



# Green Sourcing for Food Retailers

## Expo West, March 12, 2011

### **Moderator:**

- Jeanne von Zastrow, Food Marketing Institute

### **Panelists:**

Libby Bernick, Five Winds International

Drusilla Hufford, Green Chill/EPA

Steve Hagen, Fresh & Easy Neighborhood Market





# Greening the Food Industry?

*Green sourcing is a key part of a much bigger issue....*

- **Why?**

- The Imperative = Population and Environmental Crisis

- **Who?**

- NGO's, Media, Government, Business, LOHAS Consumers, Youth

- **What's the problem?** Issues and Challenges - Complexity

- **How?** Industry Together > Each Company Alone

- **When?** It's Happening – A Strategic Survival Advantage

# SUSTAINABILITY:

Business practices and strategies that promote the long-term well-being of the environment, society and the bottom-line.

## FMI's Sustainability Task Force

eting Institute | Sustainability - Windows Internet Explorer

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### Food Safety & Defense

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### Research

### Social Responsibility & Sustainability

- Community Outreach and Service
- Food Safety
- Health & Wellness
- Hunger Relief
- Sustainability

## Sustainability

Sustainability is emerging as a critically important issue globally, and FMI is developing the tools and resources you need most as you develop and implement your business sustainability strategies. On this page you'll find key resources to help you. If you are interested in learning more or being engaged with this effort, contact Jeanne von Zastrow, Senior Director, FMI, by email or call 435-259-3342.

- What is Sustainability? "Business practices and strategies that promote the long term well-being of the environment, society and the bottom-line".  
[FMI's Sustainability Initiatives](#)

#### What's HOT right now!

- Webinar: Sustainability on the Shelves: A Guide for Category Managers and Buyers** This webinar provides the perfect overview of sustainability for food retail professionals. Pertaining specifically to those in the Fresh category. There will be additional webinars on the four remaining categories of beverage, general, merchandise, grocery and seafood.

You will be able to explore opportunities to improve sustainability throughout the food retail supply chain while identifying issues specific to each category. It will also help you understand and verify claims, recognize "GREENWASHING", and discover new techniques and sustainable products.

When: Wednesday, January 12, 2011  
Time: 1:00 PM - 2:00 PM

**FREE** to FMI Retail/Wholesale Members

**Register Today!**

#### Quick Links

- [Webinar: Sustainability on the Shelves: A Guide for Category Managers and Buyers Webinar](#)
- [Sustainability on the Shelves: A Guide for Category Managers and Buyers](#)
- [Sustainable Seafood](#)
- [Free Retail Tools & Research](#)
- [Other Resources](#)
- [EPA's Retail Industry Portal](#)

**Provides Guidance and Information Specifically Tailored to Retailers**

- [View Details](#)
- [Access Portal](#)

### Supermarket FACTS & FIGURES

### Our Industry

Microsoft Outloo... http://outlook.f... http://outlook.f... FMI | Food Mark... F:\ C:\Documents ... Expo West - Se... Presentation1

# What is Green Sourcing?



- Products we sell – farm to fork to disposal
- Equipment/supplies for operations
- Materials/energy to create our buildings
- Contractors we use for services



# Sustainability

***Sustainability on the Shelves:  
A Guide for Category Managers & Buyers***

Webinar



- Free webinar on FMI website
- Created “by industry for industry”
- Guidelines, checklists on how to talk to suppliers and source greener products



# FMI Sustainable Sourcing Guide



1. Sin of the Hidden Trade-Off
2. Sin of No Proof
3. Sin of Vagueness
4. Sin of Irrelevance
5. Sin of Fibbing
6. Sin of the Lesser of Two Evils
7. Sin of Worshiping False Labels

For more information, see  
Guide pages 27-28

Ask for substantiation on  
vague terms like:

- *Eco-friendly*
- *Sustainable*
- *Green*
- *Environmentally-friendly*

# FMI Sustainable Sourcing Guide - Tools

## General Questions for Starting the Conversation with Suppliers



### General Sustainability Questions to Ask Your Suppliers

#### Corporate Buy-In

1. Has your company formally identified and documented sustainability goals and targets?
2. Does your company report or track progress towards these goals and targets?

