Case Studies

Emerging good practices from industry influencers

Expanding on the findings of the benchmarking assessment, the following provide examples of emerging good practices of seafood sustainability among five companies. Summary of findings from case studies are as follows:

- Successful programmes do not necessarily aim for 100 percent sustainable or responsible seafood procure from the beginning.
- Selected companies are working at various levels of the seafood supply chain to ensure the success of their programmes. Most are targeting the primary supply levels to improve the conditions for migrant workers through partnerships with organisations.
- Companies are not just looking for short term gains, but are actively working to increase the supply of sustainable options in the future with their investments, be it through adoption of standards, codes of conduct and labels, assuring traceability or by participating in sectoral multi-stakeholder initiatives and seafood sustainability initiatives.
Hyatt: 2020 Environmental Sustainability Vision

With a supply chain that supports hotels in more than 50 countries, Hyatt believes that as a global brand, they can inspire positive change in the hospitality industry. To this end, Hyatt is working with World Wildlife Fund (WWF) to analyse its supply chain and to develop corresponding goals and strategies.

Programme Overview:

Responsible seafood procurement was introduced as part of Hyatt’s 2020 Environmental Sustainability Vision and includes:

- **Certified sources**: More than 50 percent of global seafood volume to be responsibly sourced, with at least 15 percent from MSC or ASC-certified fisheries or farms.
- **Species removal**: Shark fin has been removed from the menus of all food and beverage operations.
- **Second-tier criteria**: Sourcing from fisheries and farms in transition to sustainable and responsible practices but have not yet achieved MSC or ASC standard. Examples include comprehensive FIPs and AIPs.

In 2015 Hyatt conducted a global audit to determine its 2014 baseline on which to develop its purchasing strategy, finding that 8.5 percent of global seafood purchased satisfied responsible purchasing criteria. After working with WWF and its global hotels, Hyatt has worked to achieve 18 percent of global seafood purchased satisfying purchasing criteria in 2016, doubling the percentage since the baseline year.
Challenges:

- **Tracking and traceability:** Suppliers may only know who they are buying from and selling to, but not the product’s origin. Furthermore, obtaining scientific names, or even consistent common names can be a hurdle, as many countries use different names for different species.

- **Eco-labels:** Rigor around sustainability varies even among products with eco-labels or NGO endorsement, adding to the difficulty of purchasing seafood that meets certain criteria.

- **Human resources:** Without traceable and verified certification, purchasing teams may be required to have specialised knowledge of not only species, but also where the product originated, how it was caught or produced, sustainability rating and status, in addition to their regular, daily responsibilities.

- **Ordering fluctuations:** Because fresh or live seafood is preferred over frozen, purchasing is decentralised across hotels and demand fluctuates widely depending on banquets and events. Hotels often cannot commit in advance to large volumes needed by their suppliers to secure sustainable or responsible products.

Success Factors:

- **Internal training:** Annual training for chefs and purchasing teams, and support systems have been established so that those within the company can begin to understand the complex nature of sustainable seafood sourcing.

- **External training:** Working with suppliers to help increase the education and awareness of the details of the programme. With support from WWF, MSC and ASC, Hyatt has held workshops with its suppliers in the US, Korea and Japan. These local level engagement initiatives are critical for a company with a decentralised purchasing platform to share sustainability priorities and identify opportunities for improvement.

- **Education and awareness:** Public awareness has fuelled successes in increasing sustainable seafood purchasing and banning shark fin. Guest demand will continually be important as Hyatt continues to advance sustainable offerings and address other vulnerable seafood species.

- **Increasing sustainable and responsible supply:** Hyatt supports FIPs and AIPs to contribute to the increase of sustainable seafood supply in the long term. Hyatt is listed as an official FIP participant for all FIPs listed by WWF US on [seafoodsustainability.org](http://seafoodsustainability.org), which includes Vietnam, Peru, and Ecuador. This participation involves advocacy and engagement with suppliers and governments to drive broader action, as well as funding and purchasing from fisheries and farms. Working to increase the supply will also likely help decrease price premiums as has been seen with items like MSC-certified white fish.

Collaborations:

- **WWF:** Working with WWF’s global network offices in China, Hong Kong, Japan, South Korea, Singapore, and India to increase the amount of sustainable seafood available, education and awareness campaigns, sourcing and reducing or eliminating procurement of highly vulnerable species.

- **Local suppliers:** Engaging local supply chains in its global markets to increase awareness of, and demand for MSC and ASC-certified products. Due to the nature of Hyatt’s procurement
Briefing report on seafood for ASEAN retailers and hotel groups

(decentralised and often on a hotel by hotel basis), purchasing is set up in a way that it requires engagement of local suppliers and distributors in each region to drive change up the supply chain.

- **Local Communities:** Hyatt has engaged with local fisheries and farmers for low-impact seafood. For example, Grand Hyatt Jakarta leverages rotating menu specials to feature daily local deliveries.

## Hotels Bringing the Programme to Life

### Grand Hyatt Hong Kong

**Actions:**
- Prioritised seafood items with the highest procurement volumes and identified sustainable alternatives
- Encouraged seafood suppliers to supply products that satisfy criteria

**Achievement:**
58 percent of seafood sourced are MSC or ASC-certified or from other responsible sources in 2016, 500 percent increase compared to 2014. By working with the other Hyatt hotels in Hong Kong and various suppliers, Grand Hyatt Hong Kong is helping to shift the seafood supply chain in a challenging market.

### Grand Hyatt Singapore

**Actions:**
- Limited the number of seafood items offered on menus from over 600 to less than 100
- Social media and public awareness campaigns used to gain guests and public support
- Obtained MSC and ASC-Chain of Custody certification and acquired a seafood importer license to import from new international suppliers

**Achievement:**
While some certified seafood has a higher price, by consolidating to less than 100 items, the hotel reduced costs and achieved 40 percent MSC or ASC-certified seafood. This location has also stopped serving Bluefin Tuna, a major challenge due to consumer demand in the hotel industry.

### Park Hyatt Tokyo

**Actions:**
- Engaged suppliers to increase MSC and ASC-certified seafood in its market

**Achievement:**
The first hotel in Japan to obtain an MSC and ASC-Chain of Custody certification, contributing to the awareness around the certifications in a market where they are relatively new.
Grand Hyatt Erawan Bangkok

Actions:
• Negotiated with suppliers to import sustainable seafood
• Assisted other local restaurants to source sustainable seafood

Achievement:
Brought in shrimp and oysters from MSC or ASC-certified sources despite the fact that ASC seafood farmed in Thailand is earmarked for export, limiting availability within the country.

Impacts:

• Improving livelihoods: Supporting FIPs, AIPs and conservation improvement projects contributes to the long-term viability of seafood. ASC and AIPs involve stakeholder consultation in indigenous communities on health risks and access to resources, while MSC and FIPs ensure multi-stakeholder engagement, including local fishers, governments and communities.
• Increasing development: By focusing on traceability, the company can keep better track of product origins and can work to address the community challenges and recognise sustainable practices.

Future Plans and Opportunities:

• Increasing traceability and transparency in Hyatt’s supply chains by working with suppliers and distributors.
• Identifying new collaboration opportunities with other businesses to help influence the supply chain.

SOURCES:

• Corporate Responsibility Scorecard
• Hyatt announces major global initiative to source seafood responsibly in partnership with world wildlife fund
• Hyatt unveils new 2020 environmental sustainability strategy
• Corporate Responsibility at Hyatt
• Corporate Responsibility Reports