

Flakk Group Case A. Hexagon Purus: Fuelling the future

*“At the crossroads of know-how and creativity we find true innovation.
This is what drives us forward, creating a new tomorrow”*

Knut Flakk, CEO, Flakk Group

Introduction

Situated in western Norway, Geirangerfjord and Nærøyfjord are among the world's longest and deepest fjords. Geirangerfjord is a 15-kilometre long branch of Storfjorden (The Great Fjord) that cuts in from the Atlantic coast just south of the coastal town of Ålesund. One of Norway's most popular natural attractions, Geirangerfjord is 260 metres deep and steeply flanked by mountains up to 1,700 metres high. The 18-kilometre long Nærøyfjord (The Narrow Fjord), only 500 metres wide in some parts, is a branch of the larger Sognefjord, and an equally popular visitor attraction.

The pristine beauty and grandeur that saw the fjords designated a UNESCO World Heritage site in 2005 had long attracted cruise ships and other tourist craft. In 2017, for example, more than 300,000 cruise passenger visited the fjords, leading to increased air pollution for the local community and significant carbon dioxide emissions.¹ To try to protect the fjords, in May 2018 the Norwegian Government introduced new requirements for emissions-free entry into them, effective from 2026, making them the world's first zero-emission zones at sea.

For Knut Flakk, CEO and owner of Norway's Flakk Group, it was a watershed moment. Norway and sustainability had a complicated relationship. On the one hand, the country was a pioneer in the use of renewable energy. Almost 90% of the power network ran entirely on clean² hydroelectricity and Norwegian policymakers had begun to support electric vehicles (EVs) as early as 1990. As a result, Norway boasted the highest per capita share of EVs in the world; analysts attribute this scenario to the fact that Norway waives import duties and car registration taxes for electric vehicles, making them much less expensive than traditional diesel and petrol-fuelled vehicles.³

On the other hand, the huge oil and gas reserves that Norway had discovered in the late 1960s had made it a leading oil nation and it still exported large quantities of oil and gas, and sought new deposits. Its fossil fuel reserves had also made it extremely wealthy, with a mammoth US\$1.4 trillion sovereign wealth fund as of April 2023⁴ and GDP per capita of just over US\$106,000 (£80,000) in 2022.⁵ Knut Flakk told *Conde Nast Traveler* in March 2021:

“We were really lucky in being able to create that wealth, but it's only natural that we take the front seat in developing sustainable energy. As for exporting oil – well, it affects the planet no matter who uses it.”⁶

And while many people were now focused on reducing their carbon footprint and being energy-efficient, Knut had a bigger picture in mind:

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