#### Agricultural Products, Raw Materials, or Ingredients

3. Do you know where all the products and ingredients come from (country of origin)?
4. What methods do you use to trace the origin of your products or ingredients?
5. How were the ingredients sourced or harvested? (Consider environmental and labor issues.)
6. What steps are taken to lower the energy, carbon and water use when agricultural products are grown or harvested, or ingredients are sourced?

#### Processing, Manufacturing, or Transportation

7. What energy, carbon, material, or water efficiency efforts do you have in place?
8. What efforts have you made to increase the fuel efficiency of your transport?
9. What steps have you taken to reduce the amount of waste created in manufacturing?

#### Packaging

10. Is your packaging widely-recyclable (in most curbside programs)?
11. What is the recycled content in your packaging?

# FMI Sustainable Sourcing Guide - Tools

## Category Specific Questions

### Grocery Questions for Suppliers

1. Refer to carbon, water, waste, packaging and agriculture starting on Page 22
2. What product ecolabels do you use? (for reference: [http://www.ecolabelindex.com/ecolabels/?st=category\\_food](http://www.ecolabelindex.com/ecolabels/?st=category_food))
3. How do you trace the source of your ingredients or raw materials?
4. How do you monitor and enforce equitable labor standards?
5. Canned goods suppliers: Are you seeking alternative packaging materials that do not have restricted materials or materials of concern?



## Questions about Sustainability Issues

### Water Questions for Suppliers:

1. Have you measured your company's water footprint?
2. If no, are you planning on measuring it in the near future?
3. Have you measured the water footprint of any individual products?
4. What steps have you taken to reduce your water consumption?



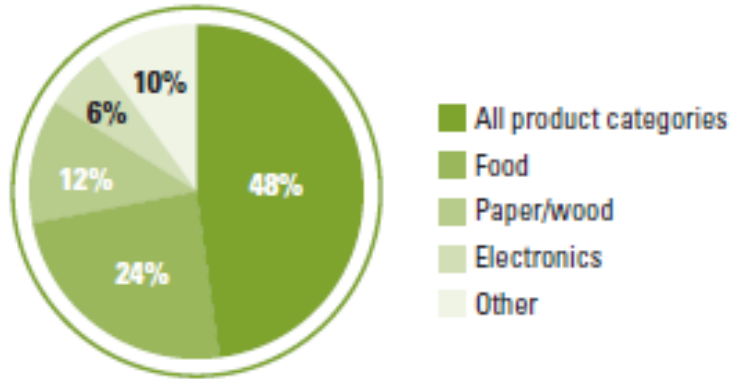
# Stocking the Shelves with Green: Business Case



**\$900 B**

In retail purchasing power is seeking greener products and including "green" as part of a buyer's selection criteria

## Retailers' Sourcing Programs Target Different Product\* Categories



\*Analysis includes product and packaging programs

Source: *Sustainability in Retail*, Three part white paper series, GreenBiz.com, 2010. Research by Five Winds.

# Plan A DOING THE RIGHT THING

➤ Online Shopping   ➤ Store Finder

What we are doing

## Welcome to Greenerliv

Did you know that eco friendly living means you're reducing energy, cutting bills and living more carefully or simply being more aware of your greener lifestyle could allow you to live more greenly on the planet.

▶ [Go green and save money](#)

## We've introduced carbon footprint labels



Find out about our latest initiative and how you can reduce your own carbon footprint with our easy guide.

▶ [Cutting carbon footprints](#)

## Wanted - your clothes £5 Reward

Bring the M&S clothes you no longer wear into Oxfam and you'll receive a £5 M&S voucher.\*

Know someone who needs a wardrobe clear-out?

