

**How a social economy organisation promoting festivals and selling beer contributes to a wider vision of social inclusion and solidarity?  
The case of the Workers Beer Company in the UK and Germany**

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*Abstract*

The paper uses the Workers Beer Company (WBC) to develop some of these themes and analyse some of the characteristics of success, It has given rise to a sister organisation Workers Beer Company in Germany.

The lead author has been involved with the WBC for 13 years, and now sits on the management committee. He has also been a long served politician and public manager.

The Workers Beer Company has a fundamental belief in social change through campaigning, social responsibility and trade unionism. It was founded by trade unions and their members who were mainly in the public sector. Its roots and values permeate throughout its operations and the organisations it has helped to find their own identity

These include:

Ethical Threads (suppliers of ethically sourced t shirts and promotional clothing),

Work Ethic (a employment agency for young people wanting to work in the music and festival business),

Left Field (a production and event management company specialising in promoting political and citizen engagement),

Clause IV (the WBC sister production company born out the mining communities of Derbyshire)

There are similar operations in Germany, Spain, Ireland and Scotland.

WBC has developed a clear method of working which has created employment opportunities through building on both individual and organisational skills – it has adapted to a changing environment and shifted its approach while maintaining its beliefs in social justice and campaigning for over twenty years. It has built a network of not for profit organisations and volunteers which support its objectives.

The WBC fits closely the model of social enterprise and is not a registered charity. (Borzaga & Defourney, Allan ) It provides extensive training for bar related work and has a strong ethos of social inclusion in terms of enabling people to acquire valuable work skills. Its origins lie in the labour union sector and it has a value set which is strongly orientated to community and public service. Its profits are reinvested in social change.

The WBC is the fund raising and commercial arm of the trades council and is one of the leaders in its field. It sells drinks to large numbers of people at festivals to reinvest in social change. Over 21 years it has built up a rare set of skills, knowledge and a reputation that gives it a competitive edge over many competing commercial operations. Visitors from all over the world to Glastonbury, Reading, Leeds, Mayday or Respect Music Festivals will have seen the WBC and probably bought a drink from a WBC bar.

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The paper will be based upon work undertaken in the UK and Germany with founders, leaders and strategic management of the WBC. As most have a strong public sector and public service orientated background this represents an opportunity to uncover an area where public sector employees (and former employees) have founded a social economy enterprise which in turn has major implications for the public sector.

The research will draw on social inclusion models of public management and social enterprise (Miller 1999) and seek to explore what synergies and differences might exist. At a time when traditional public service struggles to appeal to the young and civic engagement such as voting and party membership is declining the WBC reaches young people through its engagement with festivals. The research hopes to case light on ways in which the social economy can offer valuable insights into both public management development and the social inclusion agenda.

### **THE CASE FOR THE WORKERS BEER COMPANY**

#### **How a social economy organisation promoting festivals and selling beer contributes to a wider vision of social inclusion and solidarity.**

It may appear a contradiction but a social enterprise with its heart firmly set to promote social and economic justice can exist in the hard nosed commercial world of festival, events and running bars. The focus of this paper, simply put, is:

“Can selling alcohol at festivals lead to ethical trading and social responsibility ?”

The first and obvious starting point is that selling alcohol and promoting festivals and events is legal and highly regulated. The Workers Beer Company (WBC) works within the law. It complies carefully and precisely with a range of statutory regulation and promotes responsible drinking. The WBC works with local authorities that heavily enforce their licensing conditions.

The Workers Beer Company is also well respected in the drinks industry as a responsible organisation that can promote a responsible approach to selling alcohol.

We note that the Workers Beer Company is one part of the responsible festival and event industry that do provide a safe environment for young, and not so young, people to enjoy themselves and meet their cultural aspirations.

This paper will seek to establish that the organisation is set on a bedrock of social enterprise, Though profit making it is not for profit and returns its surpluses to social issue campaigning for social inclusion, it creates job and training opportunities, it supports the trade union and labour movement as well as encouraging civic and democratic engagement.

The Workers Beer Company's primary objective is to fund raise and campaign for the trade union and labour movement – it is also experienced and competent in selling beer to large numbers of people. So how did this social enterprise come about and are there any lessons to be learnt. This is an organisation that predates many of the current definitions of social enterprise. We believe it can offer some insight to how social, environmental and economic objectives can be pursued. Its “bottom line accounting” objectives include:-

- a desire to be a profitable and effective trading organisation working in a highly competitive field,
- to hold trade union and ethical values,
- to campaign and promote trade union and ethical values
- and to create individual and group political capital.

