

# Joel Makower

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## Nike Things Considered

Nike launched a new product line recently -- the curiously named [Nike Considered](#). That's not news; they do this all the time. What is newsworthy is that Considered represents the first time in memory that Nike has made outright environmental claims about its products.

What's the big deal? Two things. (But first, full disclosure: For the past several years, I have served as a consultant to Nike's footwear sustainability team, though I have not been involved with Considered.)



One of the big deals here is that Nike has kept a relatively low profile about its social and environmental policies -- a product of the [1998 lawsuit against Nike](#) alleging that the company made "false statements

and/or material omissions of fact" concerning the working conditions under which its products are manufactured. The legal question was whether Nike's statements about its factories' workplace practices were considered free speech (which is protected by the U.S. Constitution) or commercial speech (which is not).

As a result of the suit (which in 2003 the company [settled out of court](#)), Nike all but curtailed its public outreach on corporate social responsibility, including its environmental practices. It stopped issuing

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an annual corporate social responsibility report, made few speeches on these topics, and generally laid low.

Beyond that problem, specific to Nike, is the larger issue of whether companies can and should take public credit for being environmental leaders when they (the companies) are far from perfect.

A brief story illustrates the dilemma. Several years ago, I learned that Levi Strauss & Co., which at the time was the largest cotton buyer in the world, had begun sourcing 2% of its annual cotton purchases organically. Levi's wasn't planning to manufacture an organic line of jeans (they already had tried that and failed). Rather, they were simply blending it into their conventional cotton purchases. They hoped, over time, to ratchet up its purchases with the aim of helping to grow the market for organic cotton.

This was big news and I wanted to write about it for [The Green Business Letter](#), my monthly newsletter. I contacted Levi's but was rebuffed; they didn't want to discuss it on the record. I persevered and eventually prevailed.

When I finally interviewed a Levi's spokesman, among my first questions was, "Why didn't you want to talk about this?" He explained, in effect: "Look at it from our perspective. If we start promoting this publicly, we need to explain why we're doing this -- that [roughly a fourth of all the chemical pesticides used in the United States are applied to cotton](#), with all of the environmental and personal health impacts that result. In doing so, we risk our customers saying, 'So, you mean 98% of your basic materials are bad for people and the environment? Then why only 2% organic? Why not more?' Because the organic cotton market is so small, we can't even ensure we can maintain 2% every year, so it's less risky for us to be doing this without a lot of fanfare."

Levi's is just an example. Most big companies doing similarly innovative environmental things are afraid to talk about them, fearing that doing so will draw unwanted attention to the unaddressed environmental challenges that pretty much all companies have.

Which makes Nike's environmental claims about Considered all the more remarkable. Given the company's history of human rights abuses (which appear to be pretty much cleaned up these days), seeking attention for its environmental innovations is a big risk. "That's nice," people might say, "but what about those sweatshops?" A valid question, but one that undermines some otherwise leading-edge work.

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What's so great about Considered? Nike says the shoes are made primarily with materials found within 200 miles of the factory, which reduces the energy used for transportation, along with the resulting climate impacts. The manufacturing process reduces solvent use by more than 80% compared with Nike's typical products. The leather comes from a tannery that recycles wastewater to ensure toxins are kept out of the environment, and it is colored using vegetable-based dyes. Hemp and polyester are used to make the shoe's woven upper and shoelaces. The midsole is cut to lock into the outer sole, reducing the need for toxic adhesives. The shoe's outer sole includes rubber made from recycled factory rubber waste. Most of which are significant departures from how athletic shoes have conventionally been made -- by Nike and everyone else.

Considered is part of a larger effort Nike has been undertaking for several years to reduce waste, eliminate toxic substances, and otherwise lessen the environmental impact of the world's largest athletic shoe manufacturer. (This is where my consulting has played a small role.) The company has a publicly stated goal to "Minimize or eliminate all substances known to be harmful to the health of biological or ecological systems," and it seems to be making good on that promise. Three examples: Nike is well on its way to eliminating highly toxic polyvinyl chloride (PVC) from all of its products; has eliminated more than 90% of the solvents, glues, and other ingredients that are harmful to people and the environment; and is now the world's largest buyer of organic cotton. Granted, they're far from environmentally perfect, but they seem hellbent on getting there.

It will be interesting to see how the world considers Considered -- whether the public (and the activist community in particular) sees the glass as half full ("Nike has taken some impressive steps, even though it has plenty of room for improvement.") or half empty ("Nike has no business making environmental claims because it still has problems it hasn't yet addressed.")

The verdict, whichever way it goes, will be watched by scores of other leadership companies in similar straits -- companies that have good environmental stories to tell, despite their imperfections, and whose executives ponder the question, "How good is 'good enough'?"

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March 5, 2005 | [Permalink](#)

## Comments

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I am willing to accept this as a step in the right direction for a HUGE

company that has many "followers", rather than as a cheap attempt to claim environmental awareness...and I think others should be open to doing the same. No progress will ever be made if we consistently demand "all or nothing."

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Posted by: [drew](#) | March 9, 2005 12:15 PM

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