[Let them know](#) ▶



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**FAIRTRADE FORTNIGHT**  
**SHOW OFF YOUR LABEL**  
 FAIRTRADE  
 28 February - 13 March 2011  
[fairtrade.org.uk/fortnight](http://fairtrade.org.uk/fortnight)

**Sign up**  
 For our eco and ethical email

Enter your email

▶ [Submit](#)

**Features**

- M&S Energy**  
Cut the cost of your energy bills.
- Bottling it!**  
Watch our milk bottle recycling video.

# Implications for Retailers and Suppliers

## Organic, Natural, Local, Fair Trade

**Customers** – Healthy Choices, Variety, Quality

**Employees** – Labour Rights, Fair Treatment

**Company Image** – Reputation, Brand Value

**Community** – Charity, Land Use, business Impacts, Educational Programs



**Green Buildings** – Energy & water savings

**Waste and Water** – Packaging and Food

**Transportation** – Logistics, Food miles,

**Product Carbon Footprint** – Energy, GHG

**Life Cycle Product Systems** “cradle to grave” quantified assessments of products and packaging

Sourcing.....manufacturing.....distribution.....use.....reuse or disposal



***EPA's GreenChill  
Partnership: Sustainable  
Sourcing***

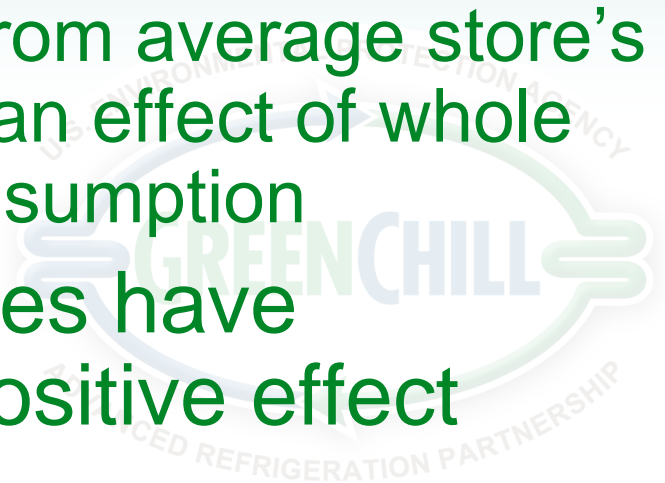


***Drusilla Hufford  
Stratospheric Protection Division  
U.S. EPA***



# Refrigeration & the Environment

- ▶ Refrigeration choices matter - enormous harm or tremendous improvements
- ▶ Human health & the environment - UV radiation, skin cancer, cataracts, climate change
  - ▶ Commercial refrigerants are about 2000-4000 times more potent global warmers than CO<sub>2</sub>
  - ▶ Global warming emissions from average store's refrigerant leaks is higher than effect of whole store's annual electricity consumption
- ▶ Sustainable sourcing choices have immediate & long-lasting positive effect