### Models of Social Enterprise

Social enterprise and entrepreneurs have been with us for some considerable time, from the city guilds and the growth of formal organisations in the 19<sup>th</sup> century. In Europe there is a rich history of organising through mutuals and co-operatives and in the United States not for profit organisations, philanthropy and communitarianism. ( Borzaga and ,Spear 2004)

Social enterprise has a lengthy private history, but a short public one. Nonprofit organizations have long engaged in income generation and businesses to either supplement or complement their mission activities. [note] In the United Kingdom, cooperatives functioned as a means to fund socioeconomic agendas as early as the mid-1800s. Beginning in the 1960s, US nonprofits experimented with enterprises to create jobs for disadvantaged populations. Micro-credit organizations made their appearance in developing countries by the 1970s, at about the same time Community Development Corporations (CDCs) were gaining popularity in the United States. Yet it is only in the last 15 or 20 years that academics, practitioners, and donors have been studying and recording cases of nonprofits adopting market-based approaches to achieve their missions.

The growing practice of social enterprise is fueled by nonprofit organizations' quest for sustainability, particularly in current times when support from traditional, philanthropic, and government sources is declining and competition for available funds is increasing. Social enterprise enables nonprofits to expand vital services to their constituents while moving the organization toward self-sufficiency. Nonprofit organization leaders understand that only by establishing an independent means of financing can they become a going concern.

Over the last ten years the Labour Government in the United Kingdom has invested heavily in creating the strategic framework for social enterprises to thrive and contribute to deliver local jobs, local public services and local sustainable regeneration.

In the foreword to the Department of Trade and Industry Social Enterprise a strategy for success the Prime Minister, Tony Blair lays down the challenge:

“Our vision is bold: social enterprise offers radical new ways of operating for public benefit. By combining strong public service ethos with business acumen, we can open up the possibility of entrepreneurial organisations – highly responsive to customers and with the freedom of the private sector – but which are driven by a commitment to public benefit rather than maximising profits for shareholders.”

The definitions of a social enterprise used for the purposes of this paper was laid out in a think piece for the explored in think piece for the United Kingdom National Consumer Council by Bob Allan, “Social Enterprise through the eyes of a consumer” (Allan 2004) he identifies three common definitions for a social enterprise;

“Enterprise Oriented - they directly involved in the production of goods and the provision of services. They seek to be viable trading concern, making a surplus from trading.

Social Aims - they have explicit social aims such as job creation, training and the provision of local services. They are accountable to their members and the wider community for their social, environmental and economic impact”.

And

Social Ownership - they are autonomous organisations with governance and ownership structures based on participation by stakeholders groups (users or clients and local community groups) or by trustees. Profits are distributed as profit sharing to stakeholders or used for the benefit of the community” (Allan, 2004, page 4)

A recently publication from the EMES research explored some of the theoretical underpinnings of Social Enterprise and in particular its relationship to both the market sector and to civil society (Nyssens 2006). It is helpful to draw on some of the concepts and models identified in this literature.<sup>3</sup>

<sup>3</sup> For more information on EMES see:

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The EMES definition of Social Enterprise developed by Defourney is worth exploring and critiquing in respect of its relationship to both the market sector and to 'civil society'. (Defourney 2001 pp16-18 in Nyssens op.cit. p 6)

**Table 1 Social Enterprise Criteria (EMES) compared to the Market Sector , the Public Sector and Civil Society Organisations (the Voluntary Sector)**

