

Facilitating Chemical Data Flow along Supply Chains

GC3 Chemical Data CBI Project

Project Group Conference Call

10/7/2013

Participants (19)

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Alex Gyebi, New Balance
Barbara Hanley, HP
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Troy Virgo, Shaw
Kate Winneback, Rochester Institute of Technology
Martin Wolf, Seventh Generation

Summary

The workgroup is continuing development of a roadmap for best approaches to balancing enhanced B2B flow of chemical information in supply chain transactions with protection of sensitive business information. During the workgroup's conference call on Monday, October 7th, we reviewed the information and lessons learned over the past year, and considered next steps toward the development of a report that would meet the needs of a wide range of businesses. The attached powerpoint slides provide a brief overview on the issues raised during workgroup webinars and discussions, and proposed next steps from the GC3 conference last May. For more detail on specific webinars/discussions summarized in the powerpoint, the following are available on the GC3 website:

- Recording of discussion led by Mark Greenwood (Greenwood Environmental) and Roger McFadden (Staples) on meeting demands for

transparency on chemical content while protecting critical intellectual property. <http://greenchemistryandcommerce.org/membership/gc3-members-area/webinar-presentations-and-recordings>

- Presentation by Zach Freeze (Walmart) on how Walmart uses WERCs to identify significant regulatory information from suppliers under CDAs. <http://www.greenchemistryandcommerce.org/documents/CBI-ZachFreezeslides.pdf>
- Presentations by Amanda Kaminsky (The Durst Organization) and Tom Lent (Healthy Building Network) on use of Health Product Declarations (HPDs) to provide greater chemical-information transparency while providing protection for intellectual property/CBI. <http://www.greenchemistryandcommerce.org/documents/GC3CBIWorkgroupHPDKaminsky-Lentpresentation.pdf>
- Discussion by Cora Leibig (Segetis) and Martin Wolf (Seventh Generation) on how to balance provision of transparency on ingredients in consumer products with protection of IP in product innovation. <http://www.greenchemistryandcommerce.org/documents/LeibigandMartinPresentation3.27.13.pdf>

Discussion during the call raised three principal questions:

- 1) Who is the audience for a report?
- 2) What is the best way to communicate to reach that audience?
- 3) Should the report include, and to what extent, issues related to particular sectors?

1) Audience for Report

In addition to addressing the concerns of manufacturers, retailers and other supply chain companies, participants pointed to the need for the report to address the concerns of NGOs and, in some cases, consumers.

- a) Many NGOs are playing active roles in facilitating sustainability in supply chain transactions. They are very engaged both in the development of disclosure tools for conveying information about chemical identity and chemical hazard in B2B transactions, and with assessment tools for evaluating chemical hazards. Examples the workgroup reviewed during the last year include Health Product Declarations, the Green Screen and Cradle to Cradle certification. NGOs are concerned that CBI not obstruct needed flow of chemical information.
- b) Consumer concerns may also be relevant to B2B transactions. If, for example, an end-user company promises consumers complete ingredient

transparency for the products it sells, that brand promise becomes a factor in the B2B chemical information transactions. Similarly, requirements by retailers such as Walmart for brands to provide ingredient information for consumers impact the requirements for the flow of chemical information in B2B transactions (see Walmart's new policy on chemicals in consumables at: http://az204679.vo.msecnd.net/media/documents/wmt-chemical-policy_130234693942816792.pdf).

2) Communications

A participant raised the question of how best to ensure that the results of the project are widely disseminated and available to those involved in decision-making in supply chain transactions. There was discussion of the kinds of reports, journal articles, etc. that are most likely to be read by those for whom this information would be valuable. While there are some journals, both technical and business-oriented (Harvard Business Review was mentioned as an example), that have extensive audiences beyond those directly concerned with green chemistry, the downside is the length of time it takes from submission to publication. Participants suggested that while targeting such a source might have value, timeliness of the report it also reported. The best route for getting the results of the project out quickly would be to publish a GC3 report, and then get stories on the report in green business publications such as GreenBiz. An additional outreach effort might also involve producing articles for other sources. Suggestions of additional publications that might be interested in stories on this topic are welcome.

3) Special Issues for Report

An additional question raised for consideration of the group is the extent to which the project report should deal with special issues of concern to particular groups or sectors. For example, some sectors have codes of conduct that address communications of chemical information in supply chain transactions. In addition, sector-specific regulations may impact the issues of greatest importance for B2B supply-chain communications on chemical ingredients. The extent to which the report should address these issues was left for future discussion.

Next Steps

At the end of the call, participants were asked to provide comments on proposals that emerged from the discussion of the project at the GC3 conference in May. In summary:

Possible principles for considering how best to approach balancing enhanced transparency and CBI protection in B2B supply chain transactions

- 1) *Health & safety hazard information should be shared B2B without CDA.*
- 2) *Trust is fundamental to B2B sharing of CBI.*
- 3) *Protection of trade secrets and legitimate CBI is critical to continued innovation and competitiveness.*
- 4) *Properly framing the information request increases the likelihood of obtaining the needed information.*
- 5) *Mutual understanding of the purpose/context for the request is the first step to a successful information exchange.*
- 6) *Level of detail that can be provided depends on how the information will be used.*
- 7) *The conclusion of any assessment based on the information provided should be shared with the information source.*

Potential next steps for 2013/2014

- 1) *Develop GC3 report with best practices for balancing greater transparency & CBI protection*
- 2) *Finalized set of B2B CBI flow principles (see preceding slide)*
- 3) *Identify/address CBI/transparency issues of specific concern to retailers, NGOs, manufacturers.*
- 4) *Guidance for standardized core set of data across the supply chain integrated with CBI protection*
- 5) *Develop model CDA (or elements thereof)*
- 6) *Guidance on framing information transactions*
- 7) *With increasing use of 3rd parties, identify criteria for effective 3rd parties*

We would appreciate feedback on these – including any proposed revisions or additions. Please send any suggestions by Thursday, November 14th to:

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and

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