Sustainable Green Printing
An Assessment and Action Plan

Presented By:

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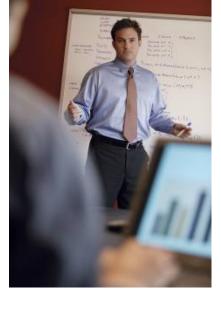*Printing Industries of America*

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Today's Agenda

- Overview of Sustainability

- The Green Market and Drivers

- Corporate Sustainability Status

- Consumers and Sustainability

- Sustainability in Printing

- Action Plan

- Sustainable Green Printing Partnership

What is Sustainability?

Definition

"…an economic state where the demands placed upon the environment by people and commerce can be met without reducing the capacity of the environment to provide for future generations"

- *Leave the world better than you found it*
- *Take no more than you need*
- *Try not to harm life or the environment, make amends if you do*

Paul Hawkin – *The Ecology of Commerce*

Sustainability Observations

- Sustainability is about more than being "green"
- Sustainability is market driven phenomenon
- Sustainability has changed the manner in which companies are doing business
- Sustainability differentiates companies in the market place
- The printing industry, as part of the supply chain must respond to the sustainability movement

Corporate Sustainability Trends

"You can´t afford not to have a sustainability strategy. It´s bad business"

▪ Source: Ernst & Young/GreenBiz Group report, "Six Growing Trends in Corporate Sustainability March 6, 2012

Green Market Indicators

- Many companies/organizations have not abandoned their environmental commitments

    - *Customer requests for green credentials*

- National & International green pressure

    - *Resurgence of green environmental group activism*

- Bigger, broader issues

    - Carbon
    - Water
    - Forest Footprint
    - Conversion of rain forests to fiber/biofuel plantations

Please consider the environment before printing this email.

Scorecards

- Scorecard popularity is growing
- Began November 2006 with Wal-Mart's Scorecard
  - *Reduce packaging by 5 percent by 2013*
    - 9 Criteria – Resources and Material
  - *Released Sustainability Index July 2009*
    - 15 Criteria- Global, Resources, and Social
- Others have followed
  - *Unisource*
  - *XDEPX*
  - *P&G*
  - *Timberland*
  - *IKEA*
  - *Miller Coors*

Greening of the Supply Chain

- December 2010 survey
  - *200 executives with manufacturing operations with greater than $100 million in revenue*
- Almost 77% said customers require reporting on
  - *Their company's environmental impact*
  - *Environmental impact of their products or*
  - *Require their vendors to do so*
- More than 80% said that green supply chains will become more important in the next 3 years
  - *Companies making purchasing decisions based on non-financial criteria, including environmental impact of vendors and their products*
    - *Study conducted by IFS North America and Affinity Research Solutions*

Corporate Sustainability Trends

- 2011 MIT study of 3,000 corporate leaders
  - *Every major industry and region of the world*

- Improved brand reputation is perceived as the biggest benefit of addressing sustainability (2010)

- 70% of companies have placed sustainability permanently on their management agendas

- 66% said that sustainability was necessary to being competitive in today's marketplace, up from 55% in 2010

- 33% said sustainability is contributing to profits

- Sustainability ranks 8th on list of priorities
  - Source: Sloan Management Review and The Boston Consulting Group "Sustainability Nears a Tipping Point MIT" January 23, 2012

P&G Sustainability Program

- 70% of overall consumers want products with environmental improvements, and wont sacrifice performance and value.

- Use Life Cycle thinking
  - *Developed cold water laundry detergent to reduce energy required to heat water during use.*
  - *Reduced packaging and allowed for better display of products.*

- Committed to renewable sources and eliminating harmful chemicals

- Incorporate environmental, social, and business objectives into sustainability goals.

Consumer Behavior - Green

- National Marketing Institute reports 83% of consumers representing four generations are some shade of green.
  - *Baby Boomers, Millennials, Gen Ys and Gen Zs*

- Reflected in purchasing habits
- GreenBiz
  - *90% of Americans claim to have bought a green product*
  - *Only 31% have purchased environmentally friendly products in the last 12 months*
    - *The top 3 products are: light bulbs, paper towels, and laundry detergent*

Source: GreenBiz "Earth Day and the Polling of America 2012" April 16, 2012

Green Purchasing Behavior

% U.S. general population indicating they have purchased products within the last 3 years[1], 12 months[2], 6 months[3], 3 months[4] and those that own/lease a hybrid vehicle[5]...

	Gen'l Population %
Any	84
CFLs[2]	51
Energy-efficient electronics and appliances[1]	34
Rechargeable batteries[3]	33
Natural foods/beverages[4]	29
Organic foods/beverages[4]	26
Natural/organic personal care[3]	25
Natural household cleaning products[2]	21
Natural/organic pet food[2]	19
Home water purifiers[1]	18
Low-flow toilets[1]	16
Energy-efficient windows[1]	15
Non-toxic or low fume paint[1]	12
Solar-powered lights[1]	11
Clothing made from organic cotton[3]	10
Eco-friendly lawn and garden[2]	9
Hybrid vehicle[5]	3
Furniture made with sustainable materials[1]	2
Environmentally-friendly carpet[1]	2
Solar panels for my house[1]	1

Source: © Natural Marketing Institute (NMI), 2009 LOHAS Consumer Trends Database® All Rights Reserved

Shoppers and Sustainable Packaging

- 2011 survey of 1,000 primarily grocery shoppers, results compared to 2010 survey data. (Ages 18-64)

- More shoppers would like to choose environmentally friendly packaging and (36% vs. 28%)

    - *50% still willing to pay more (despite the economy)*

- 59% state that seeing environmental claims on packaging positively impacts their behavior

    - *Either buy more of the brands they usually do or to switch*

Shoppers and Sustainable Packaging

- More shoppers feel companies don't provide enough environmental information (26% vs. 20%)

- More are confused by all the different environmental claims (20% vs. 12%)

- More don't know which packages are best for the environment (22% vs. 17%)

- Fewer shoppers feel that manufacturers' motives are primarily honorable (57% vs. 61%)

  - *Source: Perception Research Services "Packaging & the Environment" March 12, 2012*

- 77% of consumers say they would be willing to boycott a company if they thought they were misled

  - *Source: GreenBiz "Earth Day and the Polling of America 2012" April 16, 2012*

Print Customers and Sustainability

2010 Print Buyers International Quick Poll

- Observed changes from 2008 to 2010

- 74% of print buyers said sustainability and environmental issues had become "more important"
  - *26% of print buyers said they had not*

- 82% of printers said sustainability and environmental issues had become "more important"
  - *9% of printers said they had not*

Packaging/Labeling Manufacturers

FTA Sustainability Survey 2012

- There was a moderate increase in the number of printers reporting that 1-25% of their customers asking about sustainable printing
  - *Slight decrease in the number of printers who had more than 25% of their customers asking*
- Greater than 58% of customers asking if the printer has a formal sustainability plan
- 27% of customers wanted the carbon footprint of the product
- 20% of customers wanted the carbon footprint of the facility

Print Customer Sustainability Programs

- Appointing Corporate Sustainability Officers
- Developing sustainability plans and statements
  - *Green sourcing, building, and transportation*
  - *Recycled/FSC-certified paper preference*
  - *Instituting energy efficiency programs*
  - *Purchasing renewable energy*
  - *Reduced or zero landfill waste*
  - *Calculating and offsetting carbon footprints*
  - *Implementing social reciprocal programs*
  - *Incorporating supply chain changes*
    - Scorecards and standards

What is Sustainable Printing?

- It is more than just recycled paper and soy inks!
  - *Holistic approach to all business activities*
    - Reduction in overall environmental impact
    - Reduction in toxics and waste
    - Incorporate more renewable resources
    - Reduce fossil fuel energy consumption
    - Address social issues
- Continuous improvement process
  - *Not a single event such as becoming FSC certified*
  - *Combination of many ongoing activities*
- It is not Greenwashing!
  - *Must be credible and transparent*

PRINTING INDUSTRIES OF AMERICA

125 YEARS

Sustainable Printing

Elements of Sustainable Printing

- Product Issues
  - *Design*
  - *Input materials - paper, ink, coating, adhesives*
- Printing Process Issues
  - *Prepress, press, and postpress operations*
  - *UV/EB curing*
  - *Pollution prevention and waste reduction*
  - *Printers National Env Ass't Center (www.pneac.org)*
- Envelope
  - *Building, grounds, employees, energy, etc.*

Action Plan

- Move beyond compliance with environmental standards, to achieve business value
  - *Focus on the areas where your organization would derive greater value than mere compliance*
- Integrating sustainability into the fabric of a company's operation
  - *Avoids inefficient ad hoc approaches and takes sustainability efforts out of silos*
- Converting a sustainability program into a long-term engine for competitive advantage
  - *Requires staff and stakeholder engagement*
  - *May change an organization's business model*

What is the SGP Partnership?

- Independent Nonprofit Certification Organization
  - *www.sgppartnership.org*
- Credible system identifying "Sustainable Green" graphic arts facilities for customers and consumers
  - *Third-party audit required for certification*
- Holistic approach to the development & certification of sustainable business practices
- Set of clear criteria defining "Sustainable Green" printing facilities
  - *Economic Responsibility*
  - *Environmental Responsibility*
  - *Social Responsibility*

Sustainability and Printing
Final Thoughts

- Sustainability is not a threat
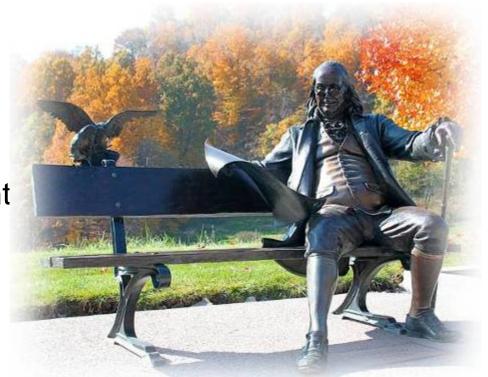 - *Journey with many opportunities*
- Sustainability is becoming more mainstream for consumers and businesses
- Sustainability is business critical
  - *More companies demanding sustainability from suppliers*
  - *Need it to keep existing customers and add new ones*
- It will provide a competitive advantage
  - *Domestically and Internationally*
- Start or expand your program
  - *Research, baseline operations, educate management, develop/implement strategy*

Thank you for listening!

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