<b>Economic and Entrepreneurial Criteria of Social Enterprise</b>	<b>Market Sector</b>	<b>Public Sector</b>	<b>Civil Society Organisations</b>
A continuous activity, producing and selling goods and services	This is clearly both explicit and implicit in the market sector	The public sector may produce but generally does not sell	Such organisations often produce but usually do not sell
A high degree of autonomy	This is clearly both explicit and implicit in the market sector	This is clearly both explicit and implicit	This is clearly both explicit and implicit
A significant level of economic risk	This is clearly both explicit and implicit in the market sector	The Public sector acknowledges and sometimes take economic risk	Civil Society organisations usually are not associated with economic risk
A minimum amount of paid work	Paid employment	Paid employment	The voluntary principle is much stronger though paid employment is significant
<b>Social Criteria</b>			
An explicit aim to help benefit the community	Market organisations may have this as an objective	This is clearly both explicit and implicit	This is clearly both explicit and implicit
An initiative launched by a group of citizens	Market organisations can be launched by citizens either acting alone or in partnership	The public sector is affected by groups of citizens but not created by them	This is clearly both explicit and implicit
Decision making not based on capital ownership	Explicitly part of the market sector	Not a part of democracy	This is clearly both explicit and implicit
A participatory nature, which involves the various parties affected by the activity	Most market organisations do not operate on this basis.	The Public sector usually operates through democratic processes and usually consults and involves stakeholders	This is clearly both explicit and implicit
Limited profit distribution	Profits are usually distributed and such distribution is an explicit aim of the enterprise.	The public sector does not distribute profits	Civil Society organisations do not distribute profits

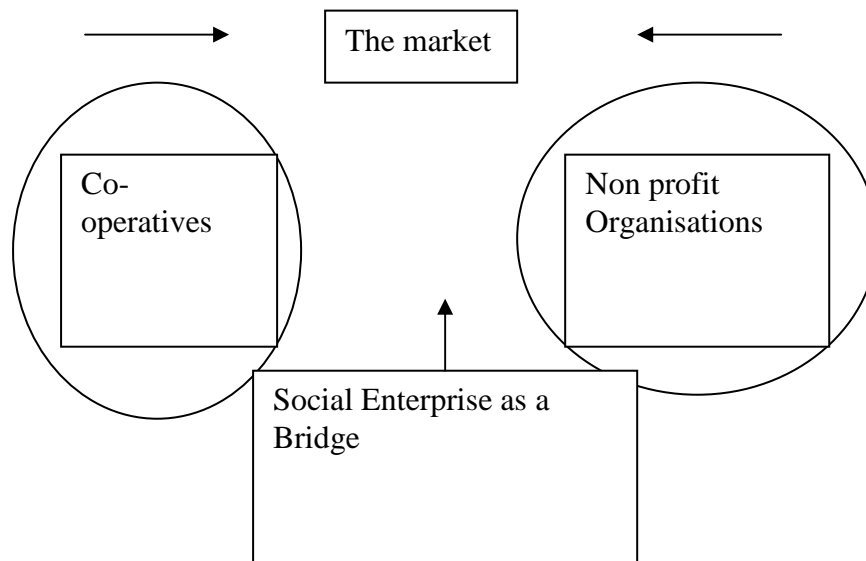
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Nyssens suggests that Social Enterprise is 'at the crossroads of the market, public policy and civil society. The book is strongly focussed on what are described as WISE (Work integration Social Enterprises) which are focussed upon enabling people excluded from the market work opportunities to be reintegrated into employment. However the Social Enterprise at the crossroads concept has a wider applicability. The imagery of a crossroads carries with it the implication of choices of direction of travel.

Contributors to Nyssens book explore the possibilities of these different directions. Laville and colleagues explore the implication of public policy for public enterprise. It is suggested that there are a range of viewpoints which could assist in analysis what takes place. The challenge is seen as the risk of institutionalisation of social enterprises as they either conform to the market driven nature of contracts or respond to politically driven agendas. The work of Polanyi is seen as especially pertinent in the context of the interaction between state, market and social economy. (Polanyi 1944). The implication is that the forms the social economy takes are not dictated by either the state or the market. The interaction of public policies and various third sector organisations is what leads to the social construction of the third sector rather than the third sector being the construction of regulation and policy.

The market focused nature of Social Enterprise (as shown in Table 1) also means that it sits at the crossroads with the market sector. Hence Social Enterprise models are analysed in terms of becoming hybrids (Bode et al In Nyssens op.cit). Aiken (In Nyssens op.cit) speaks of two market sectors in which social enterprises operate: the social welfare market and the commercial market. He notes that these markets operate differently and in the former (social welfare) public policy has a much greater role. In the commercial market sector obviously the forces are more economic in nature and the social enterprise confronts considerations and pressures less driven by public policy and more driven by straightforward business pressures. Aiken also notes that some social enterprises operate in both social welfare and commercial markets (the imagery of standing at the crossroads and then setting off in two directions is compelling). However this 'mixed economy' is not unusual in the UK. It does pose some problems for such organisations in terms of both focus and growth.

