

A Climate Conversation with Georgia Business Leader Roy Richards, Jr.

Summary

What does it take to commit professionally and philanthropically to advancing climate solutions in Georgia? In this interview, John Lanier of the Ray C. Anderson Foundation talks with Roy Richards, Jr., former CEO and current board chair of Southwire Company and co-chair of the Drawdown Georgia Leadership Council, about the personal awakening that shaped his approach to environmental stewardship, Southwire's journey toward sustainable manufacturing, and why the Drawdown Georgia Business Compact has him most excited about the road ahead.

Key Takeaways

- Roy Richards traces his commitment to environmental stewardship back to a rural Georgia childhood spent fishing, hunting, and exploring the woods and creeks around his family's small farm outside Carrollton.
- In the early 1980s, Southwire operated with what Richards candidly describes as "a lot of disregard for environmental stewardship," treating regulators as adversaries, until a period of regulatory scrutiny helped him see environmental protection as a shared responsibility to neighbors and communities.
- Richards credits Ray Anderson, founder of Interface, with helping light the way for Southwire's shift toward sustainable manufacturing, and says a newer generation of shareholders and Southwire's own leadership team are now fully bought into that vision.
- Richards frames sustainability as having two sides: the moral obligation to stop environmental harm, and the moral opportunity to help build the electrified, renewably powered future the world will need.
- As co-chair of the Drawdown Georgia Leadership Council, Richards is most excited about the Drawdown Georgia Business Compact, which brings together a critical mass of Georgia companies working to draw down their carbon footprints and share best practices with one another.

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John Lanier: Hello, everyone watching along. My name is John Lanier, I'm the executive director of the Ray C. Anderson Foundation, and in that capacity, I'm one of the founding members of Drawdown Georgia. I'm excited about the conversation I'm about to have with Roy Richards, who is the former CEO and current chair of the board of Southwire, a committed climate philanthropist, and one of the co-chairs of the Drawdown Georgia Leadership Council.

Roy is someone I've had the privilege of collaborating with in that capacity, and I know he's going to have a ton of wisdom to share with you all. So, Roy, thank you for being here with me.

Roy Richards: Hi, John, great to see you, good to be together.

John Lanier: I want to start with the personal side of things, because what I've observed from our time collaborating is that you have the perfect combination of head and heart for the work of solving climate change. I want to drill into that heart piece first. What's your background, and importantly, how did you come to care about the environment broadly, and climate in particular?

Roy Richards: Thank you for asking, John. I grew up in Carrollton, Georgia, out on the city limits, and we had a small farm. We were right at the border where the paved roads became dirt roads, just at our driveway. Beyond that was farmland, creeks, and forests. I grew up playing in those woods, paddling in the creeks, fishing, squirrel hunting, all of it. Everything outdoors that a kid can do in the rural South, I grew up doing.

From that experience, I've carried this great affection for the outdoors with me over the years. I'm still a hunter and a fisherman, but I'm also a bird watcher now, and my affection for the outdoors, my sense of nature's place in our lives, has never been greater. I work on environmental issues for the preservation of the wild world around us, that's my great motivator.

John Lanier: It's one that resonates deeply with me, and I think it's that personal story that lets everyone realize just how much we have in common. There's an experience I think nearly everyone has had, of being awed by nature, and I know that's something I share with you.

Let's move to the professional and business side of things, call it the head that matches the heart. I know that your leadership of Southwire, a company I have so much respect for and one of the members of the Drawdown Georgia Business Compact, has had a leading role in this space for some time, and I know that for that to be possible, there must be a deep culture around environmental stewardship within the company. Given your leading role there, I imagine you've had real influence on building that culture, or at least a front-row seat watching it develop. Can you share a bit about how Southwire came to focus on the environmental side of the business?

Roy Richards: Southwire today is a 70-year-old manufacturing company, we make power cables in Georgia and a few other places around the country. I joined the company in the early 1980s,

when it was just clawing its way back from a near-bankruptcy experience, super thin margins, barely profitable, still trying to pay down debt.

We ran the company, environmentally, with a lot of disregard for environmental stewardship, frankly. We were kind of bucking regulation, regulators were the bad guys, environmental authorities were the bad guys, the hand of government trying to assure environmental responsibility was seen as a bad thing altogether. If you look at the environmental degradation we have, especially here in the American Southeast, it's a product of that kind of mindset, and I came along with that same attitude.