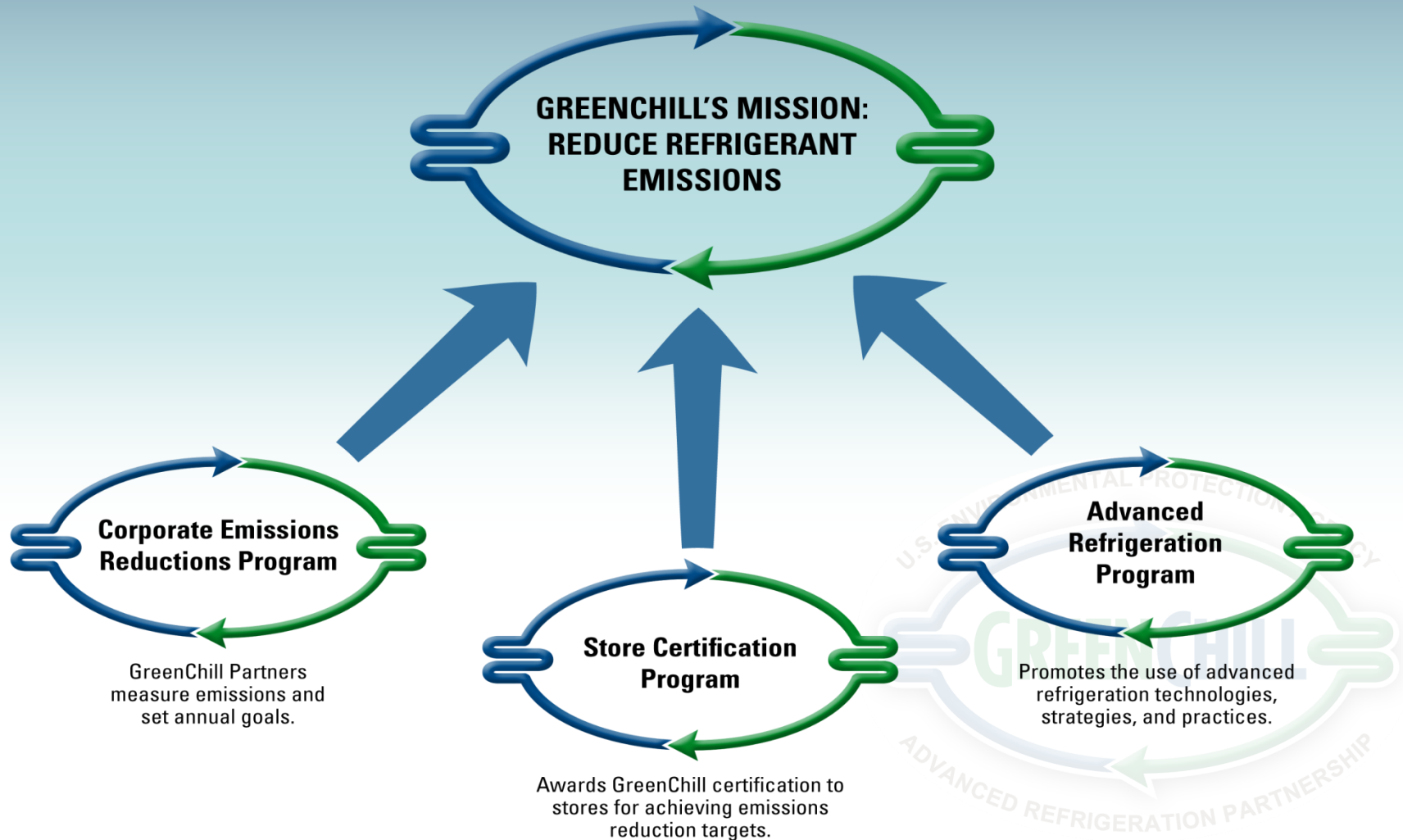
# Positive Impact of Sustainable Refrigeration Sourcing

- ▶ Equipment - invest early, not often
  - ▶ Better store design to reduce refrigerant charge and prevent leaks
- ▶ Service Contractors
  - ▶ Best practices for equipment installation, maintenance, refrigerant end-of-life
  - ▶ Prevention is better than repair
- ▶ Refrigerant Choice
  - ▶ Refrigerants that harm ozone layer cannot be used in new systems & scheduled for ultimate phase-out
  - ▶ Select lowest GWP refrigerant that meets your refrigeration requirements



# GreenChill Can Help

- ▶ 3 programs to help commercial refrigeration users reduce harmful refrigerant emissions



