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# The Power of Green

Do eco-friendly practices actually help a company's bottom line?

By Kathryn Peterson



Last year, Orem-based Rocky Mountain Printing (RMP) consumed 7.6 million pounds of paper. That's about 416 cases of paper a day. But RMP hopes to become more ambitious in the way its printing presses operate, and, in the process, create an environmentally sustainable company.

Like many other Utah companies, RMP is striving to establish its green credentials as consumers become

more focused on climate change and sustainability. Companies in the state, and all across the world, are cashing in on the consumer demand to conserve energy. Venture capital money is also pouring into fledgling green technology.

It seems that the only way to keep up with the competition and maintain a strong corporate image these days is to get green fast. Experts say that in the future, it will be the only way to do business.

For years the word "sustainability" has carried baggage. It used to be seen as a favorite cause among economists, human rights activists and conservationists. Now, sustainability is at the top of CEO agendas and they're committing themselves more to sustainability goals, especially the younger ones, according to global consulting firm McKinsey Global Institute.

In October 2007, RMP became the first Utah general commercial printer to meet "chain of custody" standards by the Sustainable Forestry Initiative (SFI) and Forest Stewardship Council (FSC) for "respecting the environment, preserving natural resources and renewing the ecosystem."

"We're always looking for ways to reduce our carbon footprint," says RMP President Teague Bengtzen. "The real turning point was when we had Derek Smith & Associates from PaperLeadership.com come out and speak to us. We realized how much we could do with a few changes and how important it was for our industry and the future of our company."

Several years ago, the big push in the printing business was recycled paper. "Recycling is great and needs to happen, but SFI and FSC certifications ensure that we're planting more trees than we're cutting down. We're sustaining the environment, not just saying that we're 'environmentally friendly," Bengtzen says.

Over the next few years, the company hopes to become an environmental leader in the printing industry by offering innovative, cost-effective and environmentally sustainable solutions to its customers. The company invites business leaders to attend iPirintResponsibly.com events to explore the business benefits and strategy behind printing with paper products from certified sources.

# **Not Just Lip Service**

Many advocacy groups argue that for all the interest in saving the environment, many companies also exaggerate small improvements for marketing purposes. They tout lofty mission statements on their Web sites ("What's your vision of a better world?") but do little to reduce carbon emissions or conserve energy.

In a Connect survey, almost half of our readers say that companies "greenwash" consumers too much, flaunting green products and services for show, yet paradoxically 60 percent say they are more likely to buy services or products from companies with green initiatives.

Very few companies can survive on green PR, says John Pilmer, president of Orem-based PilmerPR. But as they integrate green into their overall corporate social responsibility strategy, most companies see benefits. Consumers expect it now, Pilmer says.

"The general public is more educated about green sustainability than they were a year ago. Consider what we now know about fluorescent light bulbs," he says. "From what I've seen, most companies here are still blind to the triple bottom-line benefits of sustainable practices — benefiting people, profits and the planet."

For the first time, CEOs are expected to be statesmen as much as they are functional business leaders. Each company must custom design initiatives that fit its own objectives.

Larry Wilkins, owner of Murray-based Envirotherm, manufactures and sells hydraulic heating systems. "Green is just a catch phrase; I don't use it," he says. "My tagline is 'Energy Matters,' but I don't use it on business cards or letterhead. Half of our marketing efforts deal with education. You can call it green, solar, energy matters, whatever you want, but it all boils down to being able to provide a basic knowledge of how your company can decrease your energy footprint at home or in the community."

Provo-based Raser Technologies is a well-to-wheels cleantech leader, which focuses on improving geothermal energy and transportation power from the well fields to the wheels of a car. According to cleantech investor Vinod Khosla, there's currently a \$4 billion investment in cleantech companies, which is projected to grow to \$167 billion by 2015.

"Our goal is to have a zero carbon footprint," says Raser CEO Brent Cook. "But our products and initiatives aren't just ecologically green, they're economically green in terms of being fuel efficient. We're finding more and more corporations wanting to achieve the same success."

Cook's advice to companies beginning the road to sustainability: "Learn as much as you can about ways to reduce your energy consumption. It's different for every company. Becoming more informed is the key. Also, follow your initiatives from a moral standpoint. Integrity drives from the core."

