

# Sally Orwin profiles Phil Schluter



SchluterCoffee is a family coffee trading business founded by brothers Edmund and Gabriel in 1858. Now run by the sixth generation of the family, the company has had a presence in Africa since the early days of commercial coffee production. In 2009 the Swiss based company added a new office in Liverpool - Schluter Ltd - under the leadership of its current MD, Philip Schluter.

Phil is a direct descendant of Edmund and Gabriel. When I ask him what he would most like FiBQ readers to take away from a profile about his work as a Christian in the business of trading coffee, he replies instantly that life is a 'process of learning' in a world over which 'God is sovereign' and 'nothing is secure'. He speaks candidly of dreaming for ten years of running the business to reach a degree of security which might put it beyond the risk of going bankrupt.

Having experienced near-bankruptcy at the age of 25, one might forgive him for this. At the same time, it is also refreshing that his motivation for running the business on a sound financial footing is not solely to fulfil the classic business purpose of making profit for shareholders, although his strategy must certainly deliver that. Phil combines this with a passion for Africa, a passion for people and a passion for Christian faith to matter across the whole of life. He mentions Psalm 73 from which he draws a personal understanding of the eternal purposes of God and the assurance these provide for the believer operating now in the light of eternity.

It is clear that family is an important thread that weaves through all aspects of his life. Husband to Helen, who works in the business, and father to four children under the age of six, Phil is also son to Michael Schluter who has worked extensively to develop and promote the significance of relational thinking across the whole of life. This work has been profoundly influential in the 'secular' business world as well as the world of work and business among Christian thinkers and writers. Michael is a director of Schluter Ltd and Phil speaks of being 'proud to be the son of Michael Schluter' from whom he has learnt much about how his Christian faith can have an impact on the running of a business - thereby breaking down the entrenched 'sacred/secular' divide which still exists in much of the church and Christian attitudes to work and business generally. It is clear that whilst his siblings have taken the classic 'full-time Christian worker' route - his sister works in Japan with Overseas Missionary Fellowship and his brother heads up Johannesburg Bible College - Phil also sees his own work in business as that of 'full-time Christian worker' with the opportunity to have an impact on relationships with his staff, his suppliers and customers as well as seeking to use the fruit of business to impact development in Africa.

I asked Phil about both the privilege and the challenge of inheriting a family business which operates out of one office in Speke on the outskirts of Liverpool and another in Nyon just outside Geneva. He acknowledges ►►

▶▶ being ‘born with a silver spoon in my mouth’, as he puts it, and couples this with insight into how he can translate the privilege and benefits of good schooling and an Oxford education into making a difference in the context in which God has placed him. Amid the moments of stress inherent in running a business across continents and subject to the vagaries of the commodities market, he nevertheless ‘loves going to work in the morning’ and desires the same for the people who work with him in the business and for those who are impacted by its activities.

So I ask him what development might look like in Africa. He mentions the vibrancy of Africa, the depth of colour, richness and taste of material life. Alongside the challenges of poverty sits a rich cultural and relational life which can be lacking in the individualistic routines of the so-called ‘developed’ world. Economic freedom is a desirable reality to strive for; the challenge is to do this while not destroying beneficial social structures. Phil



Street view, Goma

speaks therefore in terms of ultimate outcome. The purpose of development is not to make Goma look like Geneva because there is much that Africa has ‘got right.’ Whilst we must strive to help people out of abject poverty, we must be careful not to promote a capitalist consumerism which fails to value what is really important in life. To illustrate this point, Phil cites a speech made in the late 1960s by Robert Kennedy on redefining the gross national product which measured ‘everything except that which makes life worthwhile’ including wit and courage, wisdom, learning and compassion. ‘We

surrender personal excellence and community values in the mere accumulation of material things’ Kennedy declared.<sup>1</sup>

In the light of this, the stated primary purpose of the business is ‘to transform lives in Africa through commerce in a mutually profitable way.’ The business commits ‘to trade in a socially responsible and ethical manner to supply certified and traceable coffees from across the African continent.’ This is supported by the values of tradition, experience, sustained relationship and co-operation which drive the whole enterprise.

What does all this look like in the day-to-day running of a business, subject to the forces of the natural world in terms of quality of a product which is then sold in the capricious environment of the international coffee market? How do we redefine the concept of wealth and wealth creation to make a profit for producer and trader in the context of building trust, valuing relationship and all the



Street view, Geneva

while reflecting the character of God through the business processes in order to deliver an excellent cup of coffee to the discerning drinker?