# Resources Available

- ▶ GreenChill Website ([www.epa.gov/greenchill](http://www.epa.gov/greenchill))
  - ▶ Best practice & how-to guidelines (R-22 retrofits, leak prevention & repair, installation leak tightness)
  - ▶ Info on green technology options
- ▶ Monthly Webinars by grocers, for grocers
- ▶ Monthly technical roundtables for grocery partners to solve critical problems
- ▶ Quarterly partner meetings
- ▶ GreenChill LinkedIn Group - 400 experts at your disposal for questions & discussion
- ▶ Twitter @EPAgreenchill





# For More Information

- ▶ Keilly Witman
- ▶ GreenChill Partnership
- ▶ Stratospheric Protection Division
- ▶ US EPA
- ▶ [Witman.keilly@epa.gov](mailto:Witman.keilly@epa.gov)
- ▶ 202-343-9742

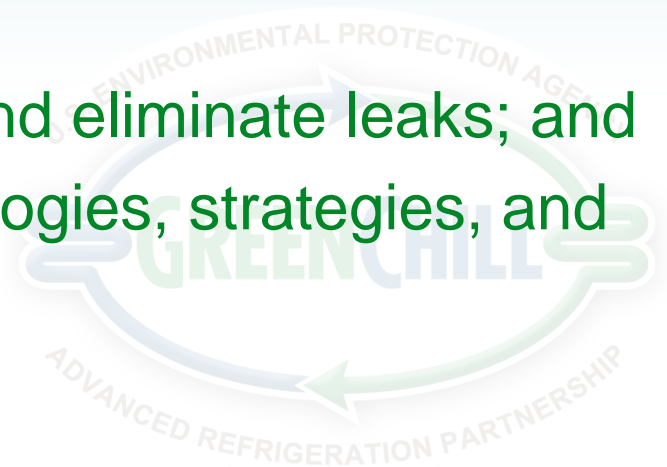


# Backup Slides



# EPA's GreenChill Partnership

- ▶ GreenChill is an EPA partnership with food retailers to decrease refrigerant emissions that damage the ozone layer and Earth's climate.
- ▶ We achieve this mission by providing the supermarket industry with information and assistance to:
  - ▶ Transition to refrigerants with better environmental profiles;
  - ▶ Lower refrigerant charge sizes and eliminate leaks; and
  - ▶ Adopt green refrigeration technologies, strategies, and practices.



# Benefits of Joining

- ▶ Environmental benefits
- ▶ Financial benefits
- ▶ Benchmarking
- ▶ Recognition and awards
- ▶ Publicity, marketing, and outreach
- ▶ Assistance with environmental strategies and sustainability goals
- ▶ Opportunities for information sharing among Partners
- ▶ Help in highlighting your achievements within your company
- ▶ Attracting the next generation of good new employees



**GREENCHILL'S MISSION:  
REDUCE REFRIGERANT  
EMISSIONS**

**Corporate Emissions  
Reductions Program**

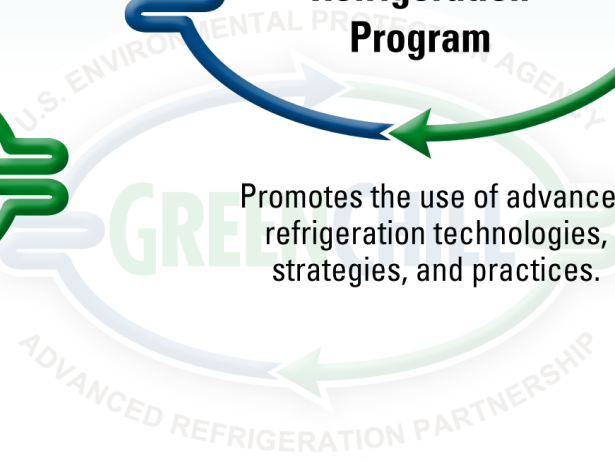
GreenChill Partners  
measure emissions and  
set annual goals.

**Store Certification  
Program**

Awards GreenChill certification to  
stores for achieving emissions  
reduction targets.