In other words, practice what you preach. Last May, Salt Lake-based chemical manufacturer Huntsman Corp. formed a new strategic business unit dedicated to bolstering the company's green chemistry initiatives.

"Green chemistry is the design of products and processes that reduce or eliminate the use or generation of hazardous substances," says Performance Products Division President Don Stanutz. "Our new strategic business unit, working closely with the research and development professionals at the Huntsman Advanced Technology Center, will now help us to significantly ramp up our efforts."

Examples of Huntsman's existing green, or sustainable, chemistry products include solvents that reduce toxicity in applications from agriculture to industrial cleaning agents, carbonates that reduce volatile organic compounds in paints, wood preservatives that replace a known human carcinogen, waterborne paint primers, non-brominated flame retardants and catalysts that eliminate emissions from insulation foams.

"We're seeing an increased number of customers who have an interest in renewable products and sustainable energy," Stanutz says. "We don't have any hard and fast measures, but we're certainly pleased by our customer base." Green products, and thus green marketing, could be viewed as an extension of customer service.

#### The Utah Market

Despite what many may think, Utah is progressive in the movement toward green activities and sustainability, according to Jason Taylor, executive director for Utah Society for Environmental Education. "Utah is fairly progressive, particularly in terms of its architectural firms that are taking the lead in Leadership in Energy and Environmental Design (LEED) standards for different building projects that are being undertaken. There is also the Green Building Coalition here in Utah."

Taylor says Utah's progress is due to several reasons, including its abundant number of progressive city mayors, the Salt Lake City Environmentally and Economically Sustainable (e2) business program (<a href="www.slcgreen.com">www.slcgreen.com</a>), and Gov. Huntsman's Blue Ribbon Advisory Council on Climate Change (<a href="www.deq.utah.gov/BRAC\_Climate">www.deq.utah.gov/BRAC\_Climate</a>). These and many other resources are all signs that point to Utah's corporate and legislative efforts to maximize the economic and environmental benefits of going green.

A December 2007 article in the Salt Lake Tribune suggests that Utah has the potential to be a major exporter of clean energy. "Energy experts who have calculated the state's renewable energy potential figure there are enough geothermal and wind resources to supply about 9.8 million people at today's national consumption levels. If Utah's potential with a newer solar technology also is considered, there could be enough power for an additional 1.4 billion people," the article states.

Whatever some may think of the green industry, it's clear that it's no longer just a fad. It's a factor that companies should integrate into their corporate culture, products and services, marketing and overall image. When attention is paid, results prove to be on the side of both Mother Nature and Corporate America.

#### SIDEBAR 1: Who Does Green Best?

Experts maintain sustainability factors are good proxies of management quality. They show that companies tend to be more strategic, nimble and better equipped to compete in the complex, high-velocity global environment.

In our green survey, Connect readers told us which companies they think are most effective in achieving sustainability.

#### Starbucks

The company has its own environmental mission statement, which says: "Starbucks is committed

to a role of environmental leadership in all facets of our business." You can also go to its Web site and play the "Planet Green Game."

## **General Electric**

Last summer, GE unveiled a credit card aimed at relieving carbon footprints. The GE Money Earth Rewards Platinum MasterCard allows cardholders to forgo a 1 percent cash rebate on purchases and earmark that amount for projects that reduce greenhouse gases.

## **Patagonia**

Its Web site includes the "Footprint Chronicles," which tracks the distance traveled, carbon dioxide emissions, waste generated and energy consumption of certain products. "It's intended to ignite conversation every bit as much as corporate introspection," the Web site says. Every employee has a paper-recycling bin beneath their desk, which they transfer to larger ones placed at several strategic locations through their buildings. Trashcans are small and rather hard to find at Patagonia. Bathrooms are equipped with recycling containers for used paper towels.

## **Wal-Mart**

A Chicago store is trying out a "green roof" composed of living plants, which helps control storm water runoff, erosion and water quality, and conserves energy. On a portion of the building, an Energy Star roof uses highly reflective material that reduces heat transferred into the building.

## **Timberland**

Its tagline is "Make It Better" and uses its own Web site to promote volunteering and environmentalism events.

## **SIDEBAR 2: Green Building**

In the March 2007 Connect issue, the "Does It Make Sense to Go Green?" article focused on green building. Stay tuned in 2008 for upcoming stories about the Green Building Coalition and Leadership in Energy and Environmental Design (LEED).