AN INDEPENDENT SUPPLEMENT BY MEDIAPLANET TO USA TODAY

No.1/June 2011 FERE SUSTAINABLE FUTURE

ACHIEVING RESPONSIBLE BUSINESS PRACTICES

Discover how Casey Sheahan, CEO of Patagonia, has taken a sustainable business model and transformed it for the 21st century

A new economy Made possible by a green global worldview



Save energy Reduce costs in the process



Marketing tips Strategies for sustainable brand development

2 · JUNE 2011

MEDIA

CHALLENGES

Creating a sustainable world is one of the most pressing challenges facing our planet today, but it also presents the biggest opportunity for innovation and positive transformation.

Sustainability and collaboration are the keys to our future



measure and communicate the ecological impact of global economic activity on our planet, humanity is now using 50 percent more services from the earth each year than it can replenish. Current population growth projections suggest that by 2030 we will demand the natural resources of two earths to keep up with our needs given our current patterns of consumption. Clearly, things need to change, and change dramatically.

Ignorance is not bliss

For consumers, this and other dire news can be debilitating. And the lack of a clear understanding about what to do about the problem often stops us in our tracks, inclining us to stick with business as usual

rather than seeking to make simple changes that can add up to a big difference. Researcher Renee Lertzman, PhD from Portland University suggests that it's not that we don't care—it's that we feel afraid to contemplate the worst case, sad about the reality that we may have to let go of some of the things we have come to love about our lives, and even helpless to make a difference.

Shifting the worldview

The good news is, scads of organization—from business, to government, and civil societies—are working as quickly as possible to understand the scope of the problem, forward solutions that can help us shift our economy to one that can be sustained for the long haul, and still offer us lives that are rich with discovery and delight. Starting at the top, new ideas that explore the need to redefine our global economic definition of value from one of 'gross domestic prod"...humanity is now using 50 percent more services from the earth each year than it can replenish."



KoAnn Skrzyniarz CEO Sustainable Life Media

uct' to 'gross domestic happiness' are leading the conversation today. Furthermore,we are examining the trend toward sharing as a way to reduce the impact of our consumption while still allowing us to enjoy access to products and services that enrich our lives.

STEP

In this Mediaplanet report you will find everything from simple green living tips to how sustainability is driving innovation in the marketplace.Learn howbusinesses incorporating the triple bottom line of people, profit and planet are helping a new generation of conscious consumers succeed in creating a sustainable future.

KoAnne Skrzyniarz is the CEO of Sustainable Life Media. They work to facilitate a sustainable economy by serving as a bridge to better brands. Their goal is to help brands understand how to reduce their impact, while offering greater value to their customers and other stakeholders including their shareholders.

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NEWS

THE NEW GREEN MARKETING PARADIGM

Question: How can you effectively harness the power of green marketing?

Answer: By understanding the environmental, social beliefs and values of your consumers.

Conventional marketing is out. Green marketing and what is increasingly being called "sustainable branding" is in. According to the new rules of green marketing, effectively addressing the needs of consumers with a heightened environmental and social consciousness cannot be achieved with the same assumptions and formula that guided consumer marketing since the postwar era.Times have changed.A new paradigm has emerged, requiring new strategies with a holistic point of view and eco-innovative product and service offerings.

The seven strategies for green marketing success

Under the new rules, the currency of sustainable branding is innovation, flexibility, and heart. I have formulated seven strategies that I believe can help businesses address these deep-seated and lasting changes in consumer sensibility. Reflecting our learning from working with sustainability leaders over the past 20-plus



"A new paradigm has emerged, requiring new strategies with a holistic point of view and ecoinnovative product and service offerings."

years, they can be summarized as follows:

Understand the deeply held environmental, social beliefs and values of your consumers and other stakeholders and develop a long-term plan to align with them. Create new products and services that balance consumers' desires for quality, convenience, and affordability with minimal adverse environmental and social impacts over the life of the product.

3 Develop brands that offer practical benefits while empowering and engaging consumers in meaningful ways about the important issues that affect their lives.

Establish credibility for your efforts by communicating your corporate commitment and striving for complete transparency.

5 Be proactive. Go beyond what is expected from stakeholders. Proactively commit to doing your share to solve emerging environmental and social problems—and discover competitive advantage in the process.

6 Think holistically. Underscore community with users and with the broad array of corporate environmental and societal stake-holders.

Don't quit. Promote responsible product use and disposal practices. Continuously strive for "zero" impact.