**Advanced  
Refrigeration  
Program**

Promotes the use of advanced  
refrigeration technologies,  
strategies, and practices.

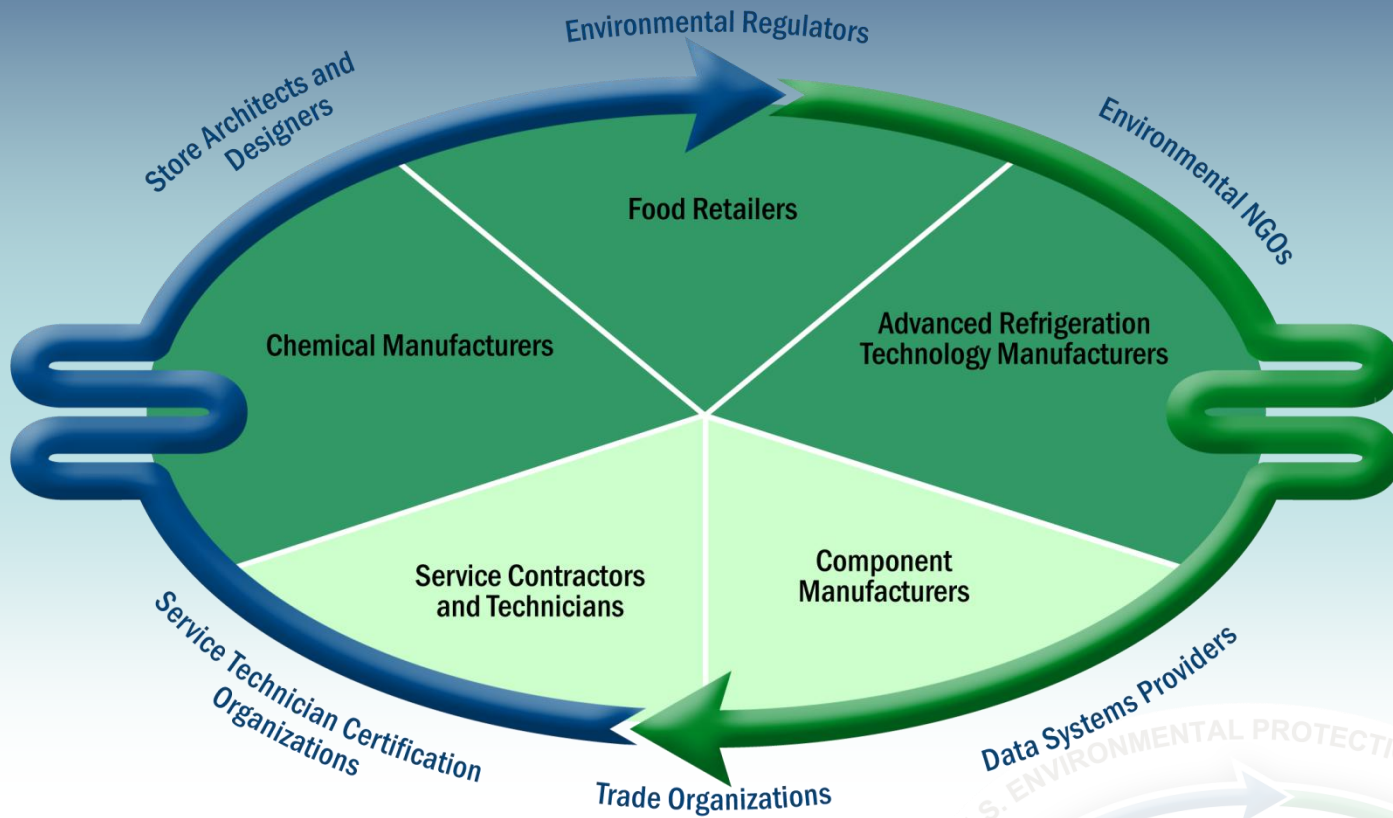


# How “The Partnership” Works

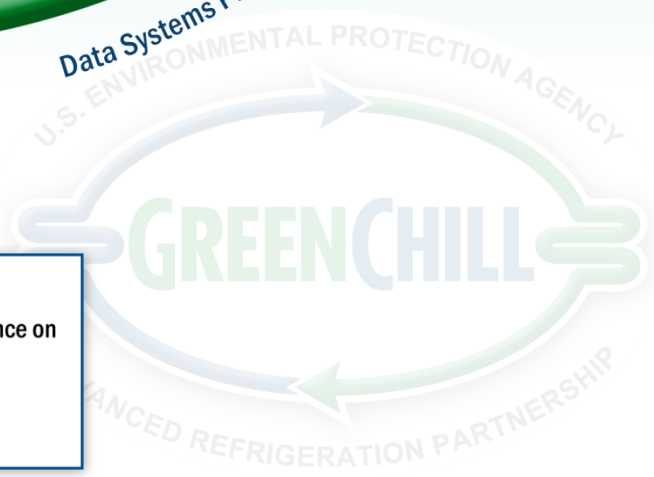
- ▶ Sign agreement
- ▶ Get starter pack
- ▶ Decide on how to report
- ▶ Measure and report baseline
- ▶ Set annual goals
- ▶ Measure and report annually
- ▶ Participate in quarterly meetings
- ▶ Participate in projects



