

In Search of Green Clarity

Amid a market flooded with environmental claims – some spurious – there are elements of hope emerging.

BY SCOT CASE

As government purchasers continue asking for greener products and services, the supplier community has responded with a growing assortment of environmental claims. Suppliers make claims ranging from “Earth Friendly” to “Mother Earth Approved” to “Green Certified.” Sorting the legitimate greener claims from the “greenwashed,” misleading ones have proven challenging for purchasing professionals and consumers alike.

When early government purchasing advocates first began promoting the value of considering environmental considerations along with more traditional price, performance and availability

concerns, there were only about a dozen environmental labels worldwide. There are currently more than 500 labels according to Jacob Malthouse from Big Room, the managers of the www.ecolabelling.org website that attempts to track the explosive growth in the environmental labeling world. The website has not been updated in six months, but it is being revamped to better handle the proliferation of labels.

Government purchasers are coping by quickly sifting through the various environmental claims to determine which are legitimate. They are also using their professional expertise and purchasing power to influence the future of the green marketplace.

Avoiding the confusion

Professional purchasers are less likely to be misled by exaggerated or misleading environmental claims because they understand the differences between standards, certifications, verifications and labels. Often mistakenly used interchangeably, there are important differences.

Standard – A standard is a specification document that establishes the environmental and human health parameters a product or service must meet to be considered a greener offering. It establishes clear thresholds and requirements such as minimum recycled-content percentages, energy- or water-efficiency requirements, toxicity tests and volatile organic compound (VOC) limits. A well-written standard makes it very clear what is required.

Certification – A certification is proof from an independent third party that a particular product or service meets a specific standard. It provides assurance that a product actually delivers the benefits it claims.

Verification – Verification means an independent third party has determined that a specific environmental claim (such as the product contains X% post-consumer recycled content or contains Y% bio-based content) is accurate. Verification is another way of providing proof that a product delivers on its claimed environmental benefits. Verification to a specific standard results in certification.

Label – A label is an identifying mark used by suppliers to draw attention to the environmental benefits of a product or a service. While some labels are based on being certified to a standard, other labels are awarded based on an individual's or organization's professional judgment, based on membership with a specific trade association or created by a supplier's marketing department. A label is not particularly meaningful unless it is supported by a rigorous verification or a standards-based certification program.

Confusion continues about the differences among the terms because North America's two oldest, most established environmental leadership standards – EcoLogo (www.ecologo.org) and Green Seal (www.greenseal.org) – are ISO Type I environmental labeling programs. Type I programs combine standard setting, certification and labeling into a single entity.

Some suppliers are exploiting that confusion by creating their own labels to identify greener products without providing much clarity about what the label means, which products are eligible for it or how a product demonstrates compliance.

Other labeling programs such as EPA's Design for the Environment (DfE) program are not standards-based programs and instead award the DfE label based on internal EPA analysis. The Cradle to Cradle (C2C) label,

similarly, is based on a consulting firm's professional assessment instead of a specific standard. While these programs and other similar approaches are identifying greener products, the lack of an accompanying standard makes them challenging for government purchasing.

Making it easier

Recognizing the increasing confusion in the ways suppliers are marketing greener products, government purchasers and others are actively involved in efforts to make it easier for purchasing professionals and consumers to buy greener products. A few of the efforts under way include:

Green Products Roundtable. GPR is a group of greener purchasing experts representing government purchasers, a few select suppliers (such as Office Depot, Staples, and Best Buy), the U.S. Environmental Protection Agency, industry, and the environmental standard-setting, certification and labeling community. With the leadership of government purchasers Jonathan Rifkin (Washington, D.C.) and Greg Hopkins (Oregon), one of GPR's primary objectives is to make it easier for institutional purchasers to identify greener products.

GPR is also working on related efforts to improve the quality of green claims made in the marketplace, improve education and communication on environmental claims, and examine options to better coordinate efforts among the various environmental standard-setting, certifying and labeling organizations.

Greg Hopkins is hopeful about the GPR effort: "Suppliers need to understand that products need to perform, be justifiably priced, and have transparent and trustworthy green criteria."

Strengthening Energy Star. The Energy Star program announced April 14 that it would significantly revamp its verification procedures. Responding to criticism from professional purchasers and others (See *Go Pro* April 2009, "Polishing the Energy Star Shine"), the Energy Star program announced it will now require companies to provide proof that products meet the Energy Star criteria before permitting them to use the Energy Star label.

