

Claims vary as firms tap green market

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Where once Kermit the Frog's lament about the difficulties of being green garnered sympathy, today's listener might instead be forgiven for the less supportive response of, "You think you've got it rough?"

From cleaning fluids to clothing, food to fuels, the challenge to be "green" is becoming all consuming. To offset the environmental harm created by your choices about the kind of car you drive, the food you eat and how often you fly on an airplane — just to name a few of the habits queried — there are myriad choices of carbon offsets. For a price, of course.

There are no regulations spelling out the definition of "green," although various industry groups have developed certification standards for some products and programs. Essentially, consumers must investigate each claim on their own.

"It's hit popular media within the last five years," said Ron Deverman, vice president of the National Association of Environmental Professionals, when asked about the surge in "green."

Deverman, vice president and senior environmental services manager with HDR One Co. in Chicago, specializes in managing building projects that fall under the Clean Water Act and similar federal regulations.

The idea of green has broadened dramatically in recent years, Deverman said, from energy-efficient light bulbs to sensitive design of commercial and residential projects that protect air and water quality.

"Environmental claims are on an exponential rise," said Tricia Sadd, a Leadership in Energy and Environmental Design-certified attorney with Montgomery McCracken in Philadelphia. Sadd, whose firm handles leases of green buildings, was in Penn State's environmental education program, so has a personal interest in green practices.

The Federal Trade Commission is holding a series of workshops to investigate whether it needs to update its "Green Guides," which let marketers know what they need to be able to prove in order to make certain claims.

The first Green Guides came out in 1992. Sadd said their purpose is to keep people honest while not creating too much of a regulatory burden.

"It's all about substantiation," said Sadd, such as the question of whether "recyclable" mean the package as a whole, or whatever is in it.

The question is how a "reasonable" consumer interprets a marketer's claims, said Janice Frankle, an attorney with the FTC's bureau of consumer protection, division of enforcement.

The Green Guides have no regulatory power, said Frankle, but the FTC can bring cases if it believes there is fraud.

The FTC re-examines the guides every 10 years, Frankle said, but has started a year early because of the proliferation of green claims across all markets. "Sustainable" claims and the idea of carbon offsets and carbon footprints didn't exist during the last revision, Frankle said.

Anyone can go to one of many Web sites to measure a carbon footprint, or how many tons of greenhouse gases a person produces in a year, and how much it would cost to alleviate that use. The Nature Conservancy, for example, uses money raised from carbon offsets to plant trees and manage its Tensas River Basin Project to turn farmland back into a habitat for animals and greenery in the Lower Mississippi Basin.

In the U.S., Sadd said, this is mostly voluntary. Offsets can even be traded on the Chicago Climate Exchange. The FTC is examining how companies will track and verify these offsets, she said.

Hampton Newsome, another FTC attorney, said there are several types of claims in the area of carbon offsets. A business might buy an offset and use that fact in their advertising, he said, or a consumer can buy one from a retailer. Globally, he said, offsets are sold on the regulated market to meet requirements about greenhouse gas emissions, and are also sold on a voluntary market.

"We're not in the business of setting the standards," Newsome said. "What we're looking at is to just make sure companies can back up their claims." There's a lot of activity in the carbon-offset industry, Newsome said, and a lot of highly technical debate. While the FTC continues to research the guidelines needed for green claims, companies like General Electric and Xerox move forward with extensive product lines.

GE spokesman Peter O'Toole said his company has gone forward with verifiable projects that wouldn't have happened without money from offset purchases.

Fairfield-based GE's green movement got its start when its biggest customers started asking Jeff Immelt, the chief executive officer and chairman, for new technology to save money as fuel prices rose, O'Toole said.

Immelt kicked off the green development five years ago, O'Toole said, and introduced "Ecomagination" three years ago. Last year, the company invested \$1.1 billion in "green" research and development, which was 20 percent of its total R&D budget, O'Toole said.

In 2007, he said, the company sold \$14 billion in related technology, from more efficient jet engines and locomotives to big wind turbines and photo-voltaic cells to harness solar power. The company has also changed internally, O'Toole said, as it reduces its pollutants and the energy it uses.

Immelt believes in being ahead of the regulations, and he thinks those are coming, O'Toole said.

In the meantime, "The customer has opened up their pocket book," O'Toole said, which was what needed to happen in order for GE to continue its investment. "This had to make money."

Xerox Corp. in Norwalk has also gone green.

The company has incorporated environmental stewardship into its business, said Patricia Calkins, vice president of environment, health and safety.

It introduced double-sided printing in 1969, and recycled-content paper in 1973, she said. In the early 1980s, it introduced an office machine that automatically powered down when not in use, and has partnered with the Environmental Protection Agency on the Energy Star standards.

Its newer, multifunction equipment means customers will have fewer machines plugged in and using energy, Arena said.

In August, the company introduced a business paper that uses less of the tree than normal paper, and takes 18 percent less energy to make. The high-yield paper is also less expensive, she said.

But if green products do cost more, Arena said, the business has to be sure the market will bear it. Xerox has found, "Typically, consumers are not willing to pay more unless it's going to give them equivalent payment back," usually in one or two years.

Arena does see a need for a way to quantify the green benefit of product claims, but said companies should be leery of losing credibility by making false claims.

Some official oversight might be necessary, she said, to "remove the snake-oil salesmen."

Of course, what's snake oil depends on one's point of view.

The conservative activist network Grassfire.org Alliance encouraged people to leave lights on and try to increase their carbon footprint on "Carbon Belch Day," which was June 12.

Spokesman Ron De Jong said people need to look at the issue of global warming more closely, and the Carbon Belch Day was a way to "poke fun at climate alarmists."

De Jong said, "I do think that we need to be good stewards of the planet," but thinks the idea of paying to offset his life goes too far.

"For me, a lot of the green stuff, it's about being more efficient and being smarter with your resources," said Sadd, the Philadelphia attorney.

"I think it's all heading us in the right direction" of reduce, reuse and recycle, Deverman, the environmental specialist, said. A new area for the environmental services is natural

disaster restoration, which started in the wake of Hurricane Katrina in 2005. In Louisiana, this means coastal wetlands restoration.

The growth is into areas like this, and away from simplistic slogans and unsupportable claims of environmental benefits.

What starts as a fad, Deverman said, could ultimately be "engrained in [our] way of living and day-to-day behaviors."