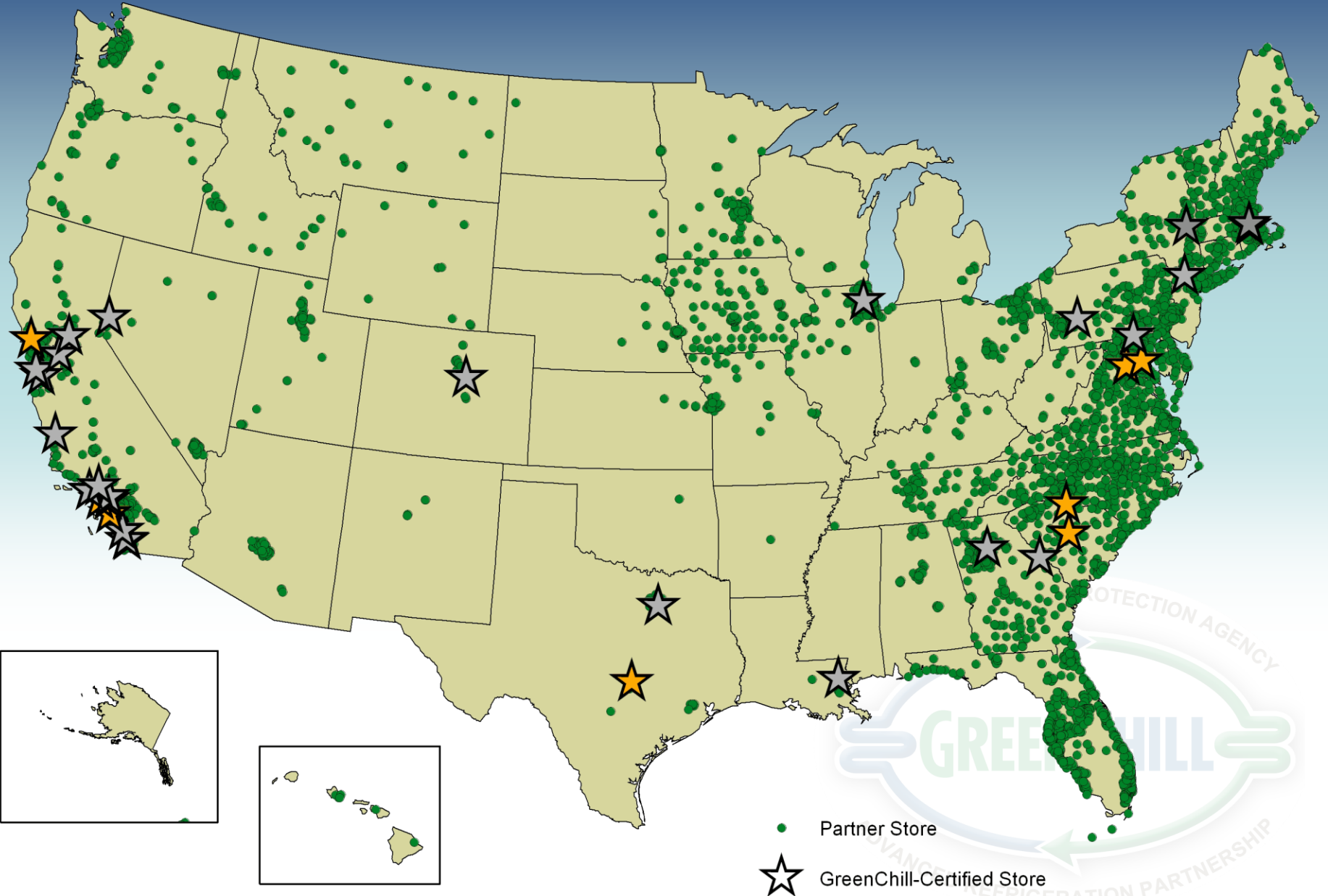
# GreenChill's Stakeholders



	<b>Current Partner Categories</b>
Stakeholder in Black Font	Stakeholder that has a direct influence on stores' refrigerant emissions
Stakeholder in Blue Font	Stakeholder that facilitates stores' refrigerant emissions reductions



# GreenChill Partner Stores



Status November 2010





# SUSTAINABILITY

## A commitment to green building

We are trying to set a global example by measuring and reducing our greenhouse gas emissions, helping to stimulate the development of low carbon technology and by empowering consumers by providing them with choice, value and information.

Fresh & Easy CEO, Tim Mason



# Voluntary Participation

- ⚙ Green Chill Advanced Refrigeration Partnership
- ⚙ California Climate Action Registry
- ⚙ Energy Star

# Environmentally Responsible Suppliers



## ☀ MELINK A REGIONAL LEADER IN SUSTAINABILITY

- ☀ It all started innocently enough. We designed and constructed the first LEED Gold Certified building in Ohio for our headquarters in 2005. We did this because we were already in the business of selling energy efficiency and felt that in order to be an industry leader it was important to 'walk the talk'.
- ☀ Little did we know this project would define us as a company and put us on a bigger stage. People from across the region have been visiting us ever since to learn how to go green, as well as the cost and benefits. This in turn has only further motivated us to raise the bar even higher.
- ☀ Now we are embarked on a journey to make our headquarters one of the first net-zero energy buildings in the U.S. It is already 80% more energy-efficient than a conventional code-compliant office building, and we expect it to become LEED Platinum Certified in the next few months!
- ☀ Melink continues to expand Hybrid Fleet – Also offers employees \$3,000.00 towards the purchase of hybrid vehicles



# Environmentally Responsible Suppliers



# Discussion Questions for Panel



- Advice for getting started -- products, equipment, design or operations?
- What makes *greener sourcing* most challenging?
- Examples of how companies successfully embed sustainability and green decision making into their corporate cultures?
- Examples of effective ways companies tell the “story” of what they are doing to their various stakeholders? (suppliers, customers, others)
- How do you get past “isn’t all this sustainability stuff just going to cost me more”? (How to you quantify the benefits of going green beyond cost?)
- Look into your crystal ball....and predict the impact of greener sourcing on the industry five years from now?



A large mountain peak, possibly a volcano, is partially obscured by a thick layer of white clouds. The sky is a clear, deep blue. The foreground shows a dense forest of dark green trees, with some snow visible on the ground.

Questions and audience dialogue.....