



Welcome

Green Chemistry and Commerce Council Innovators' Roundtable

Nike World Headquarters
July 9 – 11, 2008

Sustainable Earth[®]

“Green Cleaners that **Really Clean**
...and are **Really Green**”

From **Coastwide Laboratories**

A Division of Corporate Express

John Martilla
Executive Vice President

From a Business Perspective

- Talk about:
 1. What Is Sustainable Earth[®]
 2. Path to Sustainable Earth[®]
 3. What We Learned

Sustainable Earth[®]

- 16 Products (42 SKUs)
 - Cleaners
 - Degreasers
 - Restroom
 - Carpet
 - Floor Care
- B-2-B / I-and-I Markets
- Highly Concentrated (1:256 or 1:512)
- Perform Very Well
- First with Both
 - EPA DfE
 - Green Seal



The Path to Sustainable Earth[®]

“You’ve got to be careful
if you don’t know where you are going,
because you might not get there.”

...Yogi Berra

The Path to SE[®]

- Largely the Efforts of One Person
- 1987: High Tech Firms → Screen Ingredients
- 1993: Chemical Gatekeeper Policy: Mfg. + Dist.
- 2000-01: Oregon Governor Kitzhaber
 - **Sustainable Supplier Council**
 - Grant Watkinson - Member
 - Roger McFadden – Chair, Cleaners and Coatings

The Path to SE[®] (con't.)

- 2000: **SEGC-114** Standard – McFadden
 - Indiana Relative Chemical Hazard Score (IRCHS)
 - **David Difiore** – EPA DfE
- 2000: **Product Prototypes** & Market Test
 - HP Citrus
 - ULO Stripper
- 2001: Introduced **First 6 SE[®]**



The Path to SE[®] (con't.)

■ 2002: Universities and Non-Profits

- Dr. Lauren Heine, Zero Waste Alliance
Chair, Unified Green Cleaning Alliance
- Dr. Jim Hutchinson, Green Chemistry, U of O
Involving Chemistry Students

■ Graduate Business Schools

- Lundquist (U of O) : Dr. Mike Russo
- Darden (Virginia): Dr. Andrea Larson
- OSU
- PSU



The Path to SE[®] (con't.)

- 2003: Partnership: EPA DfE
- 2004: Corporate Director of Sustainability
EPA DfE Logo - 6 SE[®] Products
Green Seal Cert. (GS-37) – 5 SE[®]
- 2006: Corporate Express Bought Coastwide
- 2007: SE[®] Launched Nationwide in USA
- 2008: SE[®] Launched in Canada

Sustainable Earth® Today

16 Sustainable Earth® Products

Product	 SEGC 114 CERTIFIED	 GREEN SEAL CERTIFIED	 Design for the Environment U.S. EPA
61 Glass Cleaner	2002	2004	2007
62 Carpet Cleaner	2002	2006	2007
63 Odor Eliminator	2002		2007
64 Neutral pH Cleaner	2003	2004	2004
65 Heavy Duty Cleaner	2003	2004	2004
66 Disinfectant - EPA Registered	2003		
67 Professional Carpet Spotter	2005		2007
70 Washroom Cleaner	2002	2004	2007

Product	 SEGC 114 CERTIFIED	 GREEN SEAL CERTIFIED	 Design for the Environment U.S. EPA
71 Toilet & Urinal Cleaner	2002		2007
74 Liquid Hand Soap	2005		
78 All Purpose Cleaner	2002		2007
80 Floor Finish & Sealer	2003	2006	2004
82 Wax & Finish Remover	2007	2007	2007
83 Wax & Finish Remover, Heavy Duty	2003	2006	2004
84 Dust Mop Treatment	2005		2004
99 Graffiti Remover	2005		2007

Sustainable Earth[®] Today (con't)

- Share of Market: OR and WA
 - 44% of Coastwide Mfd. Chemical Sales
 - 4-5% of Total I-and-I Chemical Market

- Fastest Growing Product Category
 - CL: 27% increase 2007 (43% in 2006)
 - Fastest growing jan-san segment for CE

What *We Think* We Learned

1. **Involve Top Management Early**
 - Support for SE[®]: both Grant and Roger on Gov. Kitzhaber's Sustainable Supplier Council
 - Temptation to "Wait and Wow"
 - Top Management -- **Where Good Ideas Go to Die**
 - Doesn't Like Surprises
 - Give opportunity to buy in early
 - Avoid "NIH" -- Tom Peters

What *We Think* We Learned

“It ain’t what you don’t know
that will hurt you.
It’s what you know for sure
that just ain’t so”

...Mark Twain

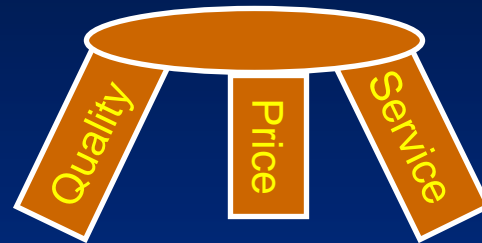
2. Involve Customers Early

- **Ask** the Customer (User Level)
 - 10 Foot Rule: Good Ideas
- **Watch** Customer Use the Product
 - Compare with Product Currently Using
- **Seminars**: Build Primary Demand

What *We Think* We Learned

3. Avoid Trade-Offs, Especially Performance

- American Business: Trade-off Model



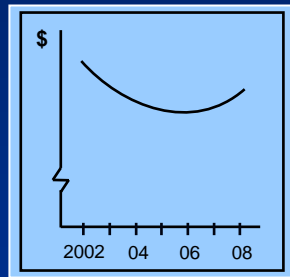
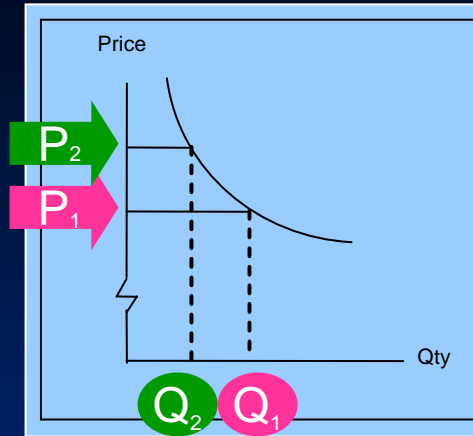
- Independent Testing Laboratory
 - "My kid is not ugly!"
 - Credibility to b-to-b customer
- USP: *Unique Selling Proposition*

Excitement!

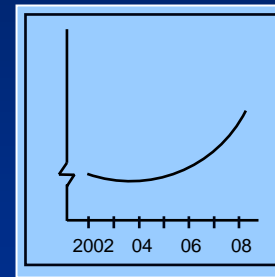
What We Think We Learned

4. Introductory Pricing

- ROI vs. Penetration Pricing
 - Price Sensitivity: NAGPI, Terra Choice
- Pricing Where Raw Material Prices Will Be



Bio-based Surfactants



Petrochemical Surfactants

- High Concentration: Packaging Cost Saving

In Conclusion

- Cleaning Industry: Last 30 Years

- High Speed Burnishing
- Green Chemistry

Cleaning for *Appearance*

Cleaning for *Health*

- Thank You: People Helped with Sustainability

- EPA DfE, Green Blue, Green Seal
- Universities
- People in Our Own Firm
- Need Champions

- Ctr. For Sustainable Business Practices - U of O

- "Doing Well By Doing Good"

The End

Thank You

Coming Soon?