But we were, in fact, in violation, and as the government made its case, that became very clear. Over a period of about 12 or 18 months, I came to appreciate the other side of environmental regulation, which is about protecting the clean air, land, and water of our neighbors, of our communities, the streams I'd been fishing in, the flora and fauna I valued so highly. I came to understand that all of that is only preserved with environmental stewardship, and that it takes the hand of some regulation to make manufacturers and others act as responsible environmental stewards, the hand of the public, in the form of law and regulation. Once I understood that, we consciously and deliberately changed the way we ran our company, so we could become that kind of responsible environmental steward.

What's important here is that around that same time, I met Ray Anderson. He'd been struck by the same realization, except he was maybe a few years ahead of us, and he had the kind of vision and leadership to take it two or three levels further with Interface. At Southwire, we learned from Ray, from the Interface experience, from their progress. Ray Anderson and Interface were important to our own progress toward this new approach to manufacturing.

What's happened since then is that a new generation of shareholders has come along. They weren't stuck with that 20th-century thinking I had. They, along with our management team at Southwire, are so completely bought into this idea of environmental stewardship and sustainability that when we talk about it at the company now, we're preaching to the converted, there's not much dissent in the room. The only question is how to get there, and how fast to do it.

John Lanier: Mm-hmm.

Roy Richards: So that's kind of where we are, philosophically we're there, the devil's in the details of sustainability, of course. A lot of work still to be done.

John Lanier: What resonates most deeply with me here, besides the kind words about my grandfather, which I'm so grateful for, is that the journey Southwire has taken reflects something my uncle, Phil Langford, one of the trustees of the Ray C. Anderson Foundation, and I talk about all the time: that sustainability has two moral sides of the same coin. There's the moral

obligation to stop the harm, to transform the way we do things, and that was your awakening and Southwire's awakening. But flip that coin over, and you see moral opportunity as well.

When I think about solving the climate crisis and what it will take, the future is going to mean electrifying everything, and then making sure that electricity is renewably generated. Southwire embraced the moral obligation, and now you can flip that coin over and thrive in a future where you take advantage of the moral opportunity too. When we electrify everything, we're going to need the Southwires of the world to help us do that. So I want to lift up your family's company as a critical part of building the future we all need.

Roy Richards: I could not agree with you more, John. We're not going to be laggards in this business, we want to be the avant-garde, we want to be progressive, we want to be on the front end of that change, in the materials we use, the specifications we build our products to, and the processes we use to manufacture them. There's an attitude out there, clinging to the past, "stay out of my business, don't tell me what to do," being wedded to a 20th-century business model. I don't think those attitudes will take you successfully into the new century, not with new shareholders and new customers who demand something different, who want sustainability, a much smaller carbon footprint, and they want it now. Clinging to that old business model just won't take you forward. We're not going to be stuck in the past at our company, we're committed to being progressive and forward-looking.

John Lanier: I agree that's very important, and it's been your perspective, both as an industrialist and business person, and as someone with a very clear theory of change around climate philanthropy, that's made you such a valuable part of Drawdown Georgia. I'm so grateful for how much you've leaned in and led on this project we were part of getting started. For my last question, I want to hear what it is, within the entire framework of Drawdown Georgia, that's drawn you to it and made it worth your time to help advance.

Roy Richards: The thing I'm most turned on about is the Business Compact, because it's that critical mass of Georgia companies all working on sustainability, working on their carbon footprint, working on drawing down CO2 emissions, not just offsetting, but actually drawing down.

There's a recognition within that compact that we, individually, whether it's Coca-Cola, Southwire, Delta Airlines, or Interface, don't have all the answers it takes to get there on our own, and that we can learn best practices from one another. That's a pretty big idea. One of the great realizations of climate change is that we're all in this together, we've only got one planet, one nation, one state. Sharing best practices is essential if we're going to do something about this. I love the idea that my company can learn from service companies, service companies can learn from manufacturing companies, transportation companies, beverage companies, or educational institutions. We can swap and share ideas and learn an enormous amount from each other. That's the part I'm most excited about.

John Lanier: I'm right there sharing that excitement. It calls to mind that one of the bedrock principles of our economic system is competition, for good reason, but that doesn't mean there aren't opportunities for collaboration too, we need both. The community of practice the Business Compact offers is one of the most exciting opportunities for collaboration in the business world I've seen in some time, because it's so place-based and local. It feels like things can actually happen when you look at that smaller scale, and we need that to happen in many more places.

Roy, thank you so much for your wisdom, your insights, your time, and your passion for this space. It's been a joy to work with you and to chat with you here today, I'm grateful for all that you do for this effort.

Roy Richards: Great, John, great being with you, thank you for giving me this opportunity.

John Lanier: Our pleasure. Cheers.

Roy Richards: Cheers, bye-bye.

John Lanier: Bye.