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Beware of Greenwashing

By [John Pilmer](#)



The terms “green,” “environmental sustainability,” and “social responsibility” have had more than their share of airplay in the press recently. In fact, PilmerPR research (pilmerpr.com/green_public_relations.html) indicates a threefold increase in media coverage on these topics in the past two and a half years. In spite of this green feeding frenzy, industry experts say the majority of companies still have no green/sustainability marketing plan. The same research indicates a lack of buy-in from senior management may be to blame.

It is understandable that some feel “Gored” to death by the PR hype surrounding global warming. However, global warming aside, there is no doubt that environmentalism and sustainable corporate behavior are here to stay. In my conversations with many experts including Governor Huntsman’s Executive Director of Environmental Quality, Dianne Nielson, as well as noted cleantech investor and former Sun Microsystems CEO, Vinod Khosla, they confirmed that investment in green related areas is in the billions and rising rapidly. Consumers indicate that, everything being equal, they will buy from companies with sustainable practices and products. Utah companies that invest in clean technology and solid sustainability strategies will reap big paydays in the near future as they appropriately market and publicize these strategies.

Two examples here in Utah include Raser Technologies and U.S. Synthetic. U.S. Synthetic, a manufacturer of polycrystalline diamond cutters, was just recognized by the Utah Entrepreneurial Forum for its “socially responsible” Yehu Microfinance program, which is funding 17,000 micro business ventures in Kenya. Raser is a well-to-wheels cleantech leader in the areas of geothermal energy and transportation power technology. Both companies have planned well and have solid sustainability claims that are truly making a difference. They realize the meaning of the triple bottom line — people, planet and profit.

Conversely, as companies seek to publicize their own sustainable practices, they should avoid “greenwashing” — misleading customers or overstating their value as a contributor to the environment or as a leader in social responsibility.

For example, Bank of America subsidiary MBNA recently launched its new Eco-Logique MasterCard for Canadian consumers. Every time you make a purchase you earn points (half of 1 percent of purchases), but instead of using the points to get airline tickets or electronics, MBNA buys carbon offsets. The more stuff you buy, the more offsets MBNA buys. So the message is:

buying things is really good for the earth. Want a new high carbon output riding lawnmower? Charge it and don't worry about the impact on the environment!

By the way, that's 99.5 percent going to Bank of America, one of the biggest financial backers of the coal industry and .5 percent to planting trees.

Regardless of the industry, this is an exciting time to consider the potential for advancement in clean technology and sustainable corporate behavior. We will all benefit from a cleaner environment and investors will reap significant ROI. The public relations challenge will be to develop sustainable practices and strategies while avoiding the ditch of greenwashing.

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