The concept is also advanced of Social Enterprise as a bridge between the co-operative sector and non-profit organisations. The imagery is of a degree of convergence occasioned by the increase in public service contracting.

**Figure 1 The Impact of Growth of Contracting**<sup>4</sup>

In this connection Social Enterprise is seen as providing a means by which co-operative based organisations and non-profit organisations can engage with a changing environment in which commercialisation is taking place through the growth of contracting. These organisations are not always well placed to adjust and it is argued that social enterprises are able to make a bridge for such organisations to enable appropriate adaptation.

#### **WORKERS BEER COMPANY – HISTORY**

The Workers Beer Company (WBC) was formed by Battersea and Wandsworth Trades Union Council some 20 years ago during the miners' strike in the 1980's and provides services at some of the largest European music festivals.

The WBC is owned by the Battersea and Wandsworth Trades Union Council. It was one of the first Trades Union Councils in London and formed in the 1880's. It has a rich campaigning history in its own right. The WBC was created as the fund raising arm of the Council in the 1980's. The primary objective of the WBC is to raise funds and to campaign; it achieves these aims by selling beer and promoting music festivals. All the surpluses made are ploughed back into the organisation to support its objectives. The money raised by the volunteers goes directly back to the sponsoring groups to support their own individual objectives; there are about 200 groups providing some 5000 volunteers ranging from the Woodcraft Folk to WaterAid moving through Acton CND and the Anti Nazi League.

To put the organisation into context; over the last 2 decades it has turned over £35 million with over £2.2 million going to fund raising for the campaign groups sponsoring the volunteers. At Glastonbury the WBC takes about 800 servers, 300 managers and 200 technical crew to work. The WBC runs some 20 bars many with tankers of beer and fridge trucks full of drink behind them to serve up to 5000 pints an hour to the thirsty revellers for the 4 or 5 days of the festival.

The idea is simple; a campaign group, for example a local community group, sponsors a team leader and 10 workers, all volunteers. Each team works a six hour shift a day and each

<sup>4</sup> Derived from Roger Spear – Presentation at Said Business School, 26 March 2007

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member gets paid about £6 an hour that goes to the sponsoring group "back home". Each volunteer in turn gets free entry to the event; secure camping with a mess tent, free meals and hot showers.

This does not happen all by itself, there is more behind the organisation than just selling beer at festivals; there is a firm belief in volunteerism, in socialist discipline, political involvement, citizenship, campaigning and fund raising.

There are a few simple questions that do need to be asked first; is it a social enterprise, what are its values, its governance, its business involvement, resources and strategic management ?

**The Workers Beer Company – is it a Social Enterprise?**

Yes is the simple answer - it is a successful social enterprise solely supported by its successful trading activities, First, looking at the Department of Trade and Industry's criteria:

"a social enterprise is a business with primarily social objectives whose surpluses are principally reinvested for that purpose in the business or in the community, rather than being driven to maximise profit for the shareholders and owners" (DTI, 2002 page 13)

Many of the events the WBC is involved in or has promoted are vehicles for campaigning in themselves and have developed clear social aims of their own. For example the WBC is a part owner of Glastonbury, the largest green field arts and music festival in Europe, and Michael Eavis, the founder, included in the company's objectives in the 1980's;

"The Glastonbury Festival aims to encourage and stimulate youth culture from around the world in all its forms, including pop music, dance music, jazz, folk music, fringe theatre, drama, mime, circus, cinema, poetry and all the creative forms of art and design, including painting, sculpture and textile art"

And

"In addition to all of this, the company actively pursues the objective of making a profit. And in so doing is able not only to make improvements to the site, but also to distribute large amounts of money to Greenpeace, Oxfam, Water Aid and other humanitarian causes which enhance the fabric of our society." (Glastonbury website 2006)

Clearly these are social objectives and in addition so are promoting youth culture and campaigning. Glastonbury Festival also creates local employment, local fund raising opportunities for neighbouring villages, the sustainable management of the site and it provides a platform for campaigning groups such as WaterAid and Make Poverty History.

Another example is the involvement the WBC has in organising the Mayor of London's music festival to promote anti racism and celebrate cultural diversity, Rise – make a stand against racism, which attracts upward of 100,000 visitors and has a clear purpose in challenging racism in all its forms.

The WBC is a trading concern; it is enterprise centred and makes surpluses, not only does it sell beer it is also a part owner of the Glastonbury Festival. But there is more; over the years the WBC has given rise to daughter organisations each with its own identity.

All these organisations have their own social enterprise characteristics such as ethical buying policies, trade union recognised terms of employment and minimum wage rates in the music and catering business that is often known for poor wage rates and poor conditions of employment

**The Workers Beer Company – social value**

Manda Salls in a paper for the Harvard Business School (Salls 2005) identifies some "smart practices" that give some insight into how organisations create social value. we have borrowed from of her themes to look at the WBC.

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**Social Value**

Key questions are; understanding the initial impetus and the “problem” the social enterprise has been created to address. How the social enterprise develops its focus over time and any related issues it takes up. How the organisation aligns its commercial effectiveness with its core values. How social enterprises develop their planning competence across both the social and commercial actions. And, finally, how social enterprise can adapt to changing circumstances.

The initial impetus for the WBC was to create a trading and fund raising arm of the Trades Union Council. At its core it is a highly motivated and politically driven organisation. Selling beer and promoting events are the vehicle it has developed to meet those core aims. In turn the core values permeate the organisation and its daughter organisations; the core values of the trades union movement, challenging discrimination and encouraging political participation through debate and campaigning.

The WBC has maintained its focus over time as a fund raising organisation. It has developed its trading arm selling beer and promoting events over time to maximise its fund raising capacity and minimising the risk to the organisation. It has clearly positioned itself to be able to respond to the changing market place and the changes in public demand.

It has aligned its commercial effectiveness with its core values successfully; they permeate throughout the organisation and are understood by all the staff and the volunteer workforce. There is also an investment in informing the festival goers of the WBC's core values, the volunteer nature of the workforce, it's campaign and fund raising objectives. Selling beer successfully in a field and promoting festivals creates a platform in itself from which the WBC can engage with young people, launch campaigns and fund raise.

Planning at all levels has been key to the WBC's success over the years; there is the operational planning which has developed to rise to the challenges of the music and festival business and there is political planning to ensure the organisation has the capacity and direction to continue to raise funds and develop its campaigns.

The WBC has adapted to its environment over time, it has created specific vehicles to drive particular campaigns. Both Ethical Threads and the Left Field, for example, to develop the themes of ethical trading, fair-trade and citizen engagement.

**Leadership**

Salls examined various elements of leadership.

- The importance of the leadership offered by the founders and the challenge of succession.
- How non profit organisations can develop problem diagnosis and analysis.
- Issues relating to the mobilisation of resources to pursue the organisations objectives and its social goals.
- Finally leadership style and smart operating practices.

The founding members put their mark on the company; it was born out of the bonds that were struck during the miner's strike. They built on the relationships that were formed and the sense of solidarity that was experienced during one of the most difficult times in the 1980's. They gave and continue to give clear direction to the organisation and its fund raising and campaigning direction. In terms of succession planning the organisation is bringing on managers from the volunteer groups and giving them the skills, experience and training to become increasingly more involved as the founding members move aside.

The WBC has to develop intelligence and problem solving across a range of activities; it has to understand and solve problems within the music and festival business; it has to understand the political dynamics of the volunteer groups and their campaigning to ensure it can maintain its volunteer base of workers; it has to understand how to maintain the alliances it has struck with its parent organisation and its partners, both operational and political.

The biggest resource the WBC has to command is the volunteer workforce; it has to ensure that it retains the confidence of the groups that supply the volunteers. There are some simple domestic arrangements that need to be maintained; they need to know what is required of



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them and they are treated with respect. There are some more complex areas such as aligning political expectations and working across the commercial and not for profit interface; for example a concern that some of the volunteer groups have about the increase in commercial sponsorship and branding.

Every year the WBC improves its operational management and is continually renewing its management crew from the volunteer workforce. Its on-site management style is simple and has been said to be based on good old fashioned "socialist discipline". There is a discernable respect for collective responsibility combined with the clear understanding of the allocated tasks. In terms of smart practice the WBC has grown its sphere of influence by creating new organisations to pursue specific objectives rather than to dilute the focus of the parent company.

Returning to Bob Allan's criteria;

### **Enterprise Oriented**

WBC can clearly demonstrate that is enterprise oriented. Over its life it has turned over £35 millions, it is an extremely successful organisation and has clearly developed its niche in the event and festival business. There are not very many organisations that can provide the infrastructure, logistics and staff. Particularly staff in the numbers required at large events that are motivated, experienced and qualified across the range of skills needed on site.