Excerpted from "The New Rules of Green Marketing: Strategies, Tools, and Inspiration for Sustainable Branding" (Berrett-Koehler, 2011) by Jacquelyn A. Ottman. Copyright © J. Ottman Consultina. Inc.

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ESTABLISH CREDIBILITY

Green practices is the human factor relating to operations and behaviors

Obtaining an independently audited certification based on standards establishes credibility when marketing one's green practices. Regulators, customers and other businesses will increasingly demand green practices and proof of your claims.

To learn what you can do, ask yourself:

- What comes into and leaves my residence or business?
- What products/services am I using?
- How am I operating day-to-day?
- Can I find sustainable alternatives?

If you act on that methodically, you will make a difference and save money in the process.

To truly create a sustainable future, we must have universal participation of people and businesses enrolled in green practices.



INSIGH

Advertising 3.0 – Movement Marketing

RETHINK YOUR

STRATEG)

Forget about traditional marketing. Spark a movement instead.

Brands today can't ignore the fact that the marketing landscape has radically altered in favor of movement marketing—the sustainable marketing model. There hasn't just been a shake-up here, there's been an earthquake.

Cultural Movement Marketing (CMM) seeks to mobilize a brand's audience via shared brand experiences, towards brand goals that benefit the brand, the consumer and society. This marketing model is fundamentally better suited for today than the traditional product-driven USP models of the past.

A focus on sharing passion

CMM doesn't center on products, as there aren't really that many original products out there anymore and what is original is simply copied quickly.As a result, CMM centers on an authentic, genuine sharing of passions between a brand and you/ your community of friends.

There's no doubt CMM is still 'new' to many. It's important to realize why it's so important in these times that brands start the conversation and spark a movement. And why dollars spent on movement marketing work harder and



Founder of StrawberryFrog, the world's first Cultural Movement agency. His book "Uprising" about movement marketing will be out soon PHOT: CHARLES.J. WILLIAMSON

achieve better results than traditional avenues. Because let's not forget that thanks to the internet, mobile technology and social media, the whole world is your audience.

And if you get movement marketing right, there are potentially millions of people who will be ripe and ready to hear what your brand has to say. Traditional advertising relies on awareness. Movements rely on people; the movement is the medium. It is a sustainable marketing campaign which could be engineered to keep on giving. In a movement, people actively want to become part of it, a ready-made army of loyal brand advocates who encourage others to follow suit.

Sounds too good to be true? Welcome to the new age of marketing.

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DON'T MISS!

Current eco-mind of the American consumer:

Consumers are increasingly prioritizing economic concerns ahead of environmental concerns because of dissatisfaction with the marketplace for environmentally friendly products.

• When taking a longer view of environmentalism, there have been positive changes in the way Americans think and act on the environment.

As we look toward the future, the stage is set for major growth in the environmental movement.

Gen Y, younger consumers currently in their twenties, have grown up in an era with environmental protection on the national agenda. Now as adults, they are beginning to flex their environmental muscles. For Gen Y, environmental protection is much more of an expectation, as opposed to a "nice to have."

Source: GfK Roper Green Gauge®, now in its 20th year, stems from the landmark survey, "The Environment: Public Attitudes and Individual Behavior" commissioned in 1990 by corporate environmental leader, SC Johnson & Company.

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NEWS

4 SIMPLE TIPS TO GO GREEN!

A cornerstone of creating a sustainable future lies in our ability to live consciously in the present moment by making little changes to our daily routines to collectively conserve resources.

Conserve water: Use low-flow fixtures to reduce water consumption and make simple efforts like taking shorter showers.

Save energy: Install efficient light bulbs with the ENERGY STAR label.

Reduce waste: Invest in a refillable water bottle and use reusable bags.Recycle!

Love the earth: Don't litter! The Earth is our home and should be treated as such.

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How New Yorkers can cut energy bills, reduce costs

New Yorkers have many opportunities to cut their energy bills, reduce the cost of running their homes and businesses, and much more.

 Free and Reduced-Cost Home Energy Assessments to identify where your home is wasting energy, and a 10 to 50 percent incentive to make improvements: Save an average of \$700 per year on energy bills by doing comprehensive energy improvements.
Low-interest loans to make residential energy efficiency improvements: To make energy efficiency improvements more affordable.

■ Incentives for solar and other renewable energy resources: Visit the below links for incentives for solar photovoltaic, solar thermal, wind energy, biogas and hydro projects.

Energy/cost savings for lowincome households: Low-income households can now reduce their electricity usage, improve the efficiency of their heating systems and increase the comfort of their homes. The services are provided free to households earning 60 percent or less of the statewide median income (HEAP eligible).

Job training for a green workforce: Partnerships with 50 community colleges, unions, associations and technical high schools train a green workforce to install clean energy technologies and energy efficiency improvements.
Energy efficiency incentives for businesses: Additional incentives help make energy efficiency projects more affordable, enhance competitiveness and cut costs.

We are all responsible for making efforts to reduce our individual energy usage. No one person is exempt from contributing to the long-term health of our planet.

Read more on the web: www.getenergysmart.com www.getenergysmart.org

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Most New Yorkers qualify for a free or reduced-cost comprehensive home assessment, also referred to as an energy audit, and low-interest loans.** Additionally, participants may be eligible for cash-back incentives. All our Home Performance contractors are accredited by the Building Performance Institute.



COMMIT TO

PANEL OF EXPERTS

67	Alison Taylor Vice President, Sustainability-Americas, Siemens Corporation	Carl Gerhardstein, Associate Vice President Environmental Systems, CSX	Casey Sheahan CEO of Patagonia, Inc.
Question 1: What is the biggest obstacle you are being faced with in regards to environmental sustainability?	The U.S. is spoiled by abundant and relatively inexpensive natural resources. Although we've seen greater consumer inter- est in environmentally-friendly products, financial capital can be hard to come by for larger investments that require longer-term thinking. This makes it particularly difficult for cash-strapped cities to put the right strate- gies in place to gain support for investment in low carbon, energy efficient technologies.	It is important for companies to be careful stewards of their shareholders' dollars and make investments that deliver solid returns. Fortunately, operating and investing in a sus- tainable business, like freight railroads, drives benefits for the environment, neighboring communities and shareholders. We remain committed to investing in sustainable tech- nology and business practices in order to con- tinue generating returns for its shareholders and protecting the environment in which our employees operate and live	We believe there is no such thing as sus- tainable business. It is almost impossible to make a product without causing environ- mental harm. As a clothing company, our greatest obstacle is to find ways to keep our products out of the landfill. About 90 percent of our products are fully recyclable though our Common Threads Recycling Program and we are challenged to repurpose or reuse the other 10 percent of products, like wetsuits and luggage components, that can't be easily recycled.
Question 2: What are the consequences of Americans ignoring environmental issues?	There are wide-spread conse- quences: from the loss of recreational opportunity to the loss of species that sustain a healthy ecosystem; from the human health consequences of polluted land, air and water- ways to the availability of suitable agricul- tural lands for food production. Importantly, if we continue to ignore environmental issues while other countries seek environmentally- friendly technologies, a great opportunity to grow a clean technology economy may be lost for America.	The obvious answer is the potential impact on the nation's ecosystems—and serious threats to our quality of life. But ignoring the importance of protecting the planet also seriously hinders the creation of American jobs. From the scientists and engi- neers designing new technology and energy solutions to the railroads moving one ton of freight nearly 500 miles on a gallon of fuel, we must continue to encourage investments that will create jobs developing the technol- ogy that protects tomorrow.	I believe we are inviting the conse- quences Jared Diamond speaks of in his book "Collapse." He uses the example of Easter Island, where entire forests were destroyed to build giant stone statues, and their society was devastated in the process. We are effec- tively doing the same today. We all need to remember that the environment, economics and politics are inter-related. Ignoring enviro issues will lead to more economic stress and greater financial disparity between societies.
Question 3: What innovations are taking place to ensure long-term sustainability?	The focus will be more on cities: Increasing urbanization is breeding solutions for seamless mobility to transport greater numbers of people in and around cities. A growing, aging population will require better healthcare solutions in diagnostics and test- ing.Already we're seeing low carbon solutions for power generation, transportation and water treatment. We also expect to see better recycling technologies that will be essential to mitigate the greater demands on our natural resources.	Environmental stewardship has long been a hallmark of our operations. Our com- pany has invested more than \$1.5 billion to improve the fuel efficiency of its locomotive fleet. Logistics companies should devote sig- nificant resources to improving freight net- work, allow trains to carry more freight, more efficiently, via double-stacked railcars. Inno- vations like locomotive simulators that teach engineers to use less fuel and programs that minimize waste and increase recycling rail- road materials will ensure the sustainability of our company's operations well into the future.	Corporate transparency is an innova- tion of the 21st century. We say that "clear" the new "green." Customers want to know a product's social and environmental footprint. We instituted the Footprint Chronicles back in 2007, where we trace a product from design to delivery. We place cameras in our factories and say "This is how we make this product— and here's how much waste is created." Cus- tomers are now holding companies' feet to the fire and this will ultimately help clean up poor environmental business practices.



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