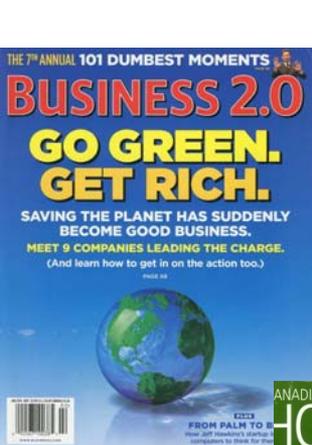


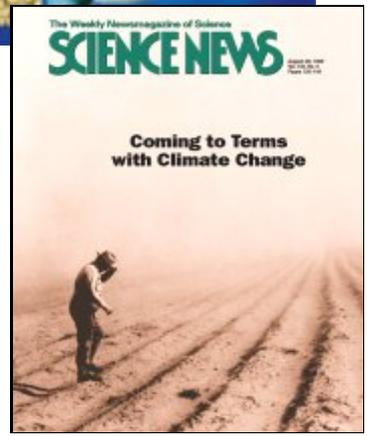
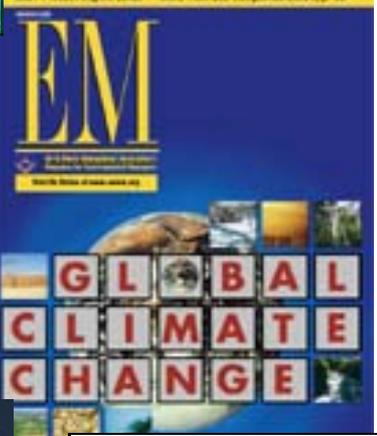
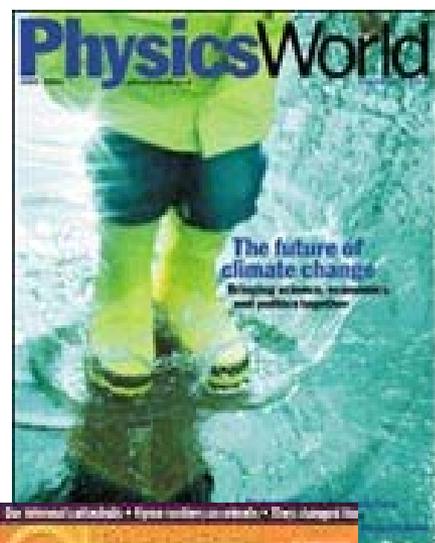
# **Green Trends: The State of Environmentally Preferable Purchasing in North America**

September 23, 2008  
Sustainable Forestry Initiative's Annual General Meeting

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‘Green’ messages are Everywhere...



...They're Everywhere...

# ...Even in Soap Opera Digest!

soap opera **Style** Days goes Green to Lumi's wedding

Compiled by Gabrielle Winkel

**Sarah and Lucas**  
(Mikaela Borsari and Bryan R. Dattilo)  
Sarah's silk gown is by Monique Lhuillier (moniquehuillier.com). "I've had Bryan's (Dattilo, Lucas) suits for probably 10 years," says the show's costume designer, Richard Bloure.

**Caroline and Shawn**  
(Peggy McCay and Frank Parker)  
Caroline is wearing a three-piece suit fit-to-tingle shirt, a cane and a short jacket — by Eiman Faber.

**Kate** (Larsen Kesslow)  
"Her dress is by Mandikey Bay, and the gold jacket is Carmen Marc Valvo."

**Stephanie** (Shelley Hennig)  
"Stephanie is a lot more sexually one and body-conscious. Bloure explains, "She's more hoop-skirt, she's wearing silk chiffer gold dress by Miu."

**Christina** (Rachel Melvin)  
"Christina wears a strapless 100 percent silk, tulle dress by Rose & Lila. It's a pink to match the wedding flowers."

**Maggie** (Suzanne Rogers)  
"She's wearing a brocade yellow Carmen Marc Valvo suit. It's got some exquisite detailing."