The WBC can also demonstrate that it has the risk profile associated with successful profit driven companies. It has invested its own resources in expanding the range of services it provides. It has achieved this through either the parent organisation or by creating new organisations, that share its values and ethics, to develop new and allied markets.

There is a complimentary commercial theme to draw upon and that is the relationships that it has developed with the promoters it works for and its partners. The WBC has worked very closely with both the Glastonbury Festival and the Mean Fiddler over the years. The Mean Fiddler has about 8 venues in the UK and promotes the Reading and Leeds festivals amongst others. The Festivals Director was a founding member of the WBC and moved to the Mean Fiddler in the very early years of the WBC. Michael Eavis, the owner of the Glastonbury Festival, has worked with the WBC for many years and he and the festival share many of the values of the WBC, as a consequence, an enduring relationship has been built up over the years.

These forms of relationship are critical for operational success in the, sometime, difficult world of music and events. The show has to go on – fans can be fickle to fashion and weather can be critical. The particularly wet Glastonburys are etched in the memories of many a festival goer. It is not times for the faint hearted, performers still have to go on and beer has to be sold. Beer tents have been under water and tents struck by lightning. It is in these times that the strength of the relationships an important for the safety of the site and salvaging the event. The relationships also are important in the commercial arena; it was made very clear by the licensing authority that Michael Eavis, the owner of the festival, had to strengthen the management of the festival, particularly the security of the site. The Mean Fiddler was brought into strengthen the management and as a consequence acquired 39% of the festival, subsequently the WBC acquired some 10% of this share. This brings together some of the key elements of the festival together with a common purpose and bond.

### **Social Aims**

The overarching ownership through the Battersea and Wandsworth Trades Union Council has established the fundamental values and aims of the different trading and campaigning arms it has created. The WBC is managed by an independent voluntary management committee of trade union members appointed by the Battersea and Wandsworth Trades Union Council.

The WBC can show that it has developed a range of social aims which work on different levels. Simply put, the organisation raises money, over £2.2millions, for many community and campaign groups. It has also launched a family of organisations that have some very specific social aims such as promoting ethical and fair-trade purchasing.

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All the employees and volunteers working for the WBC family enjoy trade union terms and conditions of service. They are all offered personal training and support to equip them to undertake the jobs that they do safely and professionally. Many volunteers have benefited from the management experience they gain and the qualifications they acquire working for the WBC in their “day jobs”, which in turn improves individual job opportunities.

There are some 200 sponsoring groups across the country all benefiting from the fund raising arm of the organisation. All of these groups have their own aims which they pursue as trade unions, campaigning organisations and community groups.

While it might not fit neatly into some of the definitions of a social enterprise there is one further matter to add and it is belief. Those working and volunteering believe that the WBC as a social enterprise and believe in its aims.

This belief is critical to motivating and maintaining the massive volunteer workforce. Belief matched with the strength of volunteerism and good old fashioned social discipline has created a formidable workforce that is able to turn up in a field with a few tents and help turn them into events with international reputations – we truly can run a piss up in a brewery.

The trust generated between the WBC and its volunteers is critical to the commercial success of the event. The WBC has known many of the groups and the on-site managers for many years, many share a history from the very beginning during the miners’ strike of the 80’s. There is a true sense of personal solidarity and loyalty to the company and the people working in it.

This creates a level of trust across the organisation that would be hard to find in many organisations; this level of trust creates an operational and commercial advantage for the WBC. Simply put, practically all the transactions are in cash and involve easily disposed of high value stock. There has to be a high level of trust between the management and the servers not to take advantage of the circumstances. The bond of shared values reinforces this trust.

Levels of trust between WBC, organisers and contractors on site can make all the difference in the smooth running of the event. However it is described there is an extremely compelling bond of dependency between all the interests working on site and it is it can be the key to the success or failure of the event.

There is one final thought, it is fun as well, whatever we might say at the end of a long and hard day, we all enjoy the events, the work and the camaraderie that comes from being with people sharing some fundamental values. We all come back for more.

**The Government Agenda – and linked agendas**

The UK Government has become extremely positive about social enterprise and this enthusiasm has been shared by the main opposition parties.

In November 2006 the UK government launched its new action plan for Social Enterprise building on an earlier plan from 2002. The key change points of the plan are set out below.

The plan aims to drive change in the following areas

- fostering a culture of social enterprise, embedding the change that is already underway, especially through inspiring the next generation to start thinking about the social impact of business
- improving business advice, information and support available to social enterprises
- tackling the barriers to access to finance that restrict the growth of social enterprises

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- enabling social enterprises to work effectively with government to develop policy in the areas of expertise<sup>5</sup>

The intention of the Government is evident and it links with other agendas to encourage service provision by the third sector and to focus on social inclusion. Environmental and ethical agendas also sit well with an enhanced role for social enterprise organisations

The ethical and inclusion agenda links well with WBC. The organisation provides access to relevant skills training for marginal groups. Catering and bar work is traditionally an area of work access for marginal workers.

The link between WBC and music and the festival industry means that it has the potential to reach some of the key target groups in this respect. For some young people who are on the fringes of social exclusion WBC and its offshoots provide the opportunity to learn skills in areas which are seen as attractive. WBC, like a certain beer, reaches parts that the government agencies cannot. Traditional government employment schemes tend to focus on conventional industries. WBC is able through its music and festival connections to access areas of employment which would be hard for the government.

### Growth and analysis

Over the years the Battersea and Wandsworth Trades Union Council, the parent body to the Workers Beer Company have developed the concepts of social enterprise and have encouraged the Workers Beer Company to expand its operations.

The framework for the organisation is a simple not for profit social enterprise, with a clear objectives for social and economic justice and governance arrangements that reflect collective responsibility.

Each of the following examples of organisational growth share the characteristics of the parent organisation; strong alignment with the principles of the trade union movement, creating jobs and training for new entrants, campaigning for workers rights and supporting workers, a strong ethical strand to ensure that wherever possible fair-trade and ethical trading are to the forefront of the organisations objectives.

The first of the siblings was Clause IV, named after the clause of the Labour Party Manifesto dropped by New Labour. It is worth rehearsing some of the history because it gives a flavour of the relationships that the Workers Beers Company has developed

### Clause IV,

Clause IV is the production company formed by the National Union of Miners from the former mining communities of Derbyshire. It is now much in demand for its skills in managing events, running campaigns and undertaking political stunts.

After the miners strike in 1989 when the Whitwell pit was shut it left 850 miners without jobs and a lot of miners looking for new ways to earn a living. In a newspaper article in the Guardian in 2003 titled "Good Intent" Alison Benjamin (Benjamin 2003) described the early experiences of the unemployed miners, particularly Terry Butkeraitis.

"Butkeraitis says the hardest thing for him and the others (fellow miners) was to swallow their pride and move on. After a stint as a youth worker, Butkeraitis is now a director and honorary treasurer of the WBC – which last year achieved a turn over of £8million turnover – and managing director of Clause IV, an offshoot company set up four years ago to stage events and union campaigns"

He pointed out that

"“Never thought I'd know about inflation or VAT returns, but we have bought into the system” – he says. He describes himself as a “socialist capitalist” because the profits from Clause IV and its parent company support labour movements around the world. At this year's Glastonbury, there will be a political arena called Left Field – run by another WBC group – and company profits are being used to fly over a Colombian trades unionist to address the crowds”

<sup>5</sup>See: [http://www.cabinetoffice.gov.uk/third\\_sector/social\\_enterprise/action\\_plan/](http://www.cabinetoffice.gov.uk/third_sector/social_enterprise/action_plan/)  
Accessed March 2007

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It all started when he worked on the WBC bars in London to raise money for families in Whitwell during the miners strike.

“During the strike, Butkeraitis made his first trip to London to raise funds for the Whitwell miner’s support group. He was put up by Dick Muskett, a member of the Battersea and Wandsworth Trades Union Council, in south London, which was just starting to run bars as music festivals and outdoor political events – and which set up the Workers Beer Company in 1985. Butkeraitis joined Muskett at Glastonbury to earn some money for the support group”

WBC and subsequently Clause IV created full time and part time jobs after the colliery in Whitwell was closed. Different generations of the same families work still work the WBC and its socially entrepreneurial offspring.

The strength of those relationships forged in the 1980’s should not be underestimated and the simple acts of support and solidarity with the striking miners have not been forgotten.

### **Ethical Threads**

Ethical Threads is a brand of clothing and merchandise sourced from workplaces that meet international conventions on workers rights, and which are verified by free trade unions. The aim is to provide a vehicle that challenges sweatshops, exploitation and child labour in the clothing industry. The links with the trade union movement are clear and a percentage of the price paid goes to support trade union and fair trade campaigns around the world. Ethical threads has an increasing levels of support in the music and event industry including mainstream artists and promoters such as Billy Bragg, Mark Thomas, the Glastonbury Festival, the National Film Theatre as well as trade unions and campaigning organisations such as GMB, TGWU, Christian Aid and War on Want.

### **Left Field**

Left Field is a daughter organisation with a very specific role in the WBC family. It was established at Glastonbury in 2002 with the aim to promote international solidarity through ethical trading and has grown from being a stage in a marquee to becoming a whole field dedicated to bringing together ethical trading and the cutting edge of music with politics.

It fills a gap in the range of activities at music festivals and other events; to tap into peoples’ appetite politics, discussion and debate as well as to show people how they can become engaged as active “political” or “campaigning” citizens. It has enjoyed spectacular success ever since and it now makes a regular appearance at the Homelands dance weekend and the Edinburgh Festival.

The Left Field aims to reaffirm the spirit of political debate and involvement among festival goers with Billy Bragg, Tony Benn and Pete Doherty being keen supporters of the Left Field and all sharing the same stage. Last year Tony Benn drew a bigger audience of young people than Pete Doherty and Babyshambles.

### **Work Ethic**

Work Ethic is a young recruitment business created expressly to cater for the need of the event industry targeting young people who want to find employment in the music and festival business. It builds on the reputation of the WBC as a major operator of bars and beer tents for the outdoor event industry and it being able to recruit reliable and motivated staff.

### **WBC in Europe**

WBC – DE was inspired by the Workers Beer Company and set up by young German trade unionists to raise funds and to capitalise on the links between trade unions and the music industry. As a consequence of working with trades unionists across Europe a WBC has been set up in Germany and the parent WBC has been working with groups in Ireland, Scotland and Spain.

**Bread and Roses**

The WBC opened its own pub in Clapham, London, all the staff are on proper trade union recognised employment contracts and they enjoy some of the best terms and conditions of employment in the catering business. The pub offers regular event and activities for local people as well as offering a programme of activities that support the union and labour movements.

**CONCLUSION**

From the simple beginnings of selling beer in a field to festival goers the Workers Beer Company has gone from strength to strength. As the parent company has identified gaps in the market or a niche opportunity it has taken the initiative and filled it.

All the new developments are not for profit social enterprises and report back to the main body of the Workers Beer Company and the Battersea and Wandsworth Trades Union Council for direction and governance.

Across the piece the organisation has expanded in the spirit of social enterprise as well as social and economic justice. Each of the organisations not only governed by the underlying principles but its outcomes are geared to have clear impact. Whether it be campaigning, protecting employee rights, political engagement, education or creating and supporting new markets.

The scope of the organisation has recent increased with the creation of a new international spending committee to distribute financial support to particular employees in dispute or to support the growth of local trade union movements.

The WBC is owned by the Battersea and Wandsworth Trades Union Council and it is its trading and fund raising arm. The Battersea and Wandsworth Trades Union Council is run by its trade union members and as a consequence the ownership and governance arrangements reflect the principles of collective ownership and responsibility. Furthermore, many of the management committee and managers have extensive experience of working at senior levels in the public sector (as officers and elected members), voluntary sector and trade unions and are both familiar and comfortable with this style of ownership and governance.

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**Final Thoughts**

Nick Dolezal started as a humble server, selling and pouring beer for the masses, anything up to 5,000 pints an hour; admittedly not by myself. He then graduated through the server ranks to working in the cellar, taking different management roles in the bar to being a bar manager as well as a site manager responsible for health and safety. We mention this because he has not been alone but part of a mass volunteer movement and 5,000 of us have the same experience each year. For those who want move through the organisation there is management training and the opportunity to gain

**Social Ownership****The Workers Beer Company – some brief answers**

It shows that primary objectives can be supported solely by trading.

The WBC shows that history and a clear focus for the founders adds strength to the organisation.

That the trading can be complementary to the primary objectives and in themselves provide a platform for further work, engaging with the community and campaigning.

That sound governance and common ownership gives a stable platform for continuity and maintaining the overall objectives.

Trust, loyalty, discipline, volunteering are some of the critical values on which the WBC is built.

Leadership is key and succession planning is critical.

That it is a complex process to strategically align the primary and the trading efforts to ensure that they are complementary; but it can be done.

BWTUC

Miners Strike

The Early Festivals

