

# MUSINGS

## MARJORIE KELLY To Tell the Truth

*After The Body Shop, are there any heroes left?*

I HAVE VERY MIXED FEELINGS about the cover story we carry this issue—a cover story that offers a troubling look at The Body Shop. This British cosmetics maker is a company most of us know as a shining star of social responsibility. But as our story shows, it's a company where the reality is very different from the image.

This conclusion is one I was reluctant to reach, but it's a conclusion I've come to believe is correct. I've been over every fact, every nuance of Jon Entine's article, and I have confidence in its accuracy. It's a surprising story.

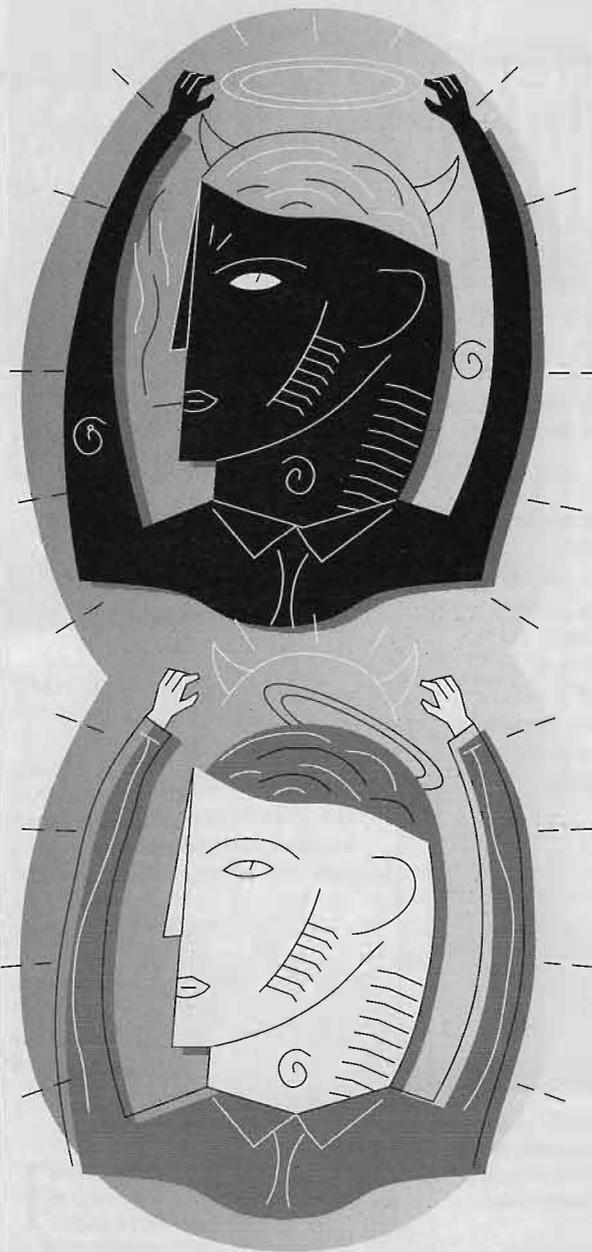
Reluctance, surprise—those are two feelings I have. Also pride. As a publisher I'm proud to run this excellent piece of reporting. It's a very big story, and we're the first to run it.

And it leaves me depressed.

I'm depressed, most of all, to have to run a story like this about a colleague I have long admired—Anita Roddick, the founder of The Body Shop. She's an entrepreneur whose style and verve I have always appreciated. When the histories are written, they'll say she was one of the first to put socially responsible business on the map. It was Anita who focused corporate attention on the issue of animal testing, who avoided idealized feminine images in her marketing, who used shop windows and company brochures to support issues like AIDS awareness and environmental protection, who turned company trucks into roving billboards for social causes. In the process she built a company with \$700 million in annual worldwide retail sales. When *Inc.* magazine featured her on its cover in June 1990, it summarized her impact in one memorable sentence: "This woman has changed business forever."

She's an amazing woman, and I say that from firsthand experience. Editor Craig Cox and I interviewed Anita for our September/October 1992 cover story. And it was great fun. Most people who have met Anita will say that. She's unforgettable. The word "charisma" could have been invented to describe her.

And now here we are, two years later, with Anita on our cover again. Under very different circumstances. Depressed is one word for what I'm feeling. Also, sure of



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the rightness of it. Convinced of the necessity for it.

Anita Roddick has without doubt been brilliant at telling The Body Shop story:

American Express, after all, paid her to appear in its nationwide TV commercials. But the stories, it seems, have at times gotten ahead of the truth.

Anita called her company the most honest cosmetics company in the world—yet as her own co-workers have said, some stories about the origins of its products simply aren't true. The company's literature promotes its "naturally based" soaps and shampoos—but cosmetics experts say these products routinely contain artificial preservatives and petroleum-based ingredients. In reviewing seven basic Body Shop products, one natural cosmetics expert called them "products to avoid." More troubling still are the reports of franchisee complaints that have been brought before the Federal Trade Commission and the House Small Business Committee.

AS A JOURNALIST, I find the shape of the story all too familiar: The great hero turns out to have feet of clay. It's the quintessential "big story" of our post-heroic age, when most of our heroes are now face-down in the mud.

But it's a story I would normally expect to view from some distance—on the front page of *The Wall Street Journal*, say, or on *Sixty Minutes*. This story landed in my own front yard. And it's about a woman I know.

So here I am with all these contradictory feelings. Here we all are, with this company we thought we knew, which turns out to be hugely contradictory.

What do we do with the inconsistency?