The prior approach permitted manufacturers to make Energy Star claims without submitting proof. Several independent government reviews found significant flaws with the procedures Energy Star was using, including approving Energy Star labels for fake products such as a gasoline-powered alarm clock.

Until the Energy Star program completes its procedural improvements, government purchasers are encouraged to continue asking suppliers for independent verification of Energy Star claims. (See *Specifying Greener Products*.)

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Federal Trade Commission Crackdown. The Federal Trade Commission (FTC) enforces federal government truth-in-advertising laws. It also publishes guidance on appropriate environmental marketing claims known informally as the Green Guides.

After a long period from 2000 to 2009 in which the FTC did not take any enforcement actions on potentially misleading environmental claims, the FTC recently has been targeting blatant violations of the Green Guides. Several companies have been fined for making misleading claims about textile products supposedly made from bamboo and for making misleading biodegradability claims.

As FTC pointed out, products labeled biodegradable are misleading if the claim leads consumers to believe the products will degrade using traditional disposal methods. Biodegradable products do not degrade in landfills, which is where most products ultimately are disposed. As a result, any biodegradability claim must be accompanied by qualifying language explaining the circumstances under which the product will degrade and properly supported by relevant, scientific tests supporting the claim.

Originally developed in 1992 and revised in 1998, the Green Guides are currently being revised to address the growing concern about suspicious environmental claims. It is expected FTC will release its revisions later this year.

Copies of the current Green Guides and additional background information are available on the FTC website at www.ftc.gov/opa/reporter/greengds.shtm.

Specifying Greener Products

Professional purchasers avoid the potential for confusion by simply requiring that products be certified to specific standards and requiring that all other environmental claims be independently verified. Below is sample contract language.

- **Cleaning Products:** "Products must be certified to the EcoLogo (CCD-146) or Green Seal (GS-37) standard."
- **Computers:** "Products must provide demonstrable proof of meeting the IEEE 1680 (EPEAT) standard."
- **Copiers:** "Products must be certified to the EcoLogo (CCD-035) standard."
- **HVAC Equipment:** "Products must provide demonstrable proof of meeting the Energy Star standard."
- **Recycled Content:** "Products must provide demonstrable proof of meeting the EPA Comprehensive Procurement Guidelines (CPG) postconsumer recycled content recommendations."
- **Toilets:** "Products must be certified to the WaterSense Final Specification for High Efficiency Toilets."

New Tools. Government purchasers are also working to provide new tools to make greener purchasing easier. Some recent examples include:

- **Commonwealth of Pennsylvania Green Purchasing Video.** Designed to encourage Commonwealth purchasing professionals and agencies to buy greener products, the 15-minute video highlights the legal, professional and environmental reasons for doing so. An online version is available at www.gggc.state.pa.us/portal/server.pt/community/procurement/13831. DVD versions are also available.
- **New York State Green Cleaning Program.** The New York State Office of General Services has created a website that makes it easy to buy greener cleaning products and implement a greener cleaning program. It identifies the benefits, best practices, a list of approved products, documents, templates and a series of education videos to make it easier to implement a successful program. See <https://greencleaning.ny.gov>.
- Additional tools are available on the NIGP (www.nigp.org) and NASPO (www.naspo.org) websites.

Other Solutions. Government purchasers and purchasing consultants are also involved in a variety of additional efforts to make it easier to buy greener products. Many of the efforts remain in their infancies, but include:

- **Dot Eco.** A new Internet domain extension (similar to .gov or .com) that would become a source for verified environmental information on products, services and companies.
- **Sustainability Consortium.** A group of academics, retailers, purchasers and others attempting to create a system to track environmental costs and benefits throughout the supply chains supporting the entire global economy.
- **Green Products Innovation Institute.** An effort led by California, Google, Walmart, YouTube, Brad Pitt and others to create a new system or label to identify greener products.

What's next?

It is clear to everyone attempting to buy, sell or define greener products that there is still a need for greater clarity. Government purchasers at the federal, state and local levels are playing an active role in creating the necessary improvements. Controlling billions of dollars in purchasing power means having a significant voice in determining which solutions ultimately prove viable. Government purchasers cast a vote for the future with every purchase.

About the author

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