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Economy Begins With Eco

Working with stakeholders across the supply chain, GreenBlue offers industries practical, bankable, green solutions

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The "Streets & Trips" package design was the result of collaboration between Microsoft, Transparent Container and Packaging 2.0. The inner carton is made from SmartCycle, a material made from recycled drinks bottle flakes.

For Sysco ([SYY](#)), launching green products has been a frustratingly slow process. In recent years, the Houston-based food services supplier has launched an Earth Plus line of

glass cleaners, odor eliminators, and "green" detergents that carry the U.S. Environmental Protection Agency's (EPA) "Design for the Environment" seal of approval.

Trouble is, getting that approval can be time consuming, especially as the number of companies submitting their products for review skyrockets. New products wait as long as a year for their application to come up for review. Once a product is considered, the EPA might request changes such as substituting a dye or fragrance. "We'd work for two years to get things done," says Richard Cottrell, a Sysco non-food manager. In the fast-paced world of innovation, that's a lifetime.

So two years ago, Cottrell got involved with CleanGredients, an initiative led by the GreenBlue Institute. Along with EPA representatives, academics, and other industry leaders, Cottrell tackled a challenging question: Can we build sustainability into the beginning of the design process rather than the end? Can we help our product developers to start with the right ingredients, rather than making substitutions in the final stages?

Matter of Degrees

Their work resulted in CleanGredients.org, an online database launched in October, 2006. It's free until January, when GreenBlue will start charging membership dues of \$1,000 to \$3,000 annually for access.

Right now, it includes all of the chemicals that have met standards for biodegradability, degree of harmfulness to aquatic life, and degree of harmfulness to human life. Product developers can scan the database to make sure that potential ingredients will pass muster with the EPA and be easy on the environment. Cottrell estimates this will speed his time-to-market for new products by up to 18 months.

This type of systems approach is the hallmark of the institute, a nonprofit that is helping industries address sustainability at every step in the supply chain. Executive Director Jason Pearson understands sustainability as an extension of the quality movement. "New metrics can feel like huge risk factors, but they are also new design opportunities," says Pearson.

Redesigning Development

He says companies that add new metrics addressing social equity and material health to standard quality metrics such as cost, performance, and appearance will have a competitive financial advantage. "If you can outperform on any of those, you can gain market share."

Whether it be the chemicals that compose cleaning products or the packages that envelop beauty products and beverages, GreenBlue is pushing industry leaders to redesign their product development practices so that environmental considerations enhance products and make them more cost efficient as well as greener.

Because the 10 staff members work under the structure of a nonprofit, they can provide a neutral territory for businesses and government to convene. By looking at the full system, they can create an environment for industry leaders to innovate faster and come up with products that leave a smaller ecological footprint.

Cradle to Cradle

"Many of the sustainability challenges companies face are rooted in poor design—of products, services, business models, and strategy," says Joel Makower, founder of GreenBiz.com. "GreenBlue takes a design approach to these challenges, creating tools companies can use to chart a more sustainable course." Makower is joining the GreenBlue board in December.

The GreenBlue Institute was founded in November, 2002, to put architect William McDonough's *Cradle to Cradle* principles of ecologically intelligent design into action. It was originally a project that sprang from the work of McDonough Braungart Design Chemistry, the consultancy co-founded by McDonough and German chemist Michael Braungart in 1995.

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Their hope was that a nonprofit context would allow them to pull together people and ideas they couldn't as a for-profit consultancy. Both McDonough and Braungart stepped down from the board last year, and the institute has since expanded its goal beyond *Cradle to Cradle* to encompass projects that embrace savvy design at every level of the supply chain across various industries, and draw from other design gurus. As corporate interest in sustainability takes on momentum, members have grown to 75 from just eight three years ago.

Reduce and Reuse

"The free market doesn't always ask good questions of designers," says Pearson. Trained as a designer, Pearson worked at the National Endowment for the Arts and later managed the Innovations in Sustainable Design Program at the Washington-based Summit Foundation before arriving at GreenBlue in 2003. "We often wish they'd ask more ambitious questions so we could grapple with more ambitious problems."

GreenBlue doesn't shrink from ambitious projects. Another initiative is the Sustainable Packaging Coalition (SPC). In 2003, the EPA estimated that the U.S. produced more than 236 million tons of municipal solid waste. Most was sent to landfills. Partners in the SPC industry working group ask how product materials can travel from cradle to cradle, focusing on reducing and reusing materials.

The SPC members work on short-term tangible projects that help companies improve their supply chains, such as a Starbucks ([SBUX](#)) case study comparing its old packaging for chocolates to new packaging that reduced the amount of materials overall while increasing percentage of recycled materials. They also provide peer-reviewed technical briefs on topics like aluminum and PET, assessment tools, and a working definition of sustainable packaging.

Clearing the Confusion

They pay attention to whether a project is sourced responsibly, designed to be effective through its life cycle, made using renewable energy, and recyclable. Companies pay membership dues of \$1,000, \$5,000, or \$10,000 annually depending on their size. Membership heavyweights include Pepsico ([PEP](#)), Starbucks, Kraft Foods ([KFT](#)), Johnson & Johnson ([JNJ](#)), Target ([TGT](#)), and Nike ([NKE](#)).

"The next important project is labeling of packaging so people can identify what the material is," says John A. Delfausse, vice-president of package developing for Estée Lauder's ([EL](#)) Aveda, Clinique, and Origins brands, and who is also on the SPC executive committee. "Many consumers are confused about what they can and cannot recycle."

Companies like Estée Lauder have been pioneers in this work. But as sustainability goes mainstream, with customers demanding their products be green, new companies that are just beginning to tackle environmental issues are approaching the institute. This sudden and expansive growth will be GreenBlue's future challenge.

"This field has been rife with companies wanting to steer standards their way to favor their materials, products, or technologies," says Makower. Not GreenBlue. As a non-profit, the institute can stick to good science, stay out of company politics, and focus on its vision rather than on shareholder value.

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