What we don't do, I think, is reach for premature closure or simplistic conclusions. It's too easy to say that The Body Shop was corrupt all along, that its social fervor was just PR. If another magazine had gotten this story first, they might have played it that way. But I don't buy it. I've seen Anita's intensity firsthand, and I don't believe it's fake.

But it's also too easy to swing the other way, dismissing the allegations as the grumblings of a few isolated individuals. I know some people will see it that way, and

ILLUSTRATION BY JAMES O'BRIEN

will look for ways to discount each source. But I've seen Entine's research—more than is shown in the story—and the tales he was told are strikingly consistent. The voices are too numerous.

There is no easy way out of this contradiction. In my opinion, what we have here is a great company that is greatly flawed. We have here a well-meaning entrepreneur who has stumbled very, very badly.

One challenge we face in making sense of it all—and this is a universal challenge of our age, I believe—is to hold these enormous contradictions in our minds, both at once, without denying the truth of either. It's a kind of emotional stretching exercise, which most of us aren't very good at. I think it's called the getting of wisdom.

We have to let go of the notion of good guys and bad guys—and I must confess I've been as guilty of this fallacy as anyone. For years *Business Ethics* has used a direct-mail package with an envelope teaser that reads, "The only business magazine for the good guys." Besides all the grief we get from women who don't see "guy" as a generic term (as I do), I've become uncomfortable with the idea of "us" as the good guys. We're in the process of changing that envelope. And the movement, I think, needs to begin a similar process—rethinking what "us" really means.

I sat in a meeting of Business for Social Responsibility not long ago where people anguished over the question, What do we do if GE wants to join our organization? And I can't tell you how many phone calls I've gotten, over the years, from job-seekers asking, "Do you have a list of socially responsible companies?" I say to them: There is no list. There's no place we can draw a line in the sand and say, you guys over here are in, those guys over there are out.

Look where we've come to: General Motors has signed the CERES Principles—promising to uphold progressive environmental standards—while The Body Shop is fielding calls from the FTC. My lord, how blurry all the lines have become.

We can't think any longer in terms of good guys and bad guys. It's not about that.

It's about how damn hard it is to manage a company, period, and how much harder it is to manage responsibly. Because when those of us who claim to be socially responsible stumble, we fall harder. People expect more of us, and they resent it more when we don't live up to their inflated expectations.

There's only one way around this that I've found, and it's genuinely honest communication. We have to market ourselves truthfully, but more importantly, we have to create an environment of truth within our companies. Everything that we say about our laudable practices can eventu-

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## Socially responsible business is not about creating nirvana. But it is about telling the truth.

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ally ring false, if we aren't able to sit down with the people who *are* the company, the employees, and really talk about what's not right. We need to talk about the good stuff too, but that's easier. The hard part, for managers, is allowing our employees to challenge us. Because they're the first to know if we're not doing what we say we're doing. For employees, the hard part is learning to accept complexity: not expecting easy answers, nor answers we always agree with. Socially responsible business

is not about pleasing everybody, it's not about being nice all the time, and it's not about creating nirvana. But one thing it is about is truth.

If I have a final feeling about this story, it's hope. I have a very real hope that The Body Shop's troubles can become an opportunity—for the company, as well as for the movement—to learn some hard lessons. To gain some maturity. To get back to basics.

It makes me feel old and conservative to say this (young and radical was so much more fun)—but I think the socially responsible business movement has been too infatuated with add-on programs and gimmicks, like recycled packages or donations to good causes. What we may have neglected, in our enthusiasm, is ethics. Good, old-fashioned ethics. Also known as integrity. It's not something to shout about in our marketing packages, but if we can't live up to it, we won't have much to shout about for long.

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JOAN BAVARIA

## Welcome to the Real World

*It's hard to tell the 'good guys' from the 'bad guys' anymore, but maybe that's the way it's supposed to be*

**O**N MAY 2, I entered a crowded Detroit ballroom just as Dennis Minano finished opening what was to be a three-day conference of North American General Motors environmental plant engineers. Coincidentally, as I moved to stand in back of the room, Denny was referring to the CERES Principles blown up in technicolor to eight feet square in front of the room. He was explaining to the approximately four hundred attendees about the commitment that General Motors had made to the Principles and to environmental excellence. No one had told me what to say to this crowd, but my usual rap had certainly been coopted. I pulled out a pad of paper and began to recompose my presentation, mentally ducking and weaving around Denny's talk.

On the way to the podium, looking at four hundred assorted men and women, I realized that I was free to say anything to them. Although they represented only a tiny fraction of GM employees, they comprised a pretty impressive audience, and I was to talk right to them—not through their superiors. I did not mince words or in any way recast my speech from what I might have said to a crowd of environmental activists. They listened, asked good questions, and shared personal doubts and fears over dinner.

At the same time in another city, an en-

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**We are entering a new era in the world of socially responsible business. It is a world of imperfect human beings.**

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ergetic reporter was phoning around the globe as he assembled a portrait of Anita Roddick and The Body Shop that most of us don't want to see—a picture, if true, of a closed, autocratic company where few outsiders are invited to speak to employees. And a few weeks later, I was asked by a *New York Times* reporter what I thought of Ben Cohen turning over the operating reins to a yet-to-be-found CEO, abandoning the seven-to-one salary ratio they had clung to over the years. Backed into making a statement, I replied that I thought it was a sign of the company's maturity. The seven-to-one ratio was well-intentioned, but at the same time inflexible and unable to accommodate changes or special situations.

What is going on? Are angels falling and devils finding new ways to deceive us? Is the world turning upside down? Not really, but I do believe that we are entering a new era in the world of socially responsible manag-