Phil begins with the last book of the Bible: Revelation 21:1-4. It is this long-range vision of creation transformed which informs the two key biblical principles that underpin the company’s approach to buying and selling coffee here and now. Firstly, we should expect to reap where we sow. The parable of the talents demonstrates that one might look for a return in those areas of life in which one



▶▶ has put in effort and added value. So this is not just about taking risks. Producers are enabled to sow and reap when the consumer is willing to pay more for a better product.

The second principle is to love your neighbour as yourself. In the context of coffee, this means knowing who that neighbour is. This means being mindful of the *person* who grows and supplies the *commodity* which translates ultimately into the consumer's experience of taste and enjoyment. To this end, when giving presentations, Phil includes tips on how to go about buying an ethical cup of coffee that is *traceable* back to the farmer who has grown it. If the roaster knows where the coffee comes from there is a good chance that they are involved with the farmer group. So one tip regarding traceability is to check the roaster's website and try to buy single origin coffees of good quality.

Phil's approach to business has also been shaped by the writing of Tim Keller who heads up Redeemer Presbyterian Church in New York and has been referred to as a 'C.S. Lewis for the twenty-first century.'<sup>2</sup>



Tim Keller

Influenced as we are by the persuasive impact of hard work and education, Keller argues in his recent book *Generous Justice* that we become deluded that we are the authors of

our own success in the 'developed' world. In fact, he argues, 99% of that success comes down to where we are born and the context in which we are placed by the sovereign God who created us in his world.<sup>3</sup>



'Be mindful of the person who grows'

Likewise, we can tend to assume control over money as something to be desired for itself and not as a resource to enable us to sow and reap and love our neighbours. Whilst God can and does bless businesses with profit and wealth-creation, money itself can become a false security. One of the challenges for Christians in business is to engage with banking and investment systems which push constantly for greater and greater returns. The systems can force business into taking unreasonable risks to achieve goals which conflict with biblical principles. It must be acceptable in the context of reaping what one sows and loving one's neighbour to run a small business that provides employment for its staff and doesn't grow simply for the sake of growing. Clearly a business is not a business if there is more cash flowing out than coming in. However, this must sit alongside the important aspects of structuring and living out the values in the business internally by providing people with jobs, developing people and creating a pleasant and comfortable working environment, and externally by serving suppliers and customers.

It is at the interface of the social and economic forces in Africa that Phil seeks to make the business live up to the biblical principles upon ▶▶





Coffee cherries



Ethiopia coffee flower

▶▶ which it's founded. Although coffee accounts for between 10 and 90% of the foreign income into most of the East African countries where Schluter operates, Phil points out that not a single government has produced any up-to-date detailed literature to promote their coffee sector. Burundi is one example where change is beginning to take effect. Until five years ago Burundi sold all of its coffee through a centralised auction system based on volume and bean size. Schluter began to map the country's coffee sector on the basis of taste across the various coffees it was producing. They published and distributed a poster to promote the finer coffees Burundi had to offer. The outcome of identifying the better coffees and marketing them in this way has been that the best coffees can now be sold for 30% more than they used to be. With coffee accounting for 90% of foreign earnings, adding this premium to 10% of the crop could increase the GDP of the country by over 2%. The business has already seen great progress in Burundi, and this work has had a significant and far-reaching impact. Schluter Coffee have just sent someone to live and work full-time in Burundi, and have also hired someone to work in Goma in the Democratic Republic of the Congo.

I asked Phil about the issue of 'Fair Trade' and he hesitated before answering that we are 'definitely better off' with the Fair Trade movement than without it. Fair Trade and Max Havelaar did a great deal to educate Western Consumers to the impact of their consumer habits on producers, and led the way

in promoting ethical sourcing practices. For that, we should all be grateful. However, from someone within the industry, I fear that Fairtrade's marketing has not always been clear and fair, and that their decision to maintain the right to determine who can stand on the moral high ground negates their potential impact and their message.'

Phil mentions the film *Blood Diamonds* which shows how much of Africa's primary materials are taken out of the continent. Hundreds of military groups operate in the Eastern Democratic Republic of the Congo, many of them looking to extract the amazing natural resources which include diamonds, oil and gold. It is highly motivating to think that through the involvement of his business in coffee production and trading the local population can benefit from their own local resources by obtaining a good price for their product. There are many risks, but Phil declares a firm belief that it is part of his personal and business mission to work in the difficult corners of Africa to bring hope to its people. ■

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Notes

- 1 [www.youtube.com/watch?v=NlxIWruZOV0](http://www.youtube.com/watch?v=NlxIWruZOV0)
- 2 Newsweek Feb 09 2008;  
<http://www.thedailybeast.com/newsweek/2008/02/09/the-smart-shepherd.html>.
- 3 T. Keller, *Generous Justice: How God's grace makes us just*, Hodder & Stoughton 2010, p89