

# How Leading Retailers are Advancing Green Chemistry and Sourcing Safer Products

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## Panelists

- Roger McFadden, Senior Scientist, Vice President, Staples
- Kate Heiny, Senior Group Manager of Sustainability, Target
- Rob Kaplan, Director, Product Sustainability, WalMart

Consumers increasingly want to know product ingredients and want to purchase products with safer chemicals. Retailers are working to meet these demands, but face several challenges. To help overcome these challenges, the GC3 formed the Retailer Leadership Council (RLC) in 2013. The RLC promotes safer chemicals, materials, and products across retail supply chains. The founding members of the RLC are CVS, Home Depot, Target, Staples, Walmart, and Wegmans.

Just prior to the 2014 GC3 Roundtable, the RLC met with five chemical companies—Dow, BASF, Segetis, Akzo Nobel, and 3M—to share their concerns, challenges, and priorities, and to hear from chemical manufacturers about their challenges and priorities for green chemistry. The meeting was primarily a listening session. Topics included transparency, the need for better chemical information flow, barriers to obtaining information, harmonization of definitions and data requests, identifying priority chemicals of concern, communicating and building demand, lack of availability of alternatives, customer demand for safer products, and the importance of retaining brand integrity.

In addition to issues discussed in the listening session, speakers on this panel discussed how they are working to source safer products, including tools they are using and partnerships they are building. All retailers noted that, while they are helping their customers make safer choices and communicating the demands of customers through their supply chains, it is not the job of retailers to limit customer choices by removing products from their shelves. Choice is still key and decisions will be made by consumers in the marketplace. However, the marketplace is changing.

## Opportunities for safer chemicals and products

- What goes “in, on, or around the body” are the products that customers care most about, such as products for cleaning (household and business), personal care, and baby care.
- In the business-to-business arena, products that support purchasers’ sustainability goals are driving the demand for safer products.
- This demand is creating opportunities for products that don’t need exposure controls or do not include ingredients on hazard lists

## Key Drivers

- Customers are in a hurry and want the retailer to help them make decisions.
- Meeting the demands of customers: chemicals are the most important sustainability issue to Target customers. In Staples’ case, their large corporate clients, which comprise 50% of the company’s revenue, are demanding safer products.
- For Walmart, sustainability is a way to maintain the store’s relevance and trust into the next generation.
- Filling information gaps that others in the supply chain should be filling, but are not.
- It would be a business risk not to pursue the sourcing of safer products.

### **Challenges for Implementation**

- Learning how to better respond to the customer.
- Customers make their purchasing decisions quickly; they don't have time to think about the complexities of sustainability.
- For a company like Walmart, which sells 1 billion pounds of bananas a year, finding sustainable products that are available at the scale they need is a big challenge.
- Store merchants are balancing many issues in their purchasing decisions; what are the best ways to integrate sustainability?
- Lack of transparency about chemicals and risks.
- Retailers are not chemical experts; they can't always tell supply chain exactly what they need, but can provide them with expectations.

### **Helpful Actions to Advance Green Chemistry**

- There are growing opportunities for partnerships, collaboration, and information (in supply chains, between retailers, with NGOs, etc) that weren't there even a few years ago; these should help to scale up change.
- Building on and learning from other tools, such the Sustainable Apparel Coalition's Higg Index, to create common language and measurement tools for supply chains.
- More collaboration, harmonization, and cross-industry work.
- More investment by suppliers in developing safer products.
- Developing common language between product sales representatives and retail merchants, among others.

### **Role for the GC3**

- Continue to foster collaboration among retailers, and with their supply chains.