

CEO Luc-Olivier Marquet on Unilever's response to Covid-19

 By [Lauren Hartzenberg](#)

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Unilever South Africa is one of the country's largest producers and suppliers of hygiene, personal care and food products. Many of its brands - including Lifebuoy, Domestos and Handy Andy - form part of South Africans' everyday defence against the coronavirus.



Luc-Olivier Marquet, Unilever South Africa CEO

Unilever SA CEO Luc-Olivier Marquet told *Bizcommunity* that as a manufacturer of essential products which are being used on the frontline of the Covid-19 fight, the FMCG company has a duty to ensure these products are made widely available to all South Africans. Partnerships with the likes of Unicef, Gift of the Givers, The Domino Foundation and the Department of Health are enabling this.

The company reports to have made millions of rands worth of product donations during the lockdown, reaching more than 20 million vulnerable South Africans with the help of NGOs and government departments. In addition to donations, the company has built handwashing stations and distributed printed educational materials encouraging effective hygiene practices in communities.

Supply chain disruptions

Corporate social responsibility initiatives aside, Unilever is navigating the challenges that come with ensuring the availability of goods during a global pandemic, which impacts every facet of the supply chain and alters consumers' shopping behaviour.

Marquet said that while 95% of Unilever SA's products are manufactured locally, there were disruptions in the supply of raw materials and pack materials obtained from other countries under lockdown. "But it gives us an opportunity to activate more local supplier partnerships going forward. I think we'll see a lot more of that in future," he added.

At the same time, the company has had to meet the unprecedented demand for certain product categories during lockdown. "There's been an increased level of demand for food products as people have been indoors more and been cooking more, and of course extremely high demand for brands like Lifebuoy and surface cleaners like Handy Andy," Marquet explained.



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Boksburg factory closure

Perhaps the most notable hurdle in the company's recent operations came when workers tested positive for Covid-19 in the Boksburg soap powders factory. Unilever carried out a contact-tracing programme and tested 689 factory employees, and the facility was closed for full sanitation while the company waited on the test results, which confirmed 30 positive cases.

Affected employees were given the option to isolate in hotels that were allowed open solely for quarantine purposes. The factory reopened after two weeks, and a supply of safety stock assisted in making up for the shortfall during that time.

"We engaged with Gauteng health authorities who were impressed that we took the initiative to shut down the factory and tested all employees. The good news and most important is that all employees recovered well and nobody was in critical condition," said Marquet.

Subsequently, Unilever instituted additional measures to mitigate the spread of the virus in its factories, over and above the PPE, hygiene and physical distancing protocols as outlined by the Department of Health. All employees now wear PPE goggles, their movements around the factory are tracked, full sanitation is carried out between each shift and clear zoning isolates the various lines inside the factories.

It's proven to be effective," said Marquet. "Since then we have had one or two isolated cases in other factories, and their first contacts have tested negative."



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Work-life balance

On 17 March, Unilever's office workers around the globe were instructed to work from home – 10 days before South Africa entered lockdown. Employees were equipped with the tools needed to do their jobs, including laptops, 3G cards, as well as computer screens and chairs if needed.

Marquet has been sensitive to the challenges his staff has faced in terms of juggling work and family responsibilities, which are made all the more complicated during lockdown with the addition of home-schooling and limited access to outside help from au pairs and domestic workers, as experienced during Level 5 and 4.

"We've tried to be as flexible as possible. We've worked on Microsoft Teams a lot, but any employee is entitled to excuse themselves from a meeting because of family and household duties. I implemented a strict lunch break between 12pm and 1pm when I realised people were not having sufficient time to spend with their kids or their partners. So no meetings can take place during that time and they can sit down for lunch with their families."

Commitment to financial support

Marquet said that Unilever SA's priority has been on protecting and supporting its approximately 10,000 direct and indirect employees during the pandemic.

The company committed to paying salaries to employees and temporary workers for the months of April, May and June, and third-party employees like Ola ice-cream vendors and agents who have been out of work during the lockdown have been supported with a daily living allowance.

"It's not the time to think about our short-term profit, but more about protecting our employees and supporting our communities as much as we can," Marquet said. "I salute and admire the resilience all our employees have shown throughout this crisis."



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Economic outlook

Commenting on how Covid-19 is affecting South Africa's FMCG industry and the country as a whole, Marquet said its impact will be "significant" and the resultant economic crisis will persist for "quite a while".

The devastating setbacks to our tourism industry have knocked Unilever's Food Solutions business, which supplies products and services to commercial kitchens, including restaurants and hotels. "South Africa relies on tourism quite a bit and that industry has been paralysed," Marquet said.

"My thoughts go out to all the citizens of South Africa who have lost their jobs, because many companies have closed or are struggling. Consumers are going to be cash-strapped and it's our duty at Unilever to ensure we produce great quality products to be sold at an even more affordable price," he said.

Marquet concluded urging all South Africans to stay safe. "Act responsibly, wash your hands regularly with soap, clean surfaces with appropriate products and continue to apply physical distancing."

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