

## The Color of Tomorrow's Money

### The road to green business practices becomes a path to profits

By: Dean Patton



A group of employees of Pacific Market International decided it was time for their Seattle-based company to become as "green" a company as it could be. They went to their CEO and put it to him straight: "We think this is important," they said.

And so did their CEO, Rob Harris, who charged them with figuring out how to do it and coming up with a plan.

So Carol Schreitmueller, Valerie Bone, Sarah George and Tami Fujii spent the next two months analyzing PMI's product line, which includes an array of plastic food and drink containers (as well as that lunchbox icon, the

Stanley thermos bottle). They studied consumer trends, researched supply chain questions, catalogued sustainability case studies, laid out what steps to take and listed potential benefits to the company.

"We wrote up a report and translated it into a PowerPoint presentation," Schreitmueller says. "We took our detailed 'Sustainability at PMI' three-year plan into the management team, made our case, and they said, 'OK. Let's get started.' That was it."

Three years later PMI, a privately held company with 135 employees, annual sales creeping toward \$100 million, and offices in Shanghai, the U.K., Minneapolis, Chicago and the Philippines, seems not only a poster child for green business evolution, but also proof that going green is not that mysterious difficult or financially fatal.

Today, many of the new products it sells to its impressive customer list — Target, Kohls, Wal-Mart, REI, Kmart, Fred Meyer, Kroger, Rite Aid and Starbucks among them — are made from recycled material and in some cases may also be recyclable. Its launch of the new Aladdin Sustain product assortment features 100-percent-recycled materials and a new alternative-material plastic water bottle that doesn't contain the controversial chemical bisphenol A (which recently doomed the ubiquitous Nalgene bottle).

Every chair in PMI's new headquarters on Elliott Avenue is made from recycled materials; the carpet is 20 percent postindustrial waste and 80 percent post consumer waste; the flooring, a material called Marmoleum, is made from all organic, sustainable materials; the paints are low in volatile organic compounds.

"We all got our heads around it, and it's been tremendous," says Harris, who admits he was a "latecomer" to this idea called sustainability. "All of our product line — they're all reusable products now. And you know, I feel better about it. It's worth a lot."

It's also good for business. "Because consumers are really getting on the green bandwagon, it supports a lot of what we're doing," he says. "And we can make money at it."

As recently as last autumn, Harris notes retailers told him they were "interested" in green products, but warned that new green products would have to be priced the same as similar items that were not manufactured in sustainable ways.

"We finally got a few retailers to take the Aladdin Sustain line on, and the product has performed exceptionally well," Harris says with a satisfied smile. "It's outselling the forecast, and we're really excited that consumers are embracing what we're doing."

**NBIS congratulates PMI's Sustainability Team!** We had the privilege of supporting and working with this dynamic team, providing consultation on making the business case to senior management, helping with the sustainability goals and plan, and providing technical expertise in life cycle assessment and the foundation for ISO 14001 certification for factories in China.

*Read the full article at: <http://www.washingtonceo.com/home/story-display/article/271/the-color-of.html>*

*Dean Paton is a contributing editor to Washington CEO Magazine.*

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## Should your company go green? Is the cost worth the payoff?

*By: Dean Patton*

Consider this advice from Rob Harris, CEO of Pacific Market International:

"They'd better move now, because consumer attitudes are changing very, very rapidly. And I think companies are already late if they haven't done something yet."

"If you're going to be generating products people want to buy, you'd better think about making those products as green as they can be," says John Kinsella, a partner with Bellevue environmental consulting firm ERM. "There is now such a demand by customers for green products and services within the supply chain that you may actually gain market share from customers whose products are not yet green." In Washington, the cities of Seattle, Spokane and Vancouver all have active green purchasing programs.

As the baby boomers age, some think 20 percent of the workforce will retire over the next 20 years. Kinsella says competition for retaining knowledge and recruiting new employees will be fierce. "The workers people want expect this of their employers, so going green will be a competitive advantage. A loyal workforce is worth a lot. Smart companies understand this."

"The younger employees in our company, the 21- to 35-year-olds," says Harris, "they are passionate about going green. They tell me, 'Hey, Rob, we'll work nights and weekends to make this work,'" and this includes his Chinese employees in Shanghai and his employees in PMI's newly opened office in Manila, the Philippines.

If you decide to move your company toward sustainability, remember, don't just declare your "green" intentions. Do a baseline assessment of your carbon footprint, waste generation streams, energy consumption and other areas affecting the environment. Consider implementing an environmental management system (EMS) or some systematic method for identifying your environmental challenges and then set goals to "green" all aspects of your business. ..

Carol Schreitmueller, one of the PMI employees who took the lead on setting up the company's green programs, adds, "Even if you start out looking really bad, by measuring how bad things are you'll have a lot of room for improvement, so you can end up looking really good when you become a truly green company."

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