**Jessie Flawless** (Julie Flawless)  
"Jessie wears a dress by Nicole Miller. It's an iridescent silk organza, which has more body than a cloth."

**Officia is the "something blue"** at her own wedding. This week on *Guiding Light* when Buzz confronts her about blushing, Jeffery, but the bride still dazzles, thanks to costume designer Shawn Duddy. Officia wears an inspiration by Zac dress that GL purchased at The Bridal (RWBridal.com). Ava plays most of honor at a ceremony from 3.3 Phillip Lim. "Both dresses were modern and simple styles. Crystal loved the dress at first sight," boasts Duddy. See page 6 for more.

**GL Wedding Belles**

**28 SOAP OPERA HISTORY**

## **Environmental Concerns**

- Mass extinctions
- Deforestation and soil erosion
- Air and water pollution
- “Super” bacteria, viruses and insects
- Dwindling natural resources
- Increasing cancer rates
- Increasing reproductive disorders
- Fisheries collapsing
- Water tables falling
- Climate change



- A trusted TerraChoice research product
- Monitors green procurement and supply chain management patterns in B2B and B2G contexts
- Informs clients, partners and public audiences about the attitudes and practices of North American buyers towards environmentally preferable purchasing
- Explores both general green purchasing trends as well as commodity & sector-specific trends

**Need More  
Proof?**

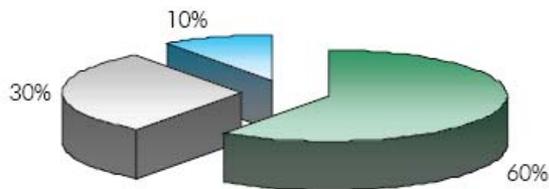
**Introduction to  
EcoMarkets™**

## Green Policies

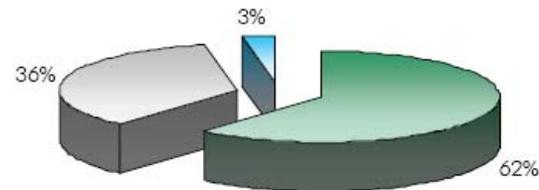
- **62% of North American organizations have a green purchasing policy** (up from 60% in 2007). 25% of these organizations have implemented a *formal* green purchasing policy.
- Of those organizations *without* a green purchasing policy, **44% intend to implement one** in the near future.

*The Prevalence of 'Green' Purchasing Policies at our Respondents' Organizations*

2007



2008

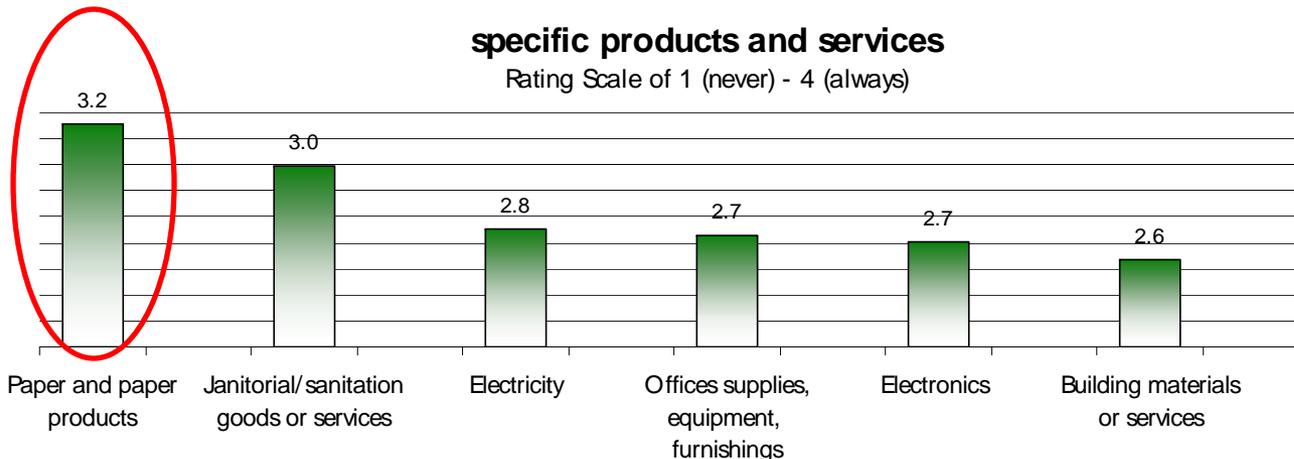


- Yes, we have a 'green' purchasing policy
- No, we do not have a 'green' purchasing policy
- I don't know

## Purchasing Behaviors

- One third of purchasers told us that at least **40% of their spending is influenced by environmental factors and green purchasing policies.**
- In 2007, we asked about the frequency of ‘green’ consideration by commodity type and found that **paper products attract environmental scrutiny most often** followed by janitorial/sanitation products.

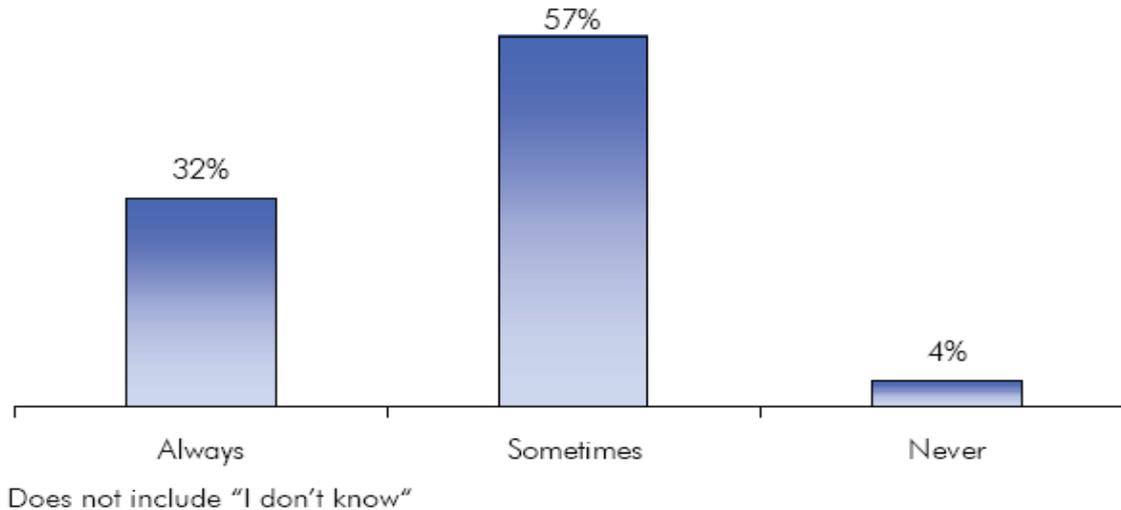
### Frequency of ‘green’ consideration when buying...



## Purchasing Behaviors

- Do purchasers include environmental performance considerations in product specifications?
  - **89% said yes they do – at least some of the time.**
  - Only 4% never include such considerations in product specifications

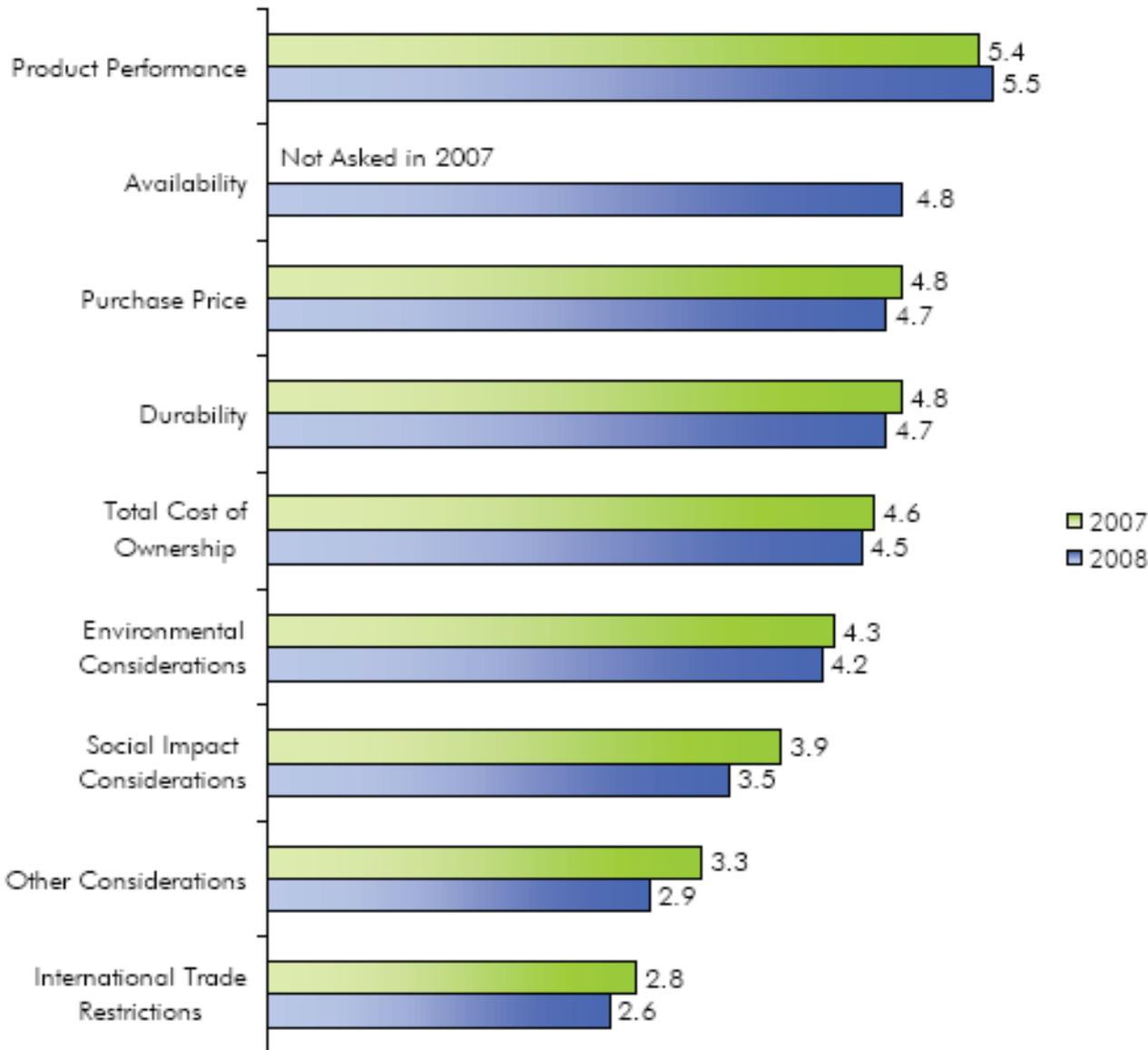
### ***Percentage of Purchasers Who Include Environmental Performance Considerations in Product Specifications***



## Relative Importance of Purchasing Factors

Scale of 1 (Least Important) to 6 (Most Important)

# Purchasing Factors



## Who Buys Green?

1. At any one time, some 20% of people/companies are hardcore 'green'.

4. The greenest are also the most skeptical.

5. The rest are reachable, but not with 'green' values.

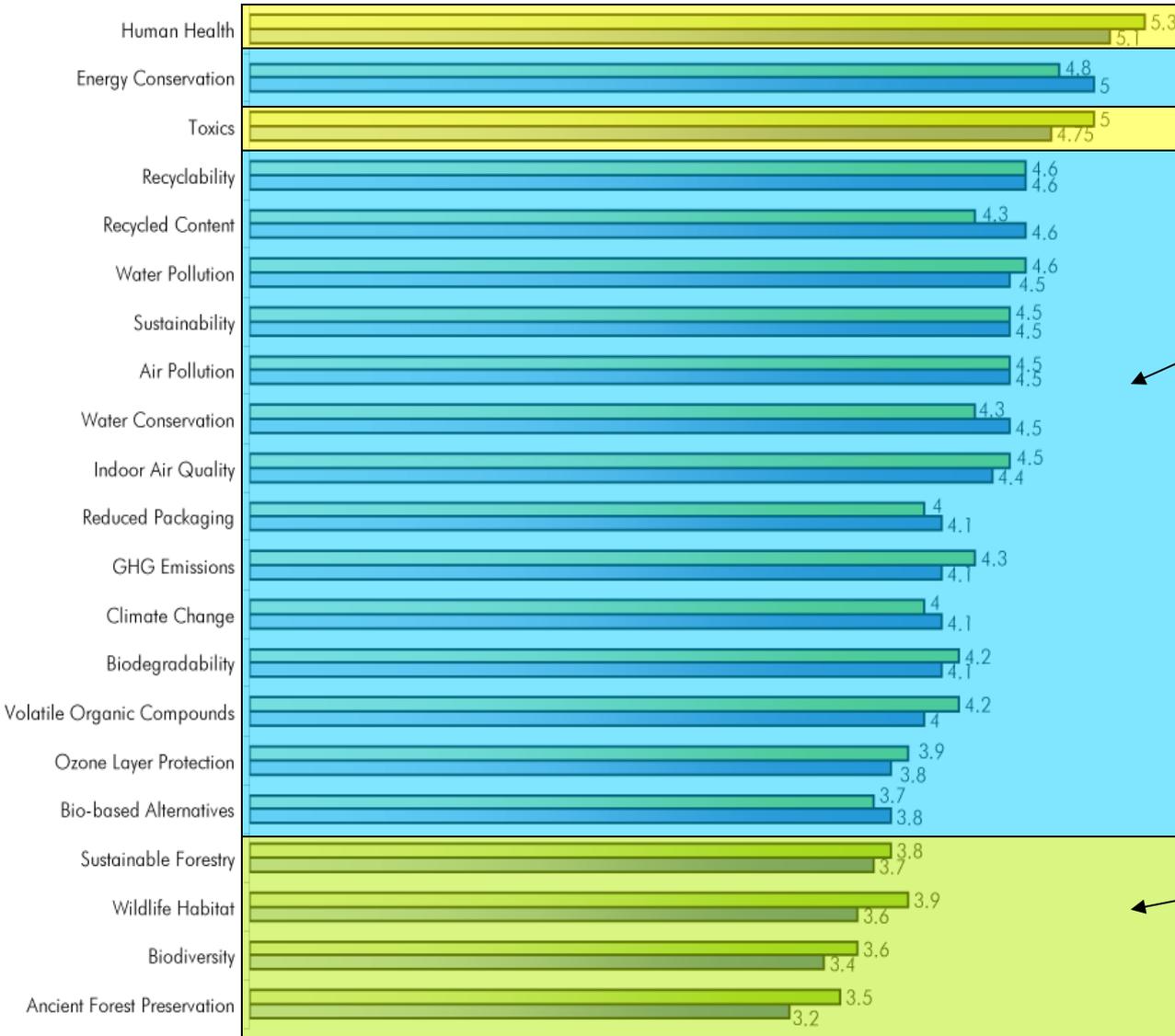


2. Individual positions are always shifting, driven by life events and corporate circumstances.

3. Buyers can be 'green' for vastly different reasons.

# Environmental Dialects

■ 2007  
■ 2008



Human environment

Technical environment

Eco-environment



# THE SIX SINS OF GREENWASHING™

## Six Sins of Greenwashing: Background

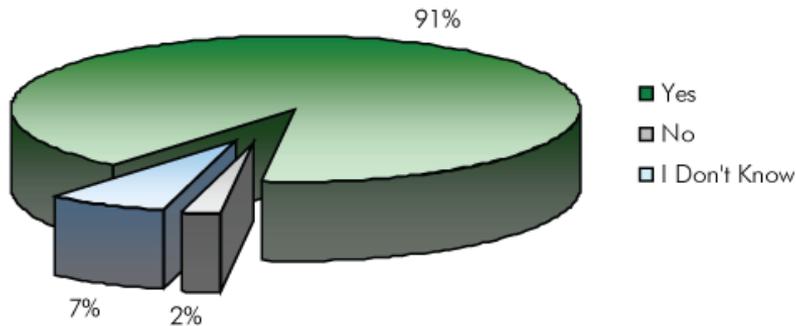
- The surge of environmental awareness is unmistakable
- Rise in 'green' marketing claims has soared . . .
- . . . So has "greenwashing" – *false or potentially misleading 'green' marketing claims*
- To better understand and quantify the apparent growth of "greenwashing", TerraChoice conducted a survey of products in 6 category-leading 'big box' stores
- Identified over 1000 products bearing over 1700 environmental claims
- Based on the survey results, we identified 6 trends of 'greenwashing' now referred to as the 'Six Sins of Greenwashing™'
- The Six Sins are: **Sin of the Hidden Trade-Off, Sin of No Proof, Sin of Vagueness, Sin of Irrelevance, Sin of Fibbing, Sin of Lesser of Two Evils**



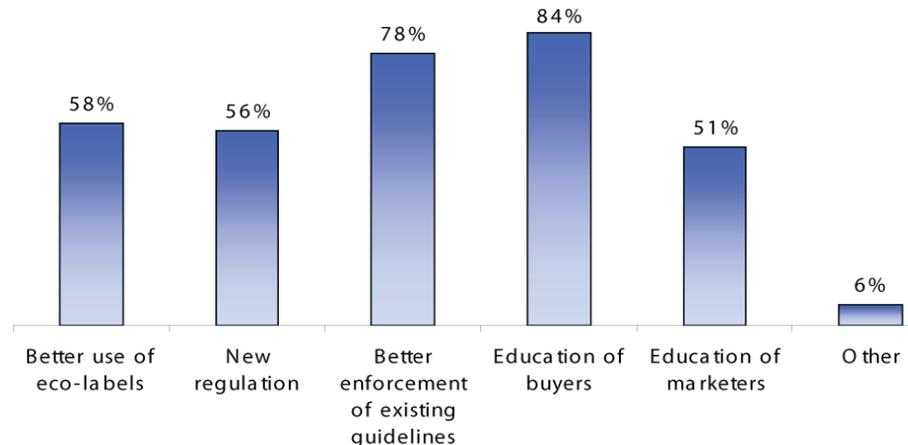
## Why is Greenwashing A Problem?

- Why is 'greenwashing' a problem?
  - Misleads consumers
  - Competitive pressure from illegitimate environmental claims takes market share away from products that offer more legitimate benefits
  - Creates cynicism and doubt about ALL environmental claims

### Whether or not Purchasers Feel Greenwashing is a Problem that Needs to be Addressed



### How the Problem of Greenwashing Should be Addressed



## The Six Sins Defined

### **Sin of the Hidden Trade-Off**

Does the product focus only on one or two environmental issues while ignoring others that may also be important? Every product has multiple environmental impacts and truly greener products try to address them all.

## The Six Sins Defined

### **Sin of No Proof**

Does the product offer evidence of its claim, either on the package or on the company website?

Company websites and respected certifications can provide proof.

## The Six Sins Defined

### **Sin of Vagueness**

When you really think about it, what does the claim (“environmentally-friendly”, for example) really mean?

Does it look at all environmental impacts of the product like amount of packaging used, the manufacturing process and how the product is disposed?

## The Six Sins Defined

### **Sin of Irrelevance**

Are the green claims true of all products in the category? Remember lots of things are “recyclable”, and CFCs (which cause ozone depletion) were banned 30 years ago.

## The Six Sins Defined

### **Sin of Fibbing**

Can the manufacturer back up certified organic or green claims? Can they prove their certification (ie. by being listed on the certification body's website)?

## The Six Sins Defined

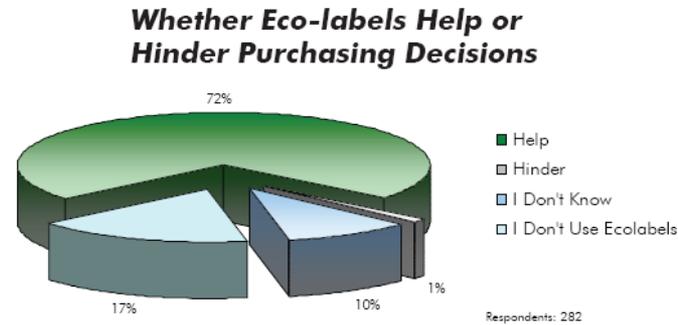
### **Sin of Lesser of Two Evils**

Is the claim trying to make you feel “green” about a product category that is basically “ungreen”? Is organic tobacco, for example, really a green product?

# Eco-labels as a Purchasing Tool

- 72% of purchasers believe eco-labels help them make better purchasing decisions....*WHY?*

- Act as a 'pre-screen'
- Assurance of credibility
- Trust
- Easy to recognize
- Verification has already been completed
- Another factor of quality
- Takes away uncertainty



## Purchasers' Top Ten: Most used eco-labels

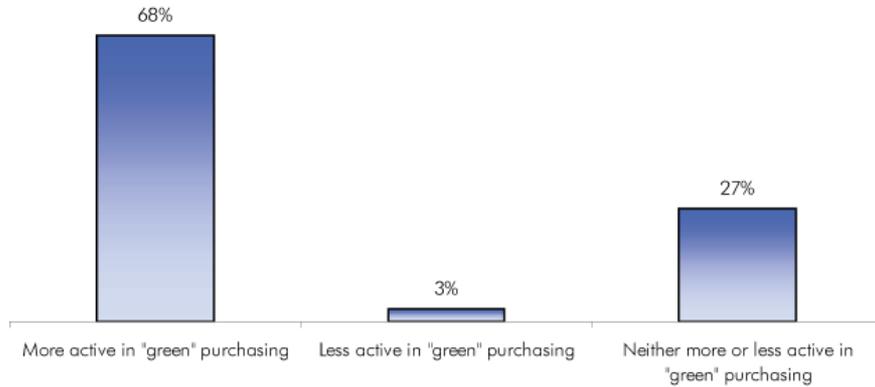


■ 2007  
■ 2008

# Outlook

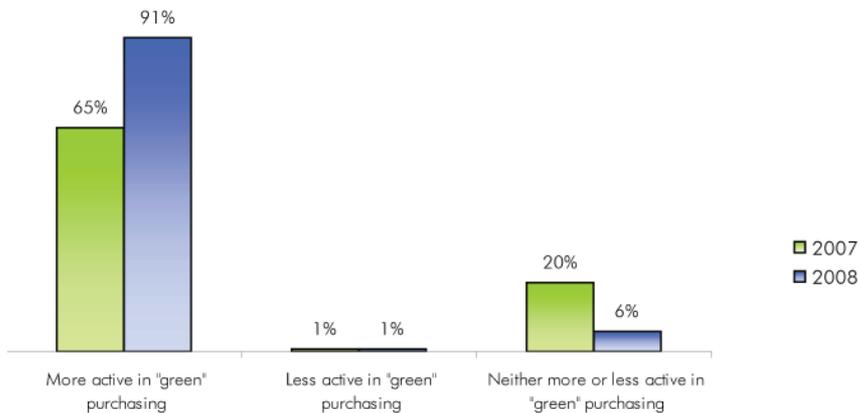
## Organizational Purchasing Behavior Over the Past Twelve Months

Only asked in 2008



Respondents: 282

## Expected Organizational Purchasing Behavior Over the Next Two Years



Does not include "I don't know"



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