

Special Advertising Feature

# In Our Hands

**The future of our endangered forests in North America depends on how dedicated corporations pitch in to help Mother Nature.**

In partnership with:



As far as Don Droppo Jr. is concerned, green is gold. “We’re a true testament to the idea that green business makes economic sense,” says the vice president of marketing and a principle of Curtis Packaging, a family-owned company in Sandy Hook, Conn. Thanks in part to a shift to eco-friendly paper in its packages, Curtis’s annual sales in the past four years have doubled to \$40 million—a remarkable performance given the poor overall state of the U.S. packaging industry, which has been steadily losing business to overseas competitors.

Curtis’s interest in packaging was heightened when cosmetics maker Estée Lauder asked the company to package its *Origins* natural-products line in the “most environmentally friendly paper out there,” says Droppo. The research he did for the project led him to suggest that the company shift its entire business model. “I started to learn about sustainability and asked what my company could do so that we could be as environmentally conscious as possible,” he says.

The first step for Curtis was getting the paper in its packages certified by the Forest Stewardship Council (FSC), a non-profit organization that has created a global standard for sustainable forestry. The company started the certification process by buying paper only from FSC-certified mills. Next it converted 100% of its energy needs to clean, pollution-free renewable energy, with the majority being sourced from wind power. That done, Curtis could print eco-friendly messages on its packages certifying that they were truly green.

The resulting media attention more than compensated for the added expense. “FSC paper costs the same but our power costs went up 10% to 15%,” Droppo says. “But when we talk about cost internally,



### Our woodlands—one of our most precious natural resources—are in jeopardy.

we think of it as a marketing expense. Not only are we doing the right thing for the environment, but we’re getting a tremendous amount of exposure because of this.”

Indeed, in the last two months Droppo has fielded calls from FORTUNE 500 companies like Kellogg’s and Target. “It’s very difficult for a company our size to call Kellogg’s and get through to the right person, but they’re calling us now,” he says. “And Target’s looking to package a whole organic product line. We’re meeting today.”

### The Green Movement

Not that the goal of sustainable forestry is simply improving the bottom line. Increasingly, Droppo and other members of the green movement have realized that one of the world’s most precious natural resources—our woodlands—are in jeopardy.

“Deforestation has huge implications for climate change and global warming,” says Michael Washburn, Ph.D., a marketing consultant to the FSC. “With fewer trees in our forests, we have a reduced capacity for removing and storing carbon dioxide from our atmosphere. Not only that, large-scale clearcuts of forests actually release sequestered carbon into the air, exacerbating the warming effect already

## Environmental Steward

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caused by industrial greenhouse gas emissions."

Washburn says wood harvested in a sustainable way—where new trees regrow naturally or are planted to replace old ones and certain areas remain uncut—can be economically viable while preventing deforestation, which, according to a United Nations assessment, is occurring at an alarming rate of 32 million acres per year globally.

And the need goes beyond global warming. "Forests are the biggest source of biodiversity on the planet," says James Griffiths, a forestry expert at the World Business Council for Sustainable Development (WBCSD). "They produce oxygen, improve water quality, and provide flood control and fiber for essential products that humans need—building materials, energy, and paper. People understand the fiber/timber side of the equation, but one of the big challenges is that forests' other ecosystem services are free. Forests don't get the recognition they deserve for all the public good

they provide, and that has an impact on how they are managed."

Improper logging can also have a social impact. "In 2004 illegal logging caused a landslide in the Philippines that killed hundreds of people," says Washburn. "That wood went out in the global marketplace, and no one asked where

## Forests don't get the recognition for the public good they provide.

it came from." Similarly, in the 1990s, Liberian dictator Charles Taylor's sale of timber to fund his militias ultimately killed 150,000 of his people. "He despoiled almost the entirety of the national forest system in Liberia and denied local communities of the tax revenue," Washburn says. "Again, no one asked where the wood came from." Consumers buying paper or wood products that carry the FSC logo can be assured it never came from forests managed like these.

## Branding Power

That said, eco-friendly labels clearly do have a powerful economic value. "It's a product differentiator," says Lewis Fix, director of business development at Domtar, North America's third-largest fine paper company. "It helps us gain entry to markets we've never been before." Recently, a number of rock bands like the Bare Naked Ladies started using Domtar's EarthChoice paper line, which is FSC-certified, for their CD covers. "A lot of musicians and artists are concerned about the environment," says Fix. "EarthChoice gave us access to them." The company also began selling its EarthChoice copy paper in Staples' Canadian stores, and has found sales to be better than its other paper lines available there.

Fix says that although there are other standards for sustainable forestry, Domtar chose FSC because "there's a social component to FSC certification we support. First Nations (Aboriginal groups) and indigenous peoples have a say in how FSC-certified forests are used. It is also an international standard, and in a global marketplace that's important. Finally, 80 major environmental groups such as Greenpeace, World Wildlife Fund, and Rainforest Alliance support the FSC and have signed a document stating that it has the best forest certification standard." Endorsements of this kind from the environmental community are crucial to Domtar's branding campaign.

One of the environmental community's primary goals is to move corporate thinking toward what is

### Did you know...

Approximately 90% of endangered species depend on forests for the habitat they provide.

Each U.S. citizen consumes on average about 75 cubic meters of solid wood annually—about one ancient tree.

For every ton of wood a forest grows, 1.47 tons of carbon dioxide are removed from the air and replaced with 1.07 tons of oxygen.

## Reaching a Green Utopia

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called "a triple bottom line" mentality, which takes environmental, social, and economic needs into account before business decisions are made. Local communities, labor unions, environmental groups, and forestry companies all work collaboratively with the FSC to determine certification standards. It then lets companies hire independent auditors to evaluate whether a forest meets the standards. "You get a different standard with this group than if you put a number of timber executives in a room and say, 'You define what sustainability is,'" Washburn says.

### Recycling Boom

Simply being good to the woods, of course, isn't enough. The world consumes 328 million tons of paper a year, 27% of it in the U.S. To save our forests and meet the voracious demand for pulp, we cannot simply replant. We must also recycle.

"Before I came to work for Waste Management four years ago, I thought of it as a garbage company," says Shawn Lavin, vice president of sales and marketing.

"Now I know it's really an environmental-services company. We recycle 7.2 million tons of paper a year, enough to save 41 million trees. We're an incredibly important part of the environmental cycle. We're giving consumers an alternative to going back to the forests for wood."

As the largest environmental services company in North America, Waste Management takes its job as a recycler seriously. It has invested millions in the 125 municipal recycling facilities it owns or operates throughout the U.S. Of particular interest is a new technology the company has pioneered called single-stream recycling. "Single-stream allows households to put newspaper, corrugated chipboard, glass, plastic, and aluminum all in one recycling bin," says Lavin. "We pick it up, put it in our trucks, and take it back to a special processing plant where, using advanced technology including magnets, screens, and scanners, the materials are separated, sorted, and processed and then shipped out for reuse." The ease of using one bin for everything increases

customer participation and the recyclable recovery rate some 30% on average.

Waste Management currently operates 17 single-stream facilities throughout the U.S., mainly near big cities like Chicago and Baltimore. "It's a major capital investment when we open one of these plants," says Lavin, "but in the long run it pays off. We can use regular trucks instead of more expensive ones configured for recycling, and the processing is actually cheaper at one facility." With such a win-win situation for both business and the environment, it's no surprise that from 2002 through 2005 the volume of Waste Management's single-stream recyclables doubled from 722,000 tons to 1.5 million.

### Consensus Building

But despite the efforts of companies like Waste Management, recycling still isn't at the level in the U.S. it should be. "The recyclable recovery rate for paper in the U.S. is stalled somewhere between 50% and 51%," says Ralph O'Connor, director of environmental affairs at Graphics Communications, North America's largest paper broker. "It's considerably higher in Europe."

Still, even if recovery rates improved, deforestation would remain a huge problem.

"Wood fiber can only be recycled five to seven times before it wears out," O'Connor says. "You're constantly going to need to insert virgin fiber into the mix." What's more, one of the greatest threats to forests has nothing to do with wood or paper consumption. "There's this assumption that the forest-products

The U.S. forest products industry...

Employs approximately 1.3 million people.

Is among the top 10 employers in 42 states.



the WBCSD has been an active participant in the Forest Dialogue, an ongoing discussion among these three key groups; its first meeting was in 1998. "Historically the relationship between the industry and non-government organizations has been very bad," Griffiths says. "That's what we've been working on. We've invested in this process to try to build consensus and understanding."

One outcome of the dialogue has been a newfound appreciation of plantation forestry among environmental groups, which were concerned with the lack of biodiversity in plantations. However, companies rarely clear forests to establish plantations. They often plant then on degraded farmland. In fact, plan-

tations may be the most sustainable way to produce paper. "It takes the pressure off the natural forests," Griffiths says. "It's an eco-efficient way of producing a lot of wood fiber on a small area." Hopefully, with everybody pitching in, it will let our children and our children's children continue to enjoy the world's forests as much as we do today. ■

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## Green Trailblazers

**CSRWire** is the leading source of corporate social responsibility and sustainability press releases, reports, and news. [www.csrwire.com](http://www.csrwire.com) or 802.251.0110

**Forest Stewardship Council (FSC)**  
The U.S. sets voluntary standards for sustainable forest management that represent the world's strongest system for linking the marketplace for forest products with superior environmental performance on the ground.

**GreenBiz.com** is the leading online resource on green business practices. Daily news, features, columns, tools, reports, events, best practices—all free. Subscribe to GreenBuzz, a free, weekly e-newsletter. [www.greenbiz.com](http://www.greenbiz.com)

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**The World Business Council for Sustainable Development (WBCSD)** is a coalition of 180 international companies united by a shared commitment to sustainable development via economic growth, ecological balance, and social progress. [www.wbcd.org](http://www.wbcd.org)

industry is driving deforestation," says the WBCSD's Griffiths, "but really it's urbanization and agriculture. Particularly in developing countries, forests are being decimated to grow crops for the global market."

Griffiths thinks there's little point discussing standards of forest certification if there are no forests left to certify. But he does believe that the dialogue currently occurring among the industry, environmental groups, and governments is essential to finding a solution. For this reason,

**Accounts for approximately 7% of total U.S. manufacturing output.**

**Ranks 7th among domestic manufacturing sectors in contribution to U.S. GDP.**

**Generates more than \$230 billion in annual sales.**

# Guardian of the Forest

The fight is on to save America's precious woodlands.

Have you ever wondered where the wood in the chair you're sitting on comes from? In an age when our precious natural resources are increasingly at risk, consumers have become more concerned about the environmental and social impact of the products they buy. This is especially true in the forest products industry, which in the U.S. is a \$230 billion-a-year business. The Sustainable Forestry Initiative, Inc., a steward to America's woodlands, is working overtime to make sure the fragile ecosystems of countless species—including our own—are preserved.

Thanks to the hard work of many organizations and individuals, SFI is up to the task.

Since the SFI program's launch in 1995, over 126 million acres of industry, state, and other woodlands in North America have been certified as being sustainably managed. A non-profit, the organization is an independent entity run by multiple stakeholders—academics, environmentalists, and industry members.

The independence is important. Environmental groups, such as the Conservation Fund, represent one-third of SFI's board and help craft its certification standards. "That this standard was created by a balanced group representing all sectors was critical in establishing its credibility as one that protects the public interest," says Larry Selzer, the Conservation Fund's CEO. "The environmental community has played a major role in its development."

The goal of SFI is to protect the environment while producing the wood and paper products our economy needs. One of its challenges is reaching out to family forest owners, who number ten million in the U.S. and own 58% of the nation's forestlands. Since the average forest-owning family owns just 22 acres, the SFI has partnered with the American Forest Foundation (AFF), which represents the largest community of family forest owners in the country. An AFF program, the American Tree Farm System, has its

own certification standard, which complements the SFI's. "To achieve sustainable forestry on an 80-acre ownership is much different from one with 100,000 acres," says Larry Wiseman, the AFF's president. "We've designed a system that allows wood from small landowners to be counted by companies that use SFI-certified content. Our organizations fit together like two sides of the same coin."

The SFI's global reach extends from large forest products companies to family forests and the loggers themselves, and one of the organization's greatest accomplishments has been its educational programs.

"No matter how sound a certification standard is, if it's not implemented appropriately by the loggers and foresters on the ground, all the good work is lost," says William H. Banzhaf, the SFI's president. "We've trained 90,000 loggers and foresters on sustainable forestry and how to meet our standards."

Banzhaf believes that having multiple certification standards in the marketplace has encouraged all of the systems to improve to everyone's benefit. Many in the forestry community agree. "Competition is good," says Ralph O'Connor, director of environmental affairs at Graphic Communications, North America's largest paper broker. "If we had only one standard, where would the incentive come from to change it or get better?"

Clearly, the SFI Standard, built on the premise of continuous improvement, has gotten better with age, from enhanced "chain of custody" (tracking wood sources) and diverse certification labels to the protection of imperiled species and ecological communities known as Forests of Exceptional Conservation Value.

SFI now has product labels that disclose the percentage of wood in a product derived from certified sustainable forests or recycled wood—all of which goes a long way toward answering the question we began with: Where *does* that wood come from? ■

**The goal of  
SFI is to protect  
the environment  
while producing  
the wood and  
paper products  
our economy  
needs.**