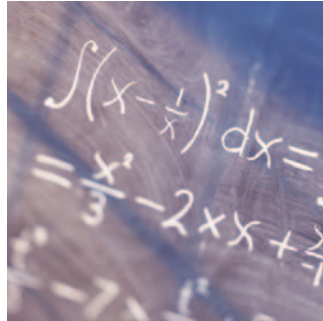
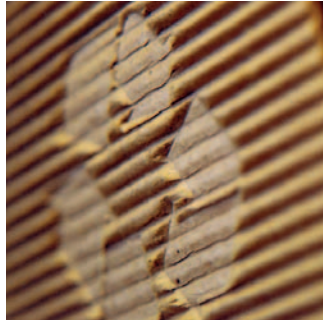


SUSTAINABLE PURCHASING GUIDE



Greater Vancouver Regional District



AUTHORS

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HOW CAN I USE THIS GUIDE?

PLEASE NOTE:

This Guide will provide you with the direction you will need to ask the right questions and to determine what to buy and what your company's priorities should be.

Every company's impacts on society and the environment are different, and determining your impacts will help you decide which products and services to focus on.

TIP:

Many ideas for making more sustainable purchases are presented in this Guide. If you select only one or two practices to start with, your company will be making better decisions than it was before! Build on these early successes and create a pace of change that best suits your business.

ABOUT THIS GUIDE

Many businesses are interested in purchasing products and services with characteristics that make them environmentally and socially beneficial. Yet, it is often difficult to know whether one product or service is better than another, and whether you are making good decisions about what to buy. The Greater Vancouver Regional District (GVRD) designed this Sustainable Purchasing Guide to help you incorporate social and environmental considerations into your company's purchasing decisions.

WHO CAN USE THIS GUIDE

The Guide was designed to help procurement managers and individual employees who make purchasing decisions, in small and medium-sized companies. Others in large companies, government agencies and non-governmental organizations may also find the ideas and concepts presented in this Guide useful.

HOW THIS GUIDE WILL HELP ME

This Guide will help you to make better purchasing decisions based on an expanded notion of cost, and consideration of the environmental attributes and social issues associated with the products you buy. This Guide will offer tips for integrating sustainable practices into your company's purchasing decisions in a way that will be systematic and long lasting.

Integrating sustainability criteria into purchasing decisions takes time and challenges you to think differently. Once you begin to integrate elements of sustainable purchasing into your business process, you will realize additional benefits from making better procurement choices.

HOW THIS GUIDE IS ORGANIZED

The Guide is organized into three main sections:

SECTION 1: WHAT IS SUSTAINABLE PURCHASING?

Describes sustainable purchasing and how it can benefit your business.

SECTION 2: HOW CAN I MAKE MY NEXT PURCHASE MORE SUSTAINABLE?

Provides a Seven-Step Sustainable Purchasing Checklist with simple suggestions and tips to make your next purchase more sustainable.

If you want to learn more about the rationale behind the steps in the Sustainable Purchasing Checklist, and find resources to help you make better purchasing decisions, refer to Sections 2.1-2.7.

SECTION 3: TIPS FOR STARTING A SUSTAINABLE PURCHASING PROGRAM

Outlines how to further integrate sustainable purchasing so it becomes a routine part of your business decision-making. If you are interested in taking a more comprehensive approach to your purchasing decision-making, you will find useful examples in the sections:

- get others involved;
- develop a vision/policy statement for sustainable purchasing;
- identify key purchases, impacts and priorities;
- set targets and measure progress; and
- work with new and existing suppliers.

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WHAT IS SUSTAINABLE PURCHASING?

WHAT IS SUSTAINABILITY?

Sustainability is a way of looking at things that recognizes there are three equally important elements of a thriving, healthy world—a strong economy, a healthy environment and social well-being.

It is about ensuring that our choices and actions are not only economical but also environmentally and socially responsible. Ensuring that we meet our needs without compromising the ability of future generations to meet their own needs is the essence of sustainable development*.

* The Brundtland Commission definition of sustainable development, World Commission on Environment and Development (1987) Our Common Future.

WHAT IS TOTAL COST?

Many organizations are looking beyond the initial purchase price at the total costs associated with using and maintaining products over their life cycle.

For example, there are significant maintenance and operating costs associated with a delivery or service vehicle after you buy it. If you select a vehicle that saves money on gas, or on parts and repair, these considerations are worth taking into account prior to purchase.

There are also external or hidden costs associated with products. There are air emissions from driving a vehicle that create smog and poor air quality. There are costs associated with maintaining and building roads. These costs, which are not included in the purchase price of a vehicle, are passed along to society.

Your business makes decisions every day about what to buy and where to buy it. You purchase a variety of items, including: office supplies and furniture, electronics, raw materials to manufacture your product, and services like cleaning, financial/accounting and transportation. Cost and quality are important factors, but there are other things to consider when making purchasing decisions that will benefit your business and make a positive impact on society.

Sustainable purchasing addresses environmental and social factors, as well as the total costs associated with each purchase. It means looking at what products are made of, where they come from, how they were made and how they will be disposed. It is also about looking at whether a purchase needs to be made at all (e.g. Could it be leased or rented?). The intent of sustainable purchasing is to shift spending away from goods and services that negatively impact the environment and society towards products that are more environmentally sound and socially beneficial. It is part of a growing movement within government, industry and civil society toward more sustainable forms of production and consumption.

WHY IS SUSTAINABLE PURCHASING IMPORTANT?

Sustainable purchasing is important because it can help your business make better choices that positively impact your local economy, environment, community, and your bottom line. Every buying decision you make has a variety of environmental, social and economic factors associated with it, including:

- consumption of raw materials and emissions and energy used to process or manufacture the product,
- labour practices of manufacturers and suppliers,
- geographic locations you import from and transportation required to get the product to you,
- energy and materials required to operate the product, and
- waste associated with the product, (e.g. waste packaging used to transport the product or the product itself at the end of its life cycle).

As the social and environmental aspects of products and services become better understood and communicated, many parts of society are responding. Consumers are educating themselves on the impacts associated with the purchases they make. Employees want to work in a safe and healthy working environment, one they can be proud of. Even financiers are increasingly screening their investments using social and environmental criteria¹.

¹ Can Sustainability Sell? United Nations Environment Program and McCann-Erickson Advertising. Copyright 2002. Also reputable financial indexes such as the Dow Jones Sustainability Index and FTSE4Good Index Series include sustainability criteria in their assessment and ranking of companies. www.sustainability-index.com and www.ftse.com

The demands of these key stakeholder groups (consumers, employees, investors) are providing companies with significant business drivers to implement more responsible environmental and social business practices. Companies who embrace more responsible practices are realizing opportunities to further differentiate themselves from competitors and are working with their suppliers to find solutions to accommodate the environmental or social standards set for your purchases.

HOW CAN MY BUSINESS BENEFIT?

Companies may choose to pursue sustainable purchasing for a variety of reasons. Procuring goods and services in a more sustainable manner can help save money, contribute to local economic development and improve employee morale.

BUSINESS BENEFITS OF SUSTAINABLE PURCHASING

| BENEFITS TO THE BOTTOM-LINE | COMPLIANCE AND RISK AVOIDANCE | ENHANCED BRAND IMAGE |
|---|--|---|
| <ul style="list-style-type: none"> • Cost avoidance—lower waste management fees, lower hazardous material management fees, less time and costs for reporting, and lower total operating costs • Savings from conserving energy, water, fuel and other resources • Competitive advantage through innovation and capturing market share • Increased equity or shareholder value | <ul style="list-style-type: none"> • Easier compliance with environmental, health and safety regulations • Demonstrated due diligence and reduced risk of accidents, reduced liability and lower health and safety costs • Reduced likelihood of purchasing a problem product (e.g. one that offends a customer or contains a toxic chemical) | <ul style="list-style-type: none"> • Meet customer demands for sustainable products • Demonstrated commitment to sustainability vision and strategy • Improved image, brand and goodwill • Improved employee and community health through cleaner air and water, reduced demand for landfill space, lower demand for resources, enhanced local economic development |

Quantifying and measuring the business impact of these benefits is easier for some than others. Cost savings and risk reduction are the most universal and commonly measured benefits. Qualitative benefits such as improved image, brand or ability to meet policy commitments are more difficult to measure. Section 3 outlines some ideas on how to set targets for your sustainable purchasing activities and measure progress towards implementation.

In addition to business benefits, there are general benefits to society of sustainable purchasing.

DID YOU KNOW?

Good products and low prices are no longer enough. In a recent GlobeScan Survey, 44% of North Americans indicated that they have rewarded a company for being environmentally and socially responsible through their purchasing or investment decisions.

2004 Corporate Social Responsibility Monitor: Global public opinion on the changing role of companies.

www.GlobeScan.com

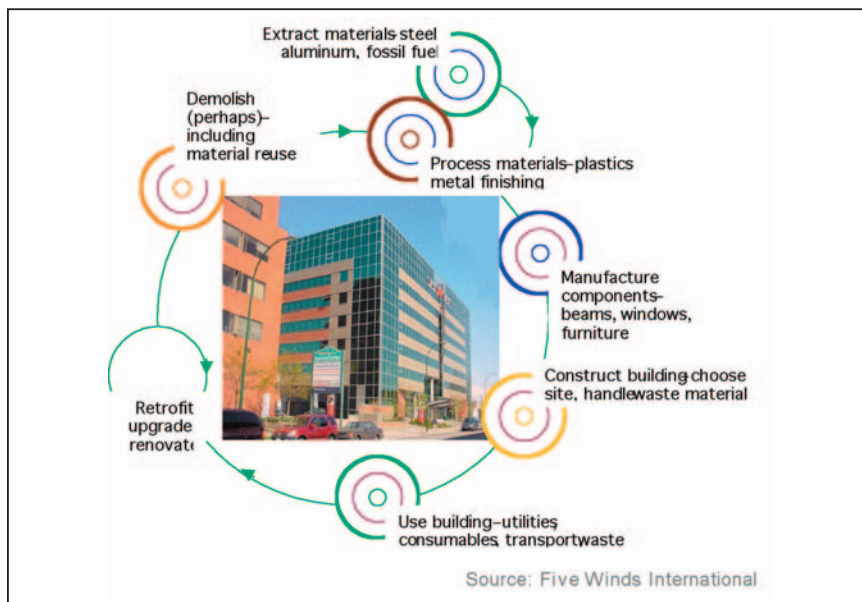
GENERAL BENEFITS TO SOCIETY OF SUSTAINABLE PURCHASING

| A STRONG ECONOMY | A HEALTHY ENVIRONMENT | SOCIAL WELL-BEING |
|--|--|--|
| <ul style="list-style-type: none"> • Help to develop markets for sustainable products • Stimulates innovation by working with suppliers to design alternative products with fewer impacts • Enhances your local community economic development through local purchasing • Reduces material and energy costs allows expenditures for other purposes | <ul style="list-style-type: none"> • Avoids the generation of wastes • Harvests and uses raw materials more efficiently • Reduces or eliminates toxicity, air and water emissions | <ul style="list-style-type: none"> • Supports companies (suppliers) who have a strong commitment to local communities, and social and environmental responsibility • Promotes worker health and safety standards, and high quality working conditions • Provides safer and healthier products for consumers |

IS IT GOING TO COST ME MORE?

Incorporating social and environmental criteria into your purchasing practices does not mean you have to spend more. When the total costs of purchasing a product—all of the costs associated with the life cycle of your product—are taken into account, an option that might have a higher initial price may save you money, through ongoing operating cost savings (e.g. energy or water savings), lower cost of disposal, and reduced health and safety risks. In Section 2.6 of this Guide, you will learn how to calculate and compare the total cost of your purchase against other options.

Life cycle of a building



WHAT IS A LIFE CYCLE OF A PRODUCT?

Each product we buy has a “life cycle”. This refers to the materials, energy, other inputs and environmental releases (e.g. wastes, emissions) involved in raw materials acquisition, manufacturing processes, consumer use, maintenance, and disposal of the product.

2

HOW CAN I MAKE MY NEXT PURCHASE MORE SUSTAINABLE?

Are you about to make a purchase for your company or office? Are you looking for help on how to choose a more sustainable option? Use the seven steps in the Sustainable Purchasing Checklist on page 9 to help you choose your next product, whether that might be a light bulb, hand soap, printer, desk or landscaping service.

The seven steps are based on over 20 years of quantitative studies of the environmental and social impacts that a product or service may have over its life cycle. This research shows that even though the specific impacts associated with each product or service are different, there are overall impacts that can be avoided by taking specific actions.

Use the Sustainable Purchasing Checklist to the wall as a frequent reminder of what you can do to make your next purchase more sustainable. To read more about what you can do, refer to Sections 2.1-2.7 of the Sustainable Purchasing Guide.

Every step may not apply to all purchases. Use the steps as a guide and focus on what makes sense for the product or service you are purchasing. Select a few tips to start with, and you will be making better purchases than you were before. Build on any early successes to advance sustainable purchasing practices within your business.

Your company likely utilizes different types of procurement methods depending on the product or service you are buying. If you are not buying directly, but are preparing a contract or request-for-bid, the ideas discussed in this Section can be incorporated into contract specifications. You may also draw ideas from the many examples presented throughout the Guide.

DIFFERENT TYPES OF PROCUREMENT

Whenever your company is procuring products, and services, or selecting suppliers, there are opportunities to choose more sustainable options.

BUYING ON THE 'SPOT MARKET': You might buy items such as pencils, tissues, or gravel without a relationship with a particular supplier. Each transaction is a separate contract, the deciding factor is often price and you expect a specific quality based on predictable product characteristics, not based on the supplier. Buying pencils or wood products made without old growth forest resources is an example of sustainable spot market purchasing.

TENDERING OUT A COMPETITIVE BID: Your company probably contracts a waste hauler or an office cleaning agency. This is typically done through a purchase order that is issued on an annual contract with that supplier. To make these purchases more sustainable, include sustainable purchasing specifications in your bids and keep an eye out for suppliers with better offerings.

WORKING WITH A PREFERRED SUPPLIER: In longer-term relationships between you and your supplier, frequent communication will often adjust and improve the product or service you are getting. When you meet with these suppliers, ask about their sustainability issues and establish improvement targets to make these purchases more sustainable. Suppliers might require some assistance from you to find solutions or to help share the risk in this type of relationship.

BUILDING STRATEGIC PARTNERS: In buyer-supplier relationships where there is a commitment to collaborate and share business benefits, put sustainable performance criteria on the agenda. Refer to the seven steps in this Guide for ideas on what those criteria may be.

Source: GEMI, 2001 New paths to strategic sourcing.

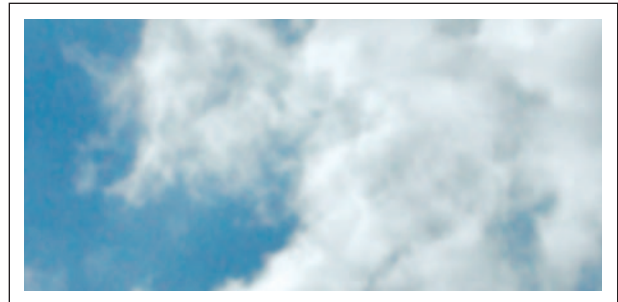
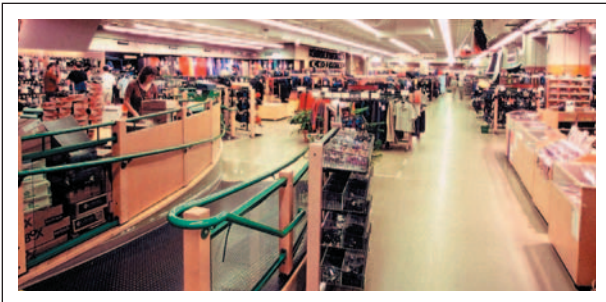
TWO COMPANIES ASK THEIR OWN KEY PURCHASING QUESTIONS.

KEY PROCUREMENT QUESTIONS MOUNTAIN EQUIPMENT CO-OP (MEC) ASKS WHEN CONSTRUCTING NEW RETAIL STORES:

1. Can we do without it?
2. Does it have less embodied energy (the energy required to manufacture and transport a product)?
3. Does it have less embodied pollution (the quantity of pollutants created in the manufacture and transportation)?
4. Is it more energy efficient?
5. Is it locally manufactured (contributes to the local economy, and reduces embodied energy and pollution)?
6. Does it have a longer life cycle (longer lasting products reduce consumption)?
7. Can it be recycled, and/or does it contain recycled content?
8. Does it reduce the amount of waste destined for a landfill (through reuse)?
9. Is the product a naturally occurring, renewable, and sustainable resource?
10. Does it raise awareness of environmental issues?

AVEDA'S CONSIDERS THESE KEY QUESTIONS BEFORE DESIGNING, SPECIFYING, BUYING OR USING PRODUCTS AND SERVICES:

1. Do we need it? Can we do without it?
2. Can we borrow it, rent or get it gently used? Is the project designed to minimize waste? Can it be smaller, lighter or made from fewer materials?
3. Is it designed to be more durable or multi-functional?
4. Is it available in a less toxic form? Can it be made with less toxic materials?
5. Does it use renewable resources?
6. Is reuse practical and encouraged?
7. Are the product and/or packaging refillable, recyclable or repairable?
8. Is it made with post-consumer recycled or reclaimed materials? How much?
9. Is it available from a socially and environmentally responsible company?
10. Is it made locally?



SEVEN STEPS TO SUSTAINABLE PURCHASING IN YOUR COMPANY

Save this checklist and use it as a frequent reminder of what you can do to make your next purchase more sustainable.

| What Can You Do? | |
|---|---|
|  | RETHINK YOUR PURCHASE <ul style="list-style-type: none">• Consider whether you have used the existing product to the end of its useful life.• Be creative. Ask whether you can meet your needs in another way.• If the product is a consumable item, try to reduce your rate of consumption. |
|  | RENT, LEASE OR BUY IT SECOND HAND <ul style="list-style-type: none">• For products you use infrequently, ask your supplier if they rent or lease the product, otherwise check with rental companies to see if they offer the product or service.• Ask your supplier if they offer refurbished or second hand products, or check classifieds and second hand stores for gently used products. |
|  | CHOOSE A DURABLE OR LONGER-LIFE PRODUCT <ul style="list-style-type: none">• Before buying a disposable product, ask your supplier or vendor for non-disposable alternatives.• Compare the cost of a less durable or disposable product (e.g. estimate cost per use to compare) with a non-disposable version to determine whether you can save money. |
|  | CHOOSE PRODUCTS OR SERVICES DESIGNED TO ADDRESS SPECIFIC ENVIRONMENTAL OR SOCIAL CONCERNS <ul style="list-style-type: none">• Ask your supplier for products with environmental or social attributes that reduce impacts over its life cycle.• Use an eco-labelling website to search for the products you need.• State specific performance levels in your contracts and requests for bid.• Visit the SmartSteps Products and Services Directory to find suppliers of sustainable products and services. |
|  | CHOOSE SUPPLIERS COMMITTED TO SUSTAINABILITY <ul style="list-style-type: none">• Look for an environmental or sustainability policy on the supplier's website.• Ask the supplier questions that will clearly demonstrate their commitment to sustainability.• Check to see if the supplier is a member of Canadian Business for Social Responsibility (CBSR) at www.cbsr.ca |
|  | CALCULATE THE TOTAL COST <ul style="list-style-type: none">• List the activities associated with owning the product (storage, maintenance, buy additional equipment, energy use, waste disposal, administration).• Estimate the costs of these activities.• Calculate and compare the 'total cost' for each option. |
|  | REDUCE TRANSPORTATION IMPACTS <ul style="list-style-type: none">• Source products and services that minimize the use of natural resources and embodied energy. |

To learn more about what you can do, refer to Sections 2.1-2.7 of the Sustainable Purchasing Guide.

DID YOU KNOW?

“What most people see in their garbage cans is just the tip of the material iceberg; the product itself contains on average only 5% of the raw materials involved in the process of making and delivering it.”

Source: William McDonough and Michael Braungart, *Cradle-to-Cradle*, Northwest Press, 2003.

TIP:

You may be able to replace parts or repair machinery or capital equipment instead of acquiring new products.

2.1 RETHINK YOUR PURCHASE

An obvious way of reducing the impact of your purchase is to consider whether there are alternatives to acquiring the product. Asking whether you really need to buy the product or service might seem like common sense, but in some cases you might not reconsider the need if you have always done something a specific way.

WHAT CAN YOU DO?

- Consider whether you have used the existing product to the end of its useful life.
- Be creative. Ask whether you can meet your needs in another way.
- If the product is a consumable item, try to reduce your rate of consumption.

Rethinking what you purchase or how you use products may raise some internal challenges at your company. As with all change, asking people to do things a bit differently, or function without products they are used to, can be difficult.

To address this challenge, be clear with people about the purpose and benefits of rethinking what you purchase. Raising awareness of the economic and environmental business benefits will help you gain acceptance and support from employees and managers across the company.



SUCCESS STORY

THE CITIZENS BANK OF CANADA

The Citizens Bank of Canada teamed with Environmental Defense to estimate the impacts associated with printing 20,000 copies of its Corporate Accountability report on 100% post consumer recycled content paper. The Bank determined that it could fulfill its goal of reporting on social and environmental achievements by publishing and distributing its 2003 Report only in an electronic format and avert a number of environmental impacts by doing so.

DID YOU KNOW?

By publishing its Corporate Accountability Report online, Citizens Bank estimated that it has saved 1,390 kgs of solid waste, 4,600 tonnes of greenhouse gases, 57 GJ of energy, and 111,291 litres of effluent.

SUCCESS STORY

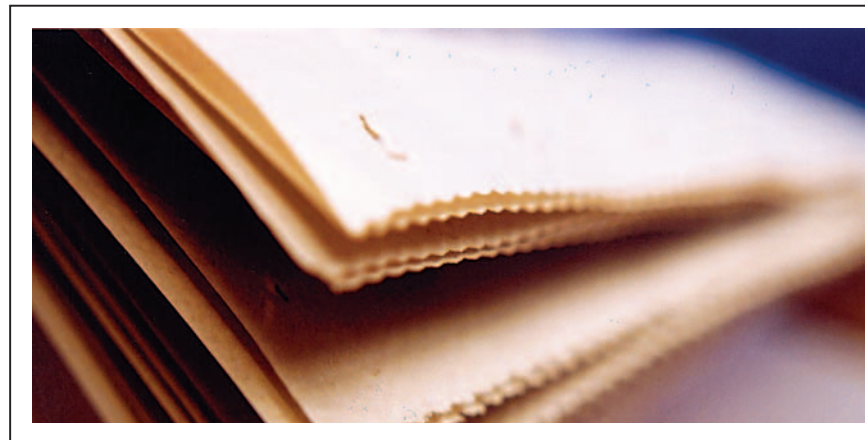
THE SECRETARIAT OF ENVIRONMENT AND NATURAL RESOURCES (SEMARNAT) MEXICO, SUSTAINABLE MANAGEMENT PROGRAM

Assessing what is really needed

As part of its Sustainable Management Program, Semarnat assessed the number of office supplies it procured. The organization found it purchased 506 office products, and began to think critically about which products were needed. This assessment enabled Semarnat to reduce the required office supplies to 147 items. Reducing the number of items purchased made it feasible for Semarnat to source products with positive environmental attributes. Semarnat, believes the environmental benefits from purchasing fewer, and more sustainable products, is helping the organization achieve its sustainability goals.

DID YOU KNOW?

Semarnat employees were not initially receptive to alternative products, as they were accustomed to using coloured and excessively coated, glossy supplies. However, once the environmental benefits of the alternative products were made clear, the products were accepted.



TIP:

Renting or leasing items such as office furniture, carpet, computers, tools and machinery can be a good solution if you only need the product for a short period of time.

DID YOU KNOW?

Some manufacturers are redesigning products to be more easily disassembled for recycling and take back for reconditioning, remanufacturing and resale.

Xerox offers a leasing program where it takes back and refurbishes at least 75 percent of the equipment it sells. By designing environmentally-safe products, that it can take back and safely recycle, Xerox estimates it has saved more than \$2 billion US dollars and kept 1.2 billion pounds of electronic waste out of landfills.

2.2 RENT, LEASE OR BUY IT SECOND HAND

In some instances, there may be alternatives to buying and owning new products. Renting, leasing or buying second hand products might be more cost effective for your company and extend the life of the product, thereby reducing the number of raw materials and energy required to manufacture the product.

WHAT CAN YOU DO?

- For products you use infrequently, ask your supplier if they rent or lease the product, otherwise check with rental companies to see if they offer the product or service.
- Ask your supplier if they offer refurbished or second hand products or check classifieds and second hand stores for gently used products.

Renting a product reduces the initial purchase price, which saves you money. Renting means you also avoid costs and risks associated with product disposal as you return it when you are done with it. Renting a product is a good solution if you seldom need the product, and only for a short period of time

Leasing a product is similar to renting a product, but usually requires a longer-term commitment. There are a variety of reasons why companies lease rather than purchasing and owning products. This includes financial benefits (through lower maintenance costs, freeing up capital, and monthly payments often 100% tax deductible), liability benefits (avoid risks associated with product disposal), and increased flexibility (avoid risk of being stuck with obsolete technology), but there are also environmental benefits.

In a leasing system, ownership of the product remains with the manufacturer. This means that your company pays the lease and maintenance fees for the product, but at the end of the product's useful life, the manufacturer will take it back, and recycle, refurbish or dispose of it in a responsible manner. It is in the lessor's best interest to regularly maintain and update their products to derive the most profit, per product and avoid purchasing new items regularly.

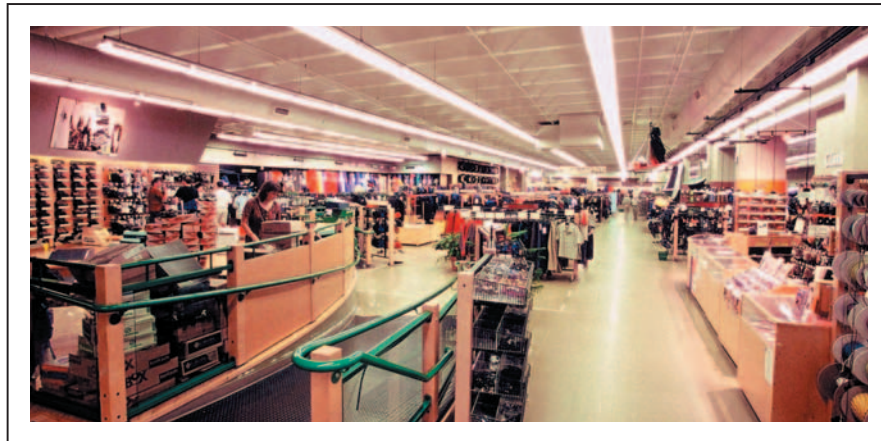
Buying something gently used or second hand can often save you money and extend the life of a product. Many companies are looking at purchasing salvaged building and construction materials as a way of reducing their impacts on the environment and retaining some of the original character of their buildings. To learn more about building design and construction using salvaged materials, refer to the *BUILDSMART Old To New Design Guide* published by the GVRD, available at www.buildsmart.ca

SUCCESS STORY

MOUNTAIN EQUIPMENT CO-OP (MEC) RE-USES CONSTRUCTION MATERIALS AT WINNIPEG STORE

MEC selected a site for its Winnipeg store with several derelict and condemned buildings. Initially, city officials agreed to remove the old buildings to prepare the site for MEC. However, MEC's design team determined that one of the buildings was structurally sound, and that many materials could be reused from the other two buildings. MEC and the City agreed to redevelop the existing buildings, thus reducing the environmental impact of new construction. The new building contains 96 percent reused and recycled materials by weight. Redevelopment saved significant resources and provided a social benefit of revitalizing an abandoned site in the downtown core⁴.

MEC's customer response has been extremely positive. Environmental considerations always appear high on the list on customer/member surveys. MEC's green building approach and other environmental initiatives therefore strengthen relations with its members and enhance its image as a responsible corporate citizen, and demonstrates actions that are consistent with its values. Media coverage has also been extensive, which is advantageous for an organization that does little advertising.



⁴ Mountain Equipment Co-op's Green Building Approach. Published as part of Pollution Probe's *Towards a Policy Framework for Sustainability* Project. Published Spring 2004.

DID YOU KNOW?

Reclaimed materials, like salvaged timber, allow you to reuse materials at a similar value to its original use, prolonging its lifetime and getting the most value from it. Reclaimed timber is often stronger and straighter than new timber.

reSource Rethinking Building
www.rethinkingbuilding.com

TIP:

Buying second hand might diminish the excitement and feelings associated with purchasing something new. However, once you have communicated the benefits, employees may be more receptive and supportive of the company's decision to buy gently used products.

TIP:

Choose durable products and materials. Manufacturing is an energy-intensive process, therefore a long lasting or low maintenance product can often save energy, reduce waste and cost less.

TIP:

Consult with employees who use the product and get their input. Communicate the benefits of purchasing more durable products (i.e. using less energy, creating less waste or freeing up someone's time for other tasks) and solicit suggestions on what to buy. This might help get staff on board and facilitate change from single use, convenience products.

2.3 CHOOSE A DURABLE OR LONGER-LIFE PRODUCT

Your company may be buying disposable products and creating waste even though you do not need the convenience these products are intended to provide (i.e. antibacterial cleaning wipes, flip chart paper or foam coffee cups designed to be used once and thrown away).

Also consider there may be longer-life versions of products such as batteries, light bulbs, building materials and other products your company needs.

WHAT CAN YOU DO?

- Before buying a disposable product, ask your supplier or vendor for non-disposable alternatives.
- Compare the cost of a less durable or disposable product (e.g. estimate cost per use to compare) with a non-disposable version to determine whether you can save money.

Could staff use a white board instead of chart paper, or CDs that are re-write-able instead of single use? Choose long lasting, upgradeable versions of cell phones, computers, laptops, audio-visual equipment and peripheral devices (e.g. CD burners), carpeting and office furniture, batteries and light bulbs.

Buying durable products impacts your company's bottom line and the environment.

- For janitorial or maintenance staff, using long-life light bulbs means bulbs need to be purchased and replaced less frequently.
- Buying laptop computers that are easily upgradeable means your purchasing agent, office manager and IT staff spend less on product sourcing and maintenance/repair costs.

These options can save time, money and reduce solid waste. While the price of a long-life battery, durable carpeting, reusable white boards or re-useable storage containers can be higher than the disposable or shorter-life counterparts, overall costs to the company may be less.

You can also promote durable, re-useable or long lasting packaging by asking suppliers to take back transport packaging. This means less waste for your company to handle and dispose of. Similar opportunities may apply to the packaging your company uses to ship goods. Use plastic drums, cloth bags, boxes or other packaging you can collect and use again.

SUCCESS STORY

SMALL POTATOES URBAN DELIVERY (SPUD) INC.

Vancouver business Small Potatoes Urban Delivery (SPUD) Inc. has 80 employees and delivers locally grown pesticide-free foods to approximately 5,000 customers. SPUD delivers its foods in reusable rubber bins (shown in photo) with lids that snap on and off. In seven years of business, the bins “have yet to wear out” according to SPUD president David Van Seters. A water efficient bin-washing device incorporates gray water and uses temperatures high enough to sanitize the bins without any cleaning solutions.



REUSABLE SHOP TOWELS

Consider contracting a linen and laundry supply service to provide reusable towels for cleaning up process chemicals from your shop floor and equipment. Replacing single-use shop towels with reusable shop towels can reduce your waste management costs, and eliminate the need to treat your towels in accordance with hazardous waste regulations. For details on calculating and comparing costs of reusable versus disposable towel, see Section 2.6.

DOES LONGER LIFE = LESS IMPACT?

Longer life can mean less impact. In a life cycle study by the European Commission, extending the use period of a personal computer from three years to six years improved the environmental profile of the computer by 10-15% in all environmental impact categories. These categories include use of raw materials and fuels, emissions to the air and water, impact on human health, eco-toxicological risk and generation of landfill waste. To extend the use period, the computer's motherboard and hard disk were upgraded, maintaining the same level of function.

LCA Study of the Product Group Personal Computers in the European Union Ecolabel Scheme. March 1998. Available at:
http://europa.eu.int/comm/environment/ecolabel/pdf/personal_computers/lcastudy_pc_1998

DID YOU KNOW?

Choosing long life span materials reduces waste. As asphalt roofing is currently not recycled in the Lower Mainland, a 20-year asphalt roof will require twice the landfill space of a 40-year roof!

Source: Rethink Building Inc.,
www.rethinkingbuilding.com/rethinking/index.html#healthy

FACT:

Vancouver's *Full Bloom Flowers* asked its suppliers whether they could provide flowers certified as 'organic'. Today 5% of the flowers sold in the shop are certified organic.

2.4 CHOOSE A PRODUCT OR SERVICE DESIGNED WITH SPECIFIC ENVIRONMENTAL OR SOCIAL ATTRIBUTES

Seek out products and services designed with attributes to reduce impacts on the environment and people across the life cycle.

WHAT CAN YOU DO?

- Ask your supplier for a product with environmental or social attributes that reduce impacts over its life cycle—like those listed on the next page.
- Use an eco-labelling website to search for the products you need.
- State specific performance levels in your contracts and requests for bid.
- Visit the SmartSteps Products and Services Directory to find suppliers of sustainable products and services in BC's Lower Mainland. www.gvrd.bc.ca/smartsteps

Labelling and certification programs set criteria for superior environmental or social performance, as compared to most alternatives, and award labels or certificates to products and services that meet them.

The Global Eco-labelling Network lists eco-labelling organizations and links to directories of labelled products. Visit www.gen.gr.jp and link to 'members'.

DID YOU KNOW?






As part of the SmartSteps Program, the Greater Vancouver Regional District developed a Sustainable Products and Services Directory. It is designed to help businesses identify those products and services that have less impact on the environment. It features products and services that carry either a third party certification based on the life-cycle impacts of the product or service, or a self-declared environmental claim provided by the manufacturer, distributor or supplier.

SUCCESS STORY

eBUSINESS APPLICATIONS

After learning how a friend's small company purchased recycled-content paper for its communication materials, an employee at eBusiness Applications—a small software development company based in Vancouver—approached the supplier he used for marketing brochures. He discovered his supplier did not stock recycled-content paper and had not been asked about it until now. Working together, eBusiness Applications and the printer searched supplier catalogues. Today, the printer regularly sources recycled content paper stock and eBusiness Applications uses 100% post-consumer paper for its printing needs at a comparable cost.

LOOK FOR ENVIRONMENTAL AND SOCIAL ATTRIBUTES OF PRODUCTS ACROSS THE LIFE CYCLE STAGES

| | |
|--|--|
| <p>Incorporate raw materials from sustainably managed sources.</p> <p><i>wood, coffee, food</i></p> |  |
| <p>Contain fewer substances known to adversely affect our health and the environment, such as formaldehyde, mercury, lead, cadmium, chromium, phosphate, volatile organic compounds or other 'controlled substances'.</p> <p><i>batteries, computers, cleaners</i></p> |  |
| <p>Can be recycled or reused. This turns products or packaging that would otherwise be waste into raw materials for new products and packaging.</p> <p><i>toner cartridges, oils and lubricants, protective equipment, glass, plastics, paper</i></p> |  |
| <p>Use recycled materials in place of virgin materials. Expressed as a percentage, higher percentages generally indicate less environmental impact. Look for post-consumer recycled content, which means consumers and businesses have used and disposed of the material.</p> <p><i>paper, carpet, roofing materials</i></p> |  |
| <p>Last longer, are designed to resist destructive agents and are more durable. Longer customer warranties can indicate more durable products.</p> <p><i>light bulbs, computers, furniture</i></p> |  |

TIP:

Choosing products labelled or certified for environmental and social performance is a recognized way to address these topics and make more sustainable purchases! You save time because the environmental and social impacts have already been identified and researched.

TIP:

If a product carries the recycled symbol, the amount of recycled content should also be displayed – “this container contains 30% recycled plastic including 5% post-consumer waste”.

GREENWASH?

Be aware of unsubstantiated claims, or 'Greenwash' regarding sustainability attributes of a product. International standards for environmental labels on products and services outline what companies can and cannot claim and what is needed to support those claims (these are available online from the International Organization for Standardization 14020 series of standards). However, researching this may be daunting if you are in a hurry to make a purchasing decision. Some general guidance is to avoid statements like “**environmentally friendly**” or “**green**” if they are not described in any detail.

Read about different labels at: www.gen.gr.jp/eco








DID YOU KNOW?

Poor indoor air quality reduces health and productivity of employees and costs businesses tens of billions of dollars every year. Studies have shown that productivity of building occupants can be improved by as much as 16% with healthier indoor air quality.

Source: Indoor Environmental Quality Backgrounder. Greener Buildings. www.greenerbuildings.com/tool_detail.cfm?LinkAdvID=5269

TIP:

Products and services designed with specific environmental and social attributes are often better performers. Choose high quality paints and flooring manufactured without substances known to adversely affect health and the indoor environment.

| | |
|---|---|
| <p>Operate with less water, or promote reducing water use and waste, as compared to other products with the same function.</p> <p><i>toilets, hoses and shower heads</i></p> |  |
| <p>Operate on less energy yet deliver the same level of, or greater performance. Related products include insulation and high performance windows because they reduce energy needed for overall operations.</p> <p><i>lighting, hot water heaters, refrigerators and copiers</i></p> |  |
| <p>Lower emissions to air, water and soil.</p> <p><i>fuels, vehicles, packaging</i></p> |  |
| <p>Lower indoor air emissions.</p> <p><i>paints, furniture, cleaners</i></p> |  |
| <p>Feature ingredients that meet Canada's standards for 'organic' because they were grown with 'permitted materials' and without 'prohibited materials', as defined by the Standards Council of Canada.</p> <p><i>textiles, salon products, food</i></p> |  |
| <p>Source fairly traded materials.</p> <p><i>coffee, clothing</i></p> |  |
| <p>Ensure supplies are manufactured in safe and responsible working conditions.</p> <p><i>electronics and sub components, clothing, footwear</i></p> |  |

WHAT PRODUCTS ARE OUT THERE?

A number of product categories and services are available that have obtained certifications or eco-labels based on their environmental and social performance attributes. Here are just a few for which you can find eco-labeled products.

- Adhesives
- Audio-visual equipment
- Batteries
- Building materials
- Cleaning services
- Copying and graphic paper
- Electricity
- Fax machines, printers, copying machines and multifunctional devices
- Fleet vehicle maintenance
- Flooring
- Footwear
- Hotel accommodations
- Indoor paints and varnishes
- Industrial cleaning and degreasing agents
- Light bulbs
- Soil improvers
- Steel
- Tourist accommodation
- Windows

SOURCING SUSTAINABLE BUILDINGS?

When renovating, expanding or constructing new buildings, seek contractors and suppliers who offer 'sustainable' or 'green' building design features (e.g. re-used or renewable materials, a percentage of spaces ventilated or lit naturally without mechanical systems, fixtures with low-water use).

Vancouver is a member of the US Green Building Council, which created a green buildings rating system called *Leadership in Energy and Environmental Design*. View the rating criteria online at: www.usgbc.org/leed

The Canadian Green Building Council has been formed to accelerate the design and construction of Green Buildings across Canada. Visit www.cagbc.org for green building resources and current green building initiatives.



BUSINESS TRAVELLER?

The Green Leaf eco-rating program rates hotels on their commitment to environmental performance.

www.terrachoice.ca/hotelwebsite



BUYING NEW CARPET?

The Environmental Choice logo on a carpet tells you that carpet has low VOC and formaldehyde emissions, among other environmental attributes.



Labeling and certification bodies can direct you to products and services recognized for one particular attribute, or for a number of sustainability attributes. Visit the websites below to find the products or services you are looking for.

| | |
|---|--|
| <p>Office & other indoor products www.greenguard.org</p> |  |
| <p>Buildings www.usgbc.org/leed www.greenglobes.com</p> |   |
| <p>Wood and wood products www.fsc.org www.csa.ca</p> |   |
| <p>Energy www.green-e.org www.bchydro.com</p> |   |
| <p>Appliances & equipment www.energystar.org www.oee.nrcan.gc.ca/energiguide</p> |   |
| <p>Food www.certifiedorganic.bc.ca www.transfair.ca www.ams.usda.gov/nop</p> |    |
| <p>Wide range of products www.environmentalchoice.ca www.green seal.org www.europa.eu.int www.svanen.nu www.blauer-engel.de</p> |      |

SUCCESS STORY

RAINCOAST BOOKS

In 2001, 'Markets Initiative' approached Raincoast Books—a Vancouver-based publisher and distributor with 100 employees—about eliminating the use of papers derived from ancient and endangered forests for its book printing. Raincoast attained management support, and made a public commitment to purchase and use ancient forest friendly, 100% post-consumer paper wherever feasible in its text-based books.

Now approximately 75% of its books are printed on this type of paper, including the first edition of Harry Potter and The Order of the Phoenix. By choosing to use 100% post-consumer recycled, processed chlorine-free paper and fibre for the Harry Potter series, instead of virgin fibre, Raincoast Books is minimizing its impacts on the environment and helping safeguard biodiversity and the world's ancient and endangered forests.

Committing to purchasing ancient-forest friendly, post-consumer paper has also had an important business benefit for Raincoast as consumers around the world have sent letters and emails thanking the company for its sustainability commitment and actions.

DID YOU KNOW?

Purchasing paper deemed 'ancient forest friendly' and created from 100% post-consumer recycled-content paper for the first printing of Harry Potter and the Order of the Phoenix led Raincoast Books to realize the following ecological savings:

- **39,320 trees** (would have been used to make an equivalent amount of virgin paper);
- **63,436 cubic metres of water** (enough water to fill 42 Olympic-sized swimming pools);
- **8,554 tonnes of solid waste** (equivalent to the weight of 209 average female elephants);
- **27,329 million BTUs of energy** (enough electricity to power the average North American home for 262 years); and
- **1,645 tonnes of greenhouse gases** (equal to 5.3 million kms travelled by car with average fuel efficiency).

TIP:

Canadian Business for Social Responsibility (CBSR) is a non-profit, business-led, national membership organization of Canadian companies who have made a commitment to operate in a socially, environmentally and financially responsible manner. Check to see if your supplier is one of CBSR's corporate members.

www.cbsr.ca/membership/meetmembers.htm

DID YOU KNOW?

When NOVEX informed Western Printers it was in the process of seeking ISO 14001 certification, the printing company expressed interest in learning more about how it could help NOVEX meet its goals, but also how ISO 14001 might be relevant to its own business. The two companies share information and challenge each other to continually improve their business performance.



2.5 CHOOSE SUPPLIERS COMMITTED TO SUSTAINABILITY

Asking a supplier about their commitment to sustainability will help make your purchase more sustainable. Suppliers who have an understanding of their environmental and social issues will most likely take initiative to reduce the impacts of the products or services they offer.

WHAT CAN YOU DO?

- Look for an environmental or sustainability policy on the supplier's website.
- Ask the supplier questions that will clearly demonstrate their commitment to sustainability.
- Check to see if the supplier is a member of Canadian Business for Social Responsibility (CBSR).

You can ask your suppliers questions about their commitments to sustainability in an informal situation (over the phone, or during a supplier visit) or you can formally incorporate these questions into your bids or request-for-proposals.

SUCCESS STORY

NOVEX COURIERS ASKS SUPPLIERS TO DEMONSTRATE THEIR COMMITMENT TO SUSTAINABILITY

NOVEX was in the process of soliciting bids for the company's printing services when it decided to ask suppliers about their commitment to the environment. NOVEX gave prospective suppliers a copy of its own environmental purchasing policy and asked each to submit written documentation on how they could help NOVEX meet its policy.

Suppliers responded to the question in the bid in different ways, which helped NOVEX determine which supplier it was eventually going to select. Some suppliers were vague about their commitments or indicated they were doing innovative things, when it was really just standard practice. Others were unaware of the issues associated with their industry.

One supplier—Western Printers—was very aware of the issues and provided a list of specific environmental practices that went beyond common practice. NOVEX felt the Printer's commitments to the environment were aligned with their own, and given the competitive pricing, awarded the contract to Western Printers.

QUESTIONS YOU CAN ASK NEW OR EXISTING SUPPLIERS

- What are the social and environmental impacts associated with your product or service?
- Do you have a sustainability or environmental policy statement?
- Do you have sustainability programs or activities in place (e.g. energy efficiency, waste minimization, product-focused environmental improvements, work-life balance, workplace diversity, health and safety management systems, community investment and involvement)?
- Do you set goals and targets for improving environmental and social performance?
- Do you report publicly on your sustainability performance (on website or in an annual report)?
- Do you adhere to, or have membership with any internationally recognized standards or principles promoting sustainability?

Buying from a supplier with responsible environmental and social business practices will reduce your own business risk (e.g. safe and ethical working conditions, absence of hazardous substances in products).

Some companies have also found they can identify new ways of doing things and learn about best practices from working with suppliers who share a commitment to sustainability. In some instances, companies form strategic partnerships with their suppliers to achieve a common sustainability goal.

LEVEL GROUND TRADING COMPANY WORKS WITH INTERNATIONAL FAIR TRADE ASSOCIATION

The International Fair Trade Association (IFAT) monitors member performance against a number of environmental and social business practice standards. Once a member meets IFAT Standards, they are registered as a Fair Trade Organization and are eligible to carry the IFAT Fair Trade Organization (FTO) Mark.

By sourcing fairly traded coffee beans with the IFAT FTO mark from Columbia and Bolivia, Level Ground is contributing to the alleviation of poverty, unemployment and rural violence. By paying a premium on commodity prices, Level Ground provides a market and an incentive for small-scale coffee farmers to continue to work their land. As a result, their children will have the opportunity to continue farming, can afford to get an education and can stay away from getting involved in guerrilla groups or the drug trade.

TIP:

See Section 3.3 for ideas on how to incorporate these questions into request for proposals and letters to suppliers.

TIP:

Look for these logos* on supplier websites. Affiliations with internally recognized organizations or principles can help you determine whether the supplier is serious about their commitments to sustainability.



International Labour Organization



* Please note these are only a few of the internationally recognized sustainability standards and principles that may indicate a supplier's commitment to sustainability.



TIP:

Vancouver's Social Purchasing Portal provides an online environment for you to search for local suppliers who also share a commitment to social value and local community development.

www.ftebusiness.org

SUCCESS STORY

VANCOUVER CITY SAVINGS CREDIT UNION (VANCITY) ALIGNS SUPPLIER VALUES AND COMMITMENTS WITH ITS OWN

To ensure its business relationships are consistent with the company's Statement of Values and Commitments, VanCity developed a Baseline Ethical Policy (BEP) in 2002. The credit union intends for the BEP to be put into practice by the entire VanCity Group of Companies, and to apply to all relationships with organizations and businesses⁵.

VanCity uses its Request-for-Proposals (RFPs) as a means of operationalizing the company's BEP. The credit union includes a series of questions in its RFPs based on the values outlined in the BEP. Potential suppliers are asked to respond to questions on working conditions, human rights and the environment among others when submitting their proposals. VanCity then factors these considerations into its purchasing decisions to ensure that it is aligning supplier values and commitments with its own ethical values and strategic goals as much as possible. Assessing suppliers on their sustainability commitments and activities is also a way for VanCity to reduce its business risk and ensure accountability.

⁵ VanCity's 2002-2003 Accountability Report. Page 44.

2.6 CALCULATE THE TOTAL COST

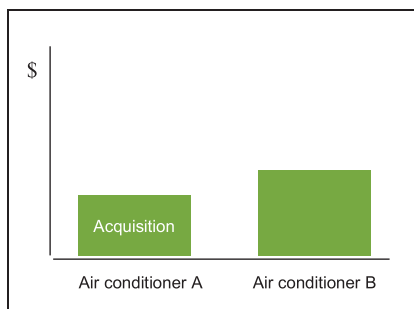
Before you buy, do some preliminary cost estimates and compare among different product options. This may help you save money by identifying products which, throughout their life cycle, consume less energy, are less hazardous to handle, or require less specialty training or maintenance to operate. Purchasing based on total cost estimates is an important part of sustainable purchasing.

WHAT CAN YOU DO?

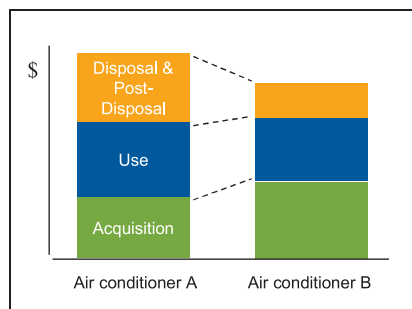
- List the activities associated with owning the product you are about to purchase (storage, maintenance, associated equipment, energy use, waste disposal, administration).
- Estimate the costs of these activities.
- Calculate and compare the 'total cost' for each option.

Purchasing based on the total costs—including the capital cost, maintenance, replacement and disposal—can save your company money. It also promotes more sustainable purchases by showing how products which conserve energy, water or use less toxic materials often have the lowest overall cost.

Helping identify hidden costs is a spin-off benefit of working through total costs before your purchase. For instance, determining that a particular piece of machinery constitutes a significant portion of your energy costs (to operate, cool and ventilate and order replacement parts) might lead to turning it off when not in use, or purchasing a low-energy model with a stand-by function.



'A' has lower first cost
(acquisition / purchasing)



'B' is more cost-effective
(operation & disposal)

Source: Five Winds International

DID YOU KNOW?

The purchase price is only one of many 'total costs' of a building, vehicle or piece of equipment ...

- Purchase price
- Administration costs
- Cleaning, maintenance, repair
- Direct operating costs (for energy, water or other resources such as lubricants)
- Training & information
- Relative waste to dispose & wastewater discharge
- Worker safety needs
- Property protection & storage
- Regulations & reporting
- Packaging disposal
- Eventual disposal or re-sale

TIP:

How much electricity does it use?
Are spare parts cheap and easy to come by? Are specialty fluids, cleaners or chemicals needed?
Will the supplier help us maintain, upgrade or dispose of it?

TIP:

Use a simple table, like the one to the right, from *Virginia's Buy Recycled Business Alliance & National Recycling Coalition* to compare the total costs of two alternatives (e.g. a deck made from traditional materials with a deck made from recycled-content plastic materials).

| COST ASSOCIATED WITH OWNERSHIP FOR 10 YEARS | TRADITIONAL DECKING | RECYCLED CONTENT PLASTIC DECKING |
|--|----------------------------|---|
| Original Purchase Price | \$140 | \$270 |
| Installation | \$240 | \$240 |
| Sealant | \$200 | - |
| Sealant Labour | \$700 | - |
| Replacement Costs | \$60 | - |
| Replacement Labour | \$70 | - |
| Total Cost of Ownership | \$1,410 | \$510 |

Source: Buy Recycled Business Alliance & National Recycling Coalition, Virginia, USA.

TIP:

Calculate the expected cost savings and estimate the amount of time it will take to realize those savings (as is typically done with capital expenditures or longer term investments). These estimates might help make the case for spending more on the initial purchase, given constrained budgets and short accounting cycles.

WHERE ARE COST SAVING OPPORTUNITIES?

Use total cost information to identify cost saving opportunities. A transit company used to purchase soap in 200 litre drums to clean its vehicle fleet. Employees found they could not get all of the soap out of each drum. Between two and 10 litres were left unused and discarded as residue. Also, employees were sometimes injured lifting and moving the heavy drums to the vehicle washing area. In addition, the company was required to fill out records on handling and storage of the soap because it contained a reportable substance—adding a significant administrative cost. The company began looking into purchasing alternative soaps and found one that did not contain reportable substances, came in a dispenser that could be completely emptied (i.e. no residue), and refilled by the supplier instead of by its own employees.

SUCCESS STORY

SANDIA NATIONAL LABORATORIES

As part of a pilot project on lubricant and hydraulic fluids, Sandia National Laboratories in Illinois and the University of Northern Iowa compared the total costs of a conventional lubricant with biodegradable BioSoy™ lubricant. The comparison table (below) shows there are no costs for waste disposal or spill management for BioSoy™ lubricants. When the petroleum product is spilled, wastes from cleaning it up are charged as industrial waste while BioSoy™ clean-up materials can be placed in a dumpster as sanitary waste. The pilot project found performance between the two comparable. There is a significant difference in initial purchase price, yet Sandia National Laboratories and the University of Northern Iowa determined the payback period for the BioSoy™ is approximately 4.8 years.

Sandia National Laboratories in Illinois and the *University of Northern Iowa* total cost comparison between a conventional lubricant and biodegradable BioSoy™:

| COMPARISON OF COSTS | PETROLEUM-BASED LUBRICANT | BIOSOY™ BIODEGRADABLE LUBRICANT |
|--------------------------------------|---------------------------|---------------------------------|
| Annual Purchase (300 gal) | \$1,500.00 | \$3,195.00 |
| WASTE COSTS | | |
| - 1000 kg/yr @\$0/kg | \$0.00 | \$0.00 |
| - 6 drums @\$50/drum | \$300.00 | \$0.00 |
| SPILL (500 KG/YR)⁶ | | |
| - Admin Costs | \$2,400.00 | \$0.00 |
| - Dumpster Waste (\$0/kg) | | \$0.00 |
| - Waste Min Fees | \$1,000.00 | \$0.00 |
| TOTAL COST OF OWNERSHIP: | \$5,200.00 | \$3,195.00 |

⁶ The analysis assumes 500 kg (150kg of oil + 350 kg of debris) of spills and hydraulic annually.

COST COMPARISON TOOL

The New York City WasteLe\$\$ program developed a simple cost-comparison tool for company's to plug in their business's costs and variables to determine whether replacing disposable shop towels with reusable towels will save them money.

See the total cost comparison worksheet on the next page or use the tool to calculate and compare your company's total costs.

www.nycwasteless.org/bus/tools.html

“CALCULATE THE SAVINGS” WORKSHEET

| Quantities and Costs of Towels | |
|---|----------|
| Number of towels used (per month) | 100 |
| Weight per towel (in pounds) | 0.1 |
| Cost of disposable towels (per pound) | \$0.47 |
| Cost of reusable, laundry-serviced rags (per pound) | \$0.80 |
| Cost to Collect and/or Dispose of Towels | |
| Cost to dispose of single-use towels as hazardous material (per drum) ¹ | \$300.00 |
| Labor rate (per hour) | \$30.00 |
| Labor hours to collect reusable towels for laundry service (per month) | 1 |
| Labor hours to collect and prepare single-use towels for disposal as hazardous material (per month) | 1.5 |
| Weight per used disposable towel (in pounds) | 0.25 |
| Number of used disposable towels (per drum) | 400 |

RESULTS: ANNUAL TOTALS AND SAVINGS

| Totals | Disposable | Reusable |
|---|------------|----------|
| Purchasing costs | | |
| Labor costs | | |
| Disposal costs | | |
| Total operational costs | | |
| Savings | | |
| Total savings due to switching from disposable shop towels to reusable, laundry-serviced towels | | |
| Amount of waste prevented (in pounds) | | |

2.7 REDUCE TRANSPORTATION IMPACTS

Ask yourself what the environmental impacts (through associated fuel consumption, pollution and excess packaging) of procuring products and services for your business are, and whether there are opportunities to reduce those impacts by choosing local suppliers.

WHAT CAN YOU DO?

- Source products and services that minimize the use of natural resources and embodied energy.

Transporting goods over a long distance is costly in both energy use and pollution generation. Buying products that travel a shorter distance means you are reducing the embodied energy of your purchase.

In particular, food products that need to travel great distances require increased use of preservatives or chemical treatments to prevent rotting and over-ripening, as well as additional packaging to protect the food from damage. Buying from local suppliers reduces the amount of packaging required to get the product to you safely.

Your company can also save money buying locally through reduced shipping and transportation costs. You might not always see these costs as they are often built into the purchase price of products purchased from large national or multi-national suppliers.

Also consider that at end of life, returning a product (such as return-to-vendor packaging) to the supplier or manufacturer will produce similar benefits (i.e. reduced transportation impacts) if the representative is locally based.

Proximity also helps to develop stronger relationships with suppliers as you can meet with them one on one and develop a stronger rapport.

DID YOU KNOW?

For food products, the David Suzuki Foundation estimates the average distance traveled from field to table in North America is 2,400 kilometres.





SUCCESS STORY

SMALL POTATOES URBAN DELIVERY

Realizing the Benefits of Buying Locally

Small Potatoes Urban Delivery (SPUD) is a small organic food delivery company operating in the Vancouver area. To tackle the typical environmental and social impacts of conventional food companies, SPUD focused its efforts on purchasing organic food and other products from local suppliers and delivering directly to customers. After seven years of operation, SPUD has contracts with 52 local farmers and has attracted more than 5000 customers. Buying locally has had a number of benefits for SPUD and the Vancouver Region, including:

- A SPUD product travels an average of 700 km, accounting for far fewer air emissions than shipping of conventional products that travel an average of 2,400 km.
- Delivery of food in one of SPUD's ten delivery trucks eliminates an average of 90 car trips that customers would otherwise have made. This reduces road congestion, emissions and fuel use associated with individual car trips.
- Supporting local farmers with fair wages whenever possible rather than importing produce from the US and Mexico where working conditions and benefits are unknown.
- Buying locally supports "local living economies" and keeps more money circulating in the local economy.
- Because of its policy of hiring disadvantaged people and supporting its own local community, SPUD has become a preferred supplier for other companies in the region.
- Better relationships with suppliers—SPUD staff meet face-to-face with farmers and company owners and develop stronger personal relationships as a result.

Buying local is central to the way SPUD does business. And it is obvious by its growing customer base that Vancouver residents are also buying into the benefits of local purchasing.

SUCCESS STORY

reSOURCE RETHINKING BUILDING

reSource Rethinking Building believes that buying locally-sourced building materials and furniture is an important component of sustainable construction. The company strives to source local materials for many of their client's green building projects, but also for themselves. reSource Rethinking Building recently moved to a new office and committed to purchasing only locally built furniture that contained FSC-certified wood and no formaldehyde. This ensures they work in a healthy indoor air environment, and support a strong local economy.

3

TIPS FOR STARTING A SUSTAINABLE PURCHASING PROGRAM

Once you have started to make more sustainable purchasing decisions at your company, you might want to look for ways to integrate it into your core business practices and formalize it as part of the way you do business.

There is no one 'right way' to purchasing more sustainably, but there are five common elements of successful purchasing programs:

- Involving and informing others,
- Developing a policy statement,
- Setting targets and measuring progress,
- Identifying key purchases, impacts and priorities, and
- Working with new and existing suppliers.

This Section will help you learn about these elements and provide tips to help you make sustainable purchasing routine at your company.

It is important to remember that integrating sustainable purchasing practices into your business is a journey that will take time and effort.

THE TIPS PRESENTED IN THIS SECTION ARE ALL IMPORTANT, BUT IF YOU SELECT ONLY ONE OR TWO TO START WITH, YOU WILL BE MAKING BETTER PURCHASES THAN YOU WERE BEFORE!



DID YOU KNOW?

It is important to identify who has the authