, to help protect the environment. What we are trying to do is to create a new business paradigm, simply showing that business can have a human face and a social conscience”.

- Anita Roddick (1991)²

ANITA RODDICK STEPPED DOWN AS THE BODY SHOP CHAIRPERSON

February 2002, the founder of one of the biggest cosmetics companies in the world, Anita Roddick (Anita) stepped down as the chairperson of the Body Shop along with husband Gordon Roddick (Gordon), who was a co-chair along with her. A number of controversies in the mid and end 1990’s had badly affected the company’s image as doing “business with a human face” as opined by Anita in the quote given above. Periods of losses, coupled with poorly motivated shareholders, de-motivated franchisees, unsuccessful restructuring attempts and public propaganda against the company was proving to be too strong for the company to cope up. Thus, the decision of Anita and Gordon came up after several unsuccessful attempts to find a buyer for the firm. However, they still maintained control over more than 50% of the company’s voting rights along with Ian McGlinn, a friend of the Roddick’s and an early investor in the company. Around the same time, the then CEO Patrick Gournay, (who actually ascended the throne in 1998 when Anita stepped down as the CEO) resigned and was replaced by Peter Saunders, who was a former director of the North American operations of the company. Adrian Bellamy, the former CEO of the North American operations of the company, took over as executive chairman and assured that he would try to improve the relationships of the company with its 1200 franchisees around the world. The Roddicks, however, were retained as non executive directors on the company's board. Anita Roddick continued to support the company as a consultant primarily responsible for finding new ingredients to be used in Body Shop products. Anita was quoted as saying, “Being a non-exec is going to be much more fun for me because you can be much more a tyrant.”³

The Body Shop was the vision of a lady Anita Roddick which evolved from a small outlet at Brighton in South England to a company having a global presence in more than 50 countries and more than 2000 outlets (mostly franchises). The founder, Anita Roddick had championed social causes and had fought multinational mammoths like Shell and Exxon-Mobil (Refer to Appendix IX). The main reasons behind the success of the company were protesting against the testing on animals, campaigns against human rights abuse, environmental protection and socially uplifting activities. In end 1990’s The Body Shop was voted the second most trusted brand in U.K. by a survey conducted by Interbrand. The founder Anita, as she was popularly known, had received numerous awards including the Dame Commander of the British Empire (DBE) (Refer to Appendix IX) in 2003. (Refer to Appendix VI for a list of awards won by Anita Roddick) The
company which became popular among the consumers for its social activities was no longer focused on the “ethical business” aspect for generating revenues, a fact emphasized in the mission statement of the company. (Refer to Appendix I). Several new policies were implemented such as use of advertisements as a marketing tool which was not practiced at all during the reign of Anita. Though these were not fully acceptable to the founder and mentor Anita, the then management had no choice. But before going into the issues and challenges before the company, one needs to look into the past to find out how the company came into being and became popular among the consumers.

BACKGROUND

Back in the year 1976, Anita Roddick founded The Body Shop out of loneliness in one hand and to earn a living on the other. The first Body Shop outlet was established in a small store in Brighton, South England in March 27th. The essence of the products was that it was made of natural ingredients. The customers found the products very unique and as the sole employee of the shop, Anita was very apt in handling her clients. In 1977 when Anita’s husband Gordon Roddick came back, he came up with an idea of franchising as a way to expand the company. Thus, the first Body Shop franchisee opened up in Brussels in 1978. This was followed by opening up franchises in Canada (1980) and Australia (1983). The Body Shop took off and in the year 1984 it was decided to make the Body Shop a Public Ltd. Company. The first community trade programs of the Body Shop were started around 1986 in India. By the early 1990’s Body Shop was a well spread company all over the world. In 1994, Body Shop came up with its direct selling division known as the Body Shop at Home. In the year 1995, the website of Body Shop was launched on the internet in order to keep pace with the IT revolution. The US operations of Body Shop were sold to Bellamy Retail Group in 1999 which was repurchased back in 2001. In 2002, Anita Roddick stepped down as the Co-chairperson of the Body Shop International PLC but she remained back as non-executive director. In the year 2004, the Body Shop International through its two wholly owned subsidiaries, the Body Shop Canada Ltd. and the Bath-Na-Bodhaige of U.S., acquired operations of its head franchisee in Canada. The Body Shop with its innovative products containing hitherto unknown ingredients such as Aloe Vera, Jojoba Oil, and Cocoa Butter (Refer to Appendix IX) remained very popular among consumers all over the world till date.

THE BUSINESS PHILOSOPHY OF THE BODY SHOP

The business philosophy of the Body Shop was evident from its mission statement. The mission statement itself signified that the company wanted to do something other than just selling cosmetic items. The values of the company were also evident from the trading charter of the Body Shop. (Refer to Appendix IV).

Policies, Programs & Campaigns: The environmental campaigns of the Body Shop started as early as 1985 when the Body Shop entered into an alliance with Greenpeace to promote “Save the Whales” campaign. Throughout the entire journey of the Body Shop as a corporation, Anita had participated into campaigns such as protecting habitats of the Ogoni people in Nigeria to fighting for human rights and against the World Trade
Organization (WTO). She flew down to Seattle on November 1999, a few days before the third ministerial conference of the WTO was being held. There, she campaigned against a global trade system she condemned as "unjust and unsustainable". In her words, the WTO was more obsessed with profits and in effect was neglecting issues of human welfare. In her speech, Anita said that the WTO was "blind to the injustice of the pursuit of profits at the expense of people. By default the WTO is a world government, but it is a blind government. It looks at the measurement of money, but it can't see anything else." The ecological and social viewpoint came out from the core values of the company. (Refer to Appendix II). The chief activities of the Body Shop which identified it as a company standing out as an example of ethical business are given as follows.

**Trade not Aid Program**: The “Trade not Aid” program was started by the Body Shop in 1987 to help the people of the Third World countries through self sustenance programs. The most popular among those programs was the production of the Brazil nut oil by the Kayapo Indians (Refer to Appendix IX) of the Amazon basin in Brazil. This particular program was started sometime in 1991. The body Shop began working with the Kayapo Indians to harvest the Brazil nut oil which was used in one of the best selling products of the Body Shop, the Brazil nut hair conditioning. Similar projects were taken up in various other parts of the world such as New Mexico where the Pueblo Indians were associated with providing the Body Shop with Blue Corn.

**The Body Shop Foundation**: The Body Shop Foundation was established in 1990 by the Directors, employees, national and international franchisees to collect funds from the employees as well as customers leading to creation of a fund that would support small organizations at the grass root level in the areas of human rights and ecological protection. Till 2005, the Body Shop had donated over £ 5 million in grants and gift-in-kind support thereby assisting the work of various organizations. The most important of the projects was the “Brazilian Healthcare Project” aimed at providing healthcare and education to local tribes in Brazil. The other notable projects were, “Children on the Edge” which aimed at alleviation of the suffering of orphan children in Romania, Kosovo and East Timor, “Protect the Child” aimed to bring an end to worldwide children abuse.

**Political Involvement**: Throughout the history of The Body Shop, the company had involved itself into activities which had ultimately led the company into clashes with political factions. For example, around early 1990’s the Body Shop started a protest against the oil multinational Shell which had destroyed the natural habitats of the Ogoni tribesmen in Nigeria. Though initially eight Ogoni tribesmen including their spokesperson were executed by the Nigerian Government, 19 others were released by the government as a result of the campaign. In 1997 after four years of the campaign, Shell issued an operating charter which declared the commitment of the company towards human rights and sustainable development. In September 2001, the Body Shop and Greenpeace joined hands with other organizations to protest against Exxon Mobil with charges of global warming. In the same year, Anita Roddick tried to raise her voice against the myths of globalization and WTO.
CRITICISM AND CHALLENGES

In spite of the socially responsible activities by the Body Shop, the company was accused with a number of charges in the period between 1994 and 2000. The particular issues in which the Body Shop was challenged included its claims of natural ingredients, environmental protection; trade not aid program, animal testing, and charity issues.

Natural Products: While the Body Shop claimed its products to contain natural ingredients only, it was found out that many of its products contained chemicals where the source was not mentioned. This implied that those ingredients were made in the laboratories. Beside this there were reports of contaminated products supplies to the consumers. In the year 1993, a batch of 151 bottles of contaminated Banana shampoo were sold to the consumers in the US, as stated in the report of the Food and Drug Administration (FDA) USA (Refer to Appendix IX). However, the company representatives in the Body Shop replied to this incident by saying that the incident was a result of shifting of operations from New Jersey to North Carolina. Still the question that remained was that of claims regarding natural ingredients. Whereas companies that marketed cosmetic products made from natural ingredients mentioned the original sources on the package, the body shop did not do so. For example, the Aloe Hair Gel label read “Water, Rosewater, SD Alcohol 40-B, Aloe Vera Gel, PVP (setting agent), Triethanolamine, PEG-75 Lanoline, Propylene Glycol, Carbomer 940, Phenox yethanol, Polysorbate 20, Methylparaben, Benzophenone-4, Disodium EDTA, Sodium Dehydroacetate, Propylparaben, Fragrance, FD&C Yellow No. 5, FD&C Blue No. 1.”5 The organic or natural sources were not mentioned.

Environmental Claims: While the Body Shop claimed to be a company which actively participated in environmental protection, investigating reporters like Jon Entine had blamed the company for making misleading claims. David Brooke, the Body Shop former manager of environmental affairs had dismissed the company’s environmental claims as window dressing. However, the fact still remained that the Body Shop had a good record of environmental audit and disclosure. The Body Shop was a signatory of the CERES principles, an environmental code of conduct that was created by environmentalists and social investors. Apart from that, the Body Shop was one of the few companies to have an efficient environment management system and environment audit which followed the voluntary European Union Eco Management and Audit Regulation.

Trade not Aid: Again critics like Jon Entine had highly criticized the trade not aid program taken up by the Body Shop. Terence Turner, an anthropologist at the University of Chicago claimed that the Kayapo Indians made their bulk income from selling logging and mining concessions on their lands, which were actually the activities that the Body Shop claimed to have protected. Turner also observed that the income generated through the trade not aid program by the Kayapos was insignificant compared to their base income. However, it was found out that the Kayapos themselves did not want the Body Shop to pull out. In fact, some villages wanted the Body Shop to establish projects there.
Animal Testing: Though the Body Shop was against the testing of products on animals, it was found out according to an internal memo of the company in 1992 that almost 50% of the company’s products were tested on animals. One fierce attack came from a British television program entitled “Body Search” which accused The Body Shop of misleading customers with its “Against Animal Testing” product label. The Body Shop’s policy, designed as an incentive for companies to eliminate their animal testing, required rejecting all ingredients that had been tested on animals in the previous five years. The TV program, however, charged the company with using ingredients that had been tested on animals. The Body Shop brought a suit against the television station 1993 and won £276,000 in damages. Although the company won the suit, the battle had focused attention on the Body Shop’s ethical record and inspired additional criticism.

Charity Issues: The reputation of the Body Shop for charitable giving had been an issue among the critics. The critics claim that, while responsible charitable organizations such as Patagonia and Ben & Jerry’s contribute 10% and 7.5% of its pre-tax profits for charity, the Body Shop is contributing around 3% of its pre-tax profits. However, the figures do not take into account the voluntary activities undertaken by the employees of the Body Shop and the contributions made by the customers. Different fund raiser activities such as sale of red ribbons during World Aids Day and collection of funds from the customers in ‘Violence Against Women’ campaigns also contributed to the charity activities conducted by the company.

RESTRICTURING THE COMPANY

All these negative propaganda proved to be very hard for the Body Shop which lost its ground somewhat in the period from 1995 to 1997. (Refer to Appendix V for the financial figures of The Body Shop) However the pressures were countered by the Body Shop through some restructuring measures around late 1990’s. The mounting financial and competitive pressures forced the company to undergo re-structuring in 1998 when Anita Roddick stepped down from her position as CEO and invited Patrick Gournay, who was then working with the French food giant Danone to turn around the company. Critics believed that the emphasis on social issues rather than business was actually hurting the company. However, the founder, Anita Roddick, refused to accept this fact. Since 1998, Anita had devoted a lot of her time on the Company. She had traveled all over the world every year for sourcing new products and setting up new community trade programs. Anita said she saw herself as guardian of the Body Shop’s “DNA” which was the strong social, ethical and environmental stance of the company. She said, “That’s what sets us apart. If you took that away from us, we’d be a dime-a-dozen cosmetics company.” After his ascent to power, Patrick Gournay immediately implemented a retrenchment of 300 staff aimed at reduction of cost. In spite of the management overhaul, the company ran into losses in the year 2000. Some of the issues yet to be addressed were that of inventory accumulation and excessive new product launches. The inventory management problem was an outcome of a move by the company. In the early 1990’s the Body Shop used to operate with the franchisee model. But by the late 1990’s the company started to buy back the franchised outlets and the franchisee was offered a job as an employee in the parent company. This created a problem with the franchisees that were not willing to
sell off their business. The Body Shop retaliated by restricting the supply of its key products to the franchisee. This had a two way effect on the parent company. On one hand inventory started to accumulate and on the other hand the company lost revenue and customers. The percentage of franchised outlets dropped from 75% in 1993 to around 10% in 2000. Coupled with that, almost 100 new products were launched in the 1999-2000 period, which only aggravated the problem. In an interview, Mr. Gournay assured that company was taking action to address all the relevant issues. “The Body Shop is restoring margins on last year's products by reducing product costs while also ensuring that current year launches maintain its average margin. The company is also transferring responsibility for inventory management to its regional teams and is this year implementing a much smaller number of new product launches while developing its heritage ranges. For the current year, we are anticipating a reasonable improvement in profit as the benefits of our actions begin to feed through to our results. Overall, we have made significant progress with implementing the structural changes that were needed to refocus the company on its retailing activities.”

In April 2001, the Body Shop emerged with a brand-new store format and introduced a new skin care line, a fragrance collection and a new color story for its “Colourings” cosmetics line. It also undertook a restructuring of the corporate logo and came up with a new one. The increasing competition forced the company to relax its stance against mass advertising when in July 2001; the company used an outside advertising agency for the first time in the history of the company. In the same month, the partner and CEO of North American operations of the Body Shop, Adrian Bellamy, decided to sell back his stake in the US business to Anita and Gordon Roddick. Bellamy, who sold his stake for $7.9M in shares and cash, opined that the company “should put profits before passion” and that it needed to adapt its hallmark social crusades, which he thought were not being able to move with the times. Things culminated with the step down of Anita and husband Gordon co-chairs of the company. Anita started to write books and devoted more of her time to launch crusades for social and environmental issues.

WHAT LIES AHEAD

The new management under Adrian Bellamy met with a lot of difficulties in the early 2000’s. After suffering from the problems of stiff competition and mismanagement of stocks, the body shop was not in good position in the early 2005. Matters went to such an extent that the founders Anita and Gordon Roddick sold £ 7.4 m of their shares at 185p in February, 2005. This was followed by sell-off of £ 10 m stake by Ronald-de-Waal, a non executive director, in March 2005. The company took on a massive repositioning activity in early 2005. The company tried to make some drastic changes in their product offering to target the up-market consumers. (Refer to Appendix VII for the Product Categories of The Body Shop) According to Andy King (King), the global marketing director of the company, “We repositioned the brand to carve out a differentiated position in a crowded cosmetics market”. King described the new brand image as “masstige” i.e. somewhere between mass market and prestige. Changes had taken place in many aspects. The shop interiors had been changed from the traditional dark floors and walls to neutral tiles and hemp-coated backlit screens. (Refer to Appendix VIII for new store décor of the Body Shop outlets) Colorful and bulging shelves had been replaced with attractive glass...
counters. Even the black-topped bottles, which used to come in three different sizes (fitting every pocket), had been replaced with 'Boston round' containers with white caps which came only in large sizes. The new 'invent your scent' perfume counter and luxurious ‘Spa Wisdom’ range, introduced in March, had been designed to tempt those customers who would usually shop at the counters of a department store. The 'love your body' loyalty scheme, which offered a 10 percent discount for customers buying a £5 loyalty card, (Refer to Appendix III) had been successful in attracting customers. The program was launched in the UK in 2004 after a successful five-year run in the US, and had amassed half a million members by mid 2005. The global cosmetics and toiletries industry which was growing at a healthy rate from 2000 also acted as a catalyst in this process. (Refer to Appendix IX) The good times seemed to be back with the company with The Body Shop winning the Royal Society for the Prevention of Cruelty to Animals (RSPCA) Award (Refer to Appendix IX) in 2005 for promoting and practicing animal welfare. The RSPCA award was given to corporations employing best practices in terms of treatment to animals in the cosmetics, fashion and food industries. The Body Shop was the winner in the Cosmetics Category. The awards were given out after judging the policies of the nominees in the respective areas:

- Product testing on animals.
- Product Ingredient testing on animals.
- Labeling.

Meanwhile, Anita, the co-founder and the one time chief force behind the company, was still associated with the company as a consultant (other than being a non-executive director) for 80 days a year, and gave her advice on product marketing and the ethical dimensions of the company. However, the question that can be raised is ‘how ethical is the Body Shop today?’ since its new product offering was going against the famous motto of 'reduce, recycle, reuse' of the company in the 1970’s and 1980’s. Though the staffs still insist that the company's values were maintained as it was and cite the example of one of their new products in the hair care range, where honey was sourced from 6,000 organic beekeepers in Zambia. With a global presence in 53 countries, Body Shop had to strike a balance between the variable demands of global consumers. Though the question of ethical marketing was an important deciding factor for the consumers in Europe and America, but still the Body Shop was considered to be a prestige brand in the Middle East and Asia. The fact that the Middle East and Asia together comprise of more than 25% of the global cosmetics and toiletries market is supposed to provide the leverage the brand needs. (Refer to Appendix IX) However, time would tell whether the new strategy of the company would bring in new laurels or brickbats.
APPENDIX I

THE MISSION STATEMENT OF THE BODY SHOP

- To dedicate our business to the pursuit of social and environmental change.
- To creatively balance the financial and human needs of our stakeholders: employees, customers, franchisees, suppliers and shareholders.
- To courageously ensure that our business is ecologically sustainable: meeting the needs of the present without compromising the future.
- To meaningfully contribute to local, national and international communities in which we trade, by adopting a code of conduct which ensures care, honesty, fairness and respect.
- To passionately campaign for the protection of the environment, human and civil rights, and against animal testing within the cosmetics and toiletries industry.
- To tirelessly work to narrow the gap between principle and practice, whilst making fun, passion and care part of our daily lives.

Source: http://www.thebodyshopinternational.com/web/tbsgl/about_reason.jsp
APPENDIX II

THE CORE VALUES OF THE BODY SHOP

We consider testing products or ingredients on animals to be morally and scientifically indefensible.

We support small producer communities around the world who supply us with accessories and natural ingredients.

We know that you're unique, and we'll always treat you like an individual. We like you just the way you are.

We believe that it is the responsibility of every individual to actively support those who have human rights denied to them.

We believe that a business has the responsibility to protect the environment in which it operates, locally and globally.

Source: http://www.thebodyshopinternational.com/web/tbsgl/values.jsp

APPENDIX III

THE LOVE YOUR BODY LOYALTY CARD

Source: The Body Shop Interim Results 2005
APPENDIX IV

THE BODY SHOP TRADING CHARTER

The way we trade creates profits with principles.

We aim to achieve commercial success by meeting our customers' needs through the provision of high quality, good value products with exceptional service and relevant information which enables customers to make informed and responsible choices. Our trading relationships of every kind - with customers, franchisees and suppliers - will be commercially viable, mutually beneficial and based on trust and respect.

Our trading principles reflect our core values.

We aim to ensure that human and civil rights, as set out in the Universal Declaration of Human Rights, are respected throughout our business activities. We will establish a framework based on this declaration to include criteria for workers' rights embracing a safe, healthy working environment, fair wages, no discrimination on the basis of race, creed, gender or sexual orientation, or physical coercion of any kind.

We will support long term, sustainable relationships with communities in need. We will pay special attention to those minority groups, women and disadvantaged peoples who are socially and economically marginalized.

We will use environmentally sustainable resources wherever technically and economically viable. Our purchasing will be based on a system of screening and investigation of the ecological credentials of our finished products, ingredients, packaging and suppliers.

We will promote animal protection throughout our business activities. We are against animal testing in the cosmetics and toiletries industry. We will not test ingredients or products on animals, nor will we commission others to do so on our behalf. We will use our purchasing power to stop suppliers animal testing.

We will institute appropriate monitoring, auditing and disclosure mechanisms to ensure our accountability and demonstrate our compliance with these principles.

Source: http://www.thebodyshopinternational.com/web/tbsgl/trading.jsp
APPENDIX V
SUMMARY OF FINANCIAL DATA OF
THE BODY SHOP, PLC.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover (£ m)</td>
<td>419.0</td>
<td>381.1</td>
<td>378.2</td>
<td>379.6</td>
<td>374.1</td>
<td>330.1</td>
<td>303.7</td>
<td>293.1</td>
<td>270.8</td>
<td>256.5</td>
<td>219.7</td>
<td>195.4</td>
</tr>
<tr>
<td>Operating Profit (£ m)</td>
<td>36.2</td>
<td>30.3</td>
<td>24.3</td>
<td>15.2</td>
<td>18.2</td>
<td>33.0</td>
<td>20.1</td>
<td>38.1</td>
<td>31.9</td>
<td>33.7</td>
<td>34.5</td>
<td>30.1</td>
</tr>
<tr>
<td>PBT (£ m)</td>
<td>34.5</td>
<td>28.5</td>
<td>20.4</td>
<td>11.6</td>
<td>12.8</td>
<td>28.8</td>
<td>3.4</td>
<td>38.0</td>
<td>31.7</td>
<td>32.7</td>
<td>33.5</td>
<td>29.7</td>
</tr>
<tr>
<td>Earnings Per Share (p)</td>
<td>13.1</td>
<td>10.7</td>
<td>6.8</td>
<td>2.8</td>
<td>5.0</td>
<td>9.6</td>
<td>(2.4)</td>
<td>11.8</td>
<td>9.2</td>
<td>9.8</td>
<td>11.5</td>
<td>10.3</td>
</tr>
<tr>
<td>Net Current Assets (£ m)</td>
<td>38.4</td>
<td>39.1</td>
<td>22.0</td>
<td>10.3</td>
<td>14.7</td>
<td>19.4</td>
<td>30.3</td>
<td>53.9</td>
<td>67.9</td>
<td>62.6</td>
<td>60.9</td>
<td>61.1</td>
</tr>
<tr>
<td>Number of Stores</td>
<td>2045</td>
<td>2007</td>
<td>1968</td>
<td>1954</td>
<td>1830</td>
<td>1730</td>
<td>1663</td>
<td>1594</td>
<td>1491</td>
<td>1373</td>
<td>1210</td>
<td>1053</td>
</tr>
</tbody>
</table>

## Selected Awards Won by Anita Roddick

<table>
<thead>
<tr>
<th>Year</th>
<th>Award Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1984</td>
<td>Veuve Clicquot Business Woman of the Year</td>
</tr>
<tr>
<td>1988</td>
<td>OBE - Order of the British Empire</td>
</tr>
<tr>
<td>1991</td>
<td>Center for World Development Education's World Vision Award, USA</td>
</tr>
<tr>
<td>1993</td>
<td>Banksia Foundation's Australia Environmental Award</td>
</tr>
<tr>
<td>1993</td>
<td>Mexican Environmental Achiever Award</td>
</tr>
<tr>
<td>1993</td>
<td>National Audubon Society Medal, USA</td>
</tr>
<tr>
<td>1994</td>
<td>Botwinick Prize in Business Ethics, USA</td>
</tr>
<tr>
<td>1994</td>
<td>University of Michigan's Annual Business Leadership Award, USA</td>
</tr>
<tr>
<td>1995</td>
<td>Women's Business Development Center's First Annual Woman Power Award, USA</td>
</tr>
<tr>
<td>1996</td>
<td>Women's Center's Leadership Award, USA</td>
</tr>
<tr>
<td>1996</td>
<td>The Gleitsman Foundation's Award of Achievement, USA</td>
</tr>
<tr>
<td>1997</td>
<td>United Nations Environment Programme (UNEP), Honouree, Eyes on the Environment</td>
</tr>
<tr>
<td>1999</td>
<td>British Environment &amp; Media Award</td>
</tr>
<tr>
<td>1999</td>
<td>Chief Wiper-Away of Ogoni Tears, Movement for the Survival of the Ogoni People, Nigeria</td>
</tr>
<tr>
<td>2001</td>
<td>International Peace Prayer Day Organisation's Woman of Peace</td>
</tr>
<tr>
<td>2003</td>
<td>DBE (Dame Commander of the British Empire)</td>
</tr>
</tbody>
</table>

APPENDIX VII

PRODUCT LINES AND CATEGORIES OFFERED BY THE BODY SHOP

<table>
<thead>
<tr>
<th>BODY CARE</th>
<th>BATH</th>
<th>SKIN CARE</th>
<th>MAKE-UP</th>
<th>HOME FRAGRANCE</th>
<th>FRAGRANCE</th>
<th>HAIR CARE</th>
<th>AROMA THERAPY</th>
<th>MEN'S</th>
<th>ACCESSORIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Body Butter</td>
<td>Scrubs</td>
<td>Cleansers</td>
<td>Palettes</td>
<td>Oils</td>
<td>Eau de Parfum</td>
<td>Shampoo</td>
<td>Essential Oils</td>
<td>Shaving &amp; Face</td>
<td>Bath</td>
</tr>
<tr>
<td>Moisturizers</td>
<td>Shower</td>
<td>Scrubs &amp; Masks</td>
<td>Face</td>
<td>Aroma Jars</td>
<td>Eau de Toilette</td>
<td>Conditioner</td>
<td>Massage</td>
<td>Hair &amp; Body</td>
<td>Hair Brushes</td>
</tr>
<tr>
<td>Massage</td>
<td>Soap</td>
<td>Eye Care</td>
<td>Lips</td>
<td>Candles</td>
<td>Perfume Oils</td>
<td>Treatment</td>
<td>Bath &amp; Shower</td>
<td>Massage</td>
<td>Make-Up Tools</td>
</tr>
<tr>
<td>Sun Care</td>
<td>Toners</td>
<td>Make-up Tools</td>
<td>Make-up Tools</td>
<td>Body Sprays</td>
<td>Styling Products</td>
<td>Bergamot</td>
<td>Fragrance</td>
<td>Bags &amp; Cases</td>
<td></td>
</tr>
<tr>
<td>Lotion</td>
<td>Treatments</td>
<td>Eyes</td>
<td>Lotions</td>
<td>Brushes</td>
<td>Mandarin</td>
<td>Books</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hand Care</td>
<td>Make-up Removers</td>
<td></td>
<td></td>
<td>Dusting Powder</td>
<td></td>
<td></td>
<td>Lavender</td>
<td>Gift Ideas</td>
<td></td>
</tr>
<tr>
<td>Spa</td>
<td>Moisturizers</td>
<td></td>
<td>Shower</td>
<td>Peppermint</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creams</td>
<td>Lips</td>
<td></td>
<td>Bath</td>
<td></td>
<td></td>
<td></td>
<td>Ylang-Ylang</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foot Care</td>
<td>Sun Care</td>
<td></td>
<td>Lifestyle Fragrances</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scrubs</td>
<td></td>
<td></td>
<td>Invent Your Scent</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: http://www.thebodyshopinternational.com
APPENDIX VIII
A BODY SHOP OUTLET IN THE LATE 1990’s

A BODY SHOP OUTLET IN 2005

Source: Reports from www.thebodyshopinternational.com
APPENDIX IX
Brief on the Cosmetics and Toiletries Industry

The global cosmetics and toiletries industry is valued at US$ 254 billion in terms of revenue in 2005. It consists of the following product categories: bath and shower, fragrance, oral hygiene, skin care, men’s grooming products, color cosmetics, hair care, depilatories, deodorants and body care. World sales of cosmetics and toiletries sales were US$170 billion in 1997 which rose to US$ 254 billion in 2005. Western Europe constituted the greatest percentage of share of the global market followed by Asia-Pacific, North America and Latin America. In terms of the market share in 2005, Procter & Gamble, L’Oreal, and Unilever were the top three companies in the cosmetics and toiletries industry. Some key information about the industry is presented below:

Chart 1
Global Sales Trend of Cosmetics and Toiletries

![Chart 1](image-url)
Chart 2
Composition of Global Market by Region (2005)

North America 22%
Latin America 10%
Western Europe 32%
Asia Pacific 25%
Africa/Middle East 4%
Eastern Europe 6%
Australasia 1%
Chart 3
Share of Sales of Cosmetics and Toiletries Companies (2005)
APPENDIX X
ADDITIONAL INFORMATION

The DBE is an Order of Chivalry considered in the group of The Most Excellent Order of The British Empire and was established on 4th June 1917 by King George V. The Order includes five classes in civil and military divisions, of which, the DBE being the second in hierarchy, entails Knighthood. Dame is the female counterpart of the knight.

Aloe is a genus of succulent, flowering plants in the family Asphodelaceae and contains about 400 different species. They are native to the drier parts of Africa, especially South Africa’s Cape Province and the mountains of tropical Africa. Aloe contains a number of medicinal substances used as a purgative and produced from various species of aloe, such as Aloe vera and Aloe vulgaris.

Jojoba (Scientific Name: Simmondsia chinensis) is a shrub native to the Sonoran and Mojave deserts of southern California, Arizona, and adjacent parts of northwest Mexico. Jojoba is grown for the liquid wax (commonly called jojoba oil) in its seeds used in cosmetics as a moisturizer and as carrier oil for specialty fragrances.

Cocoa butter, also called theobroma oil, is the edible natural fat of the cacao bean, extracted during the process of making chocolate and cocoa powder. It is used for its smooth texture in cosmetics and soaps.

The Kayapo are the Gê-speaking native peoples of the plain lands of the Matto Grosso in Brazil, south of the Amazon Basin and along Rio Xingu and its tributaries.

Shell is the world's third largest publicly traded Oil Company based on revenues. The company was founded in 1907 when Royal Dutch Petroleum Company merged with the "Shell" Transport and Trading Company Plc. Presently, the company has operations in 140 countries around the world and has corporate headquarters in Hague, Netherlands.

Exxon Mobil Corporation or ExxonMobil, headquartered in Irving, Texas, is the largest publicly-traded oil producer and distributor in the world. It was formed on 30th November 1999, by the merger of Exxon and Mobil and currently has operations in about 200 countries around the world.

The Food and Drug Administration (FDA) of the United States is the government agency responsible for regulating various drug and food related activities such as food quality (human and animal), dietary supplements, drugs (human and animal), cosmetics, medical devices (human and animal), biological and blood products in the United States.

The Royal Society for the Prevention of Cruelty to Animals (RSPCA) is a charity organisation in England and Wales that promotes animal welfare. Founded in 1824, it has been working for animal welfare activities funded by voluntary donations and is one of the largest charities in the UK.
REFERENCE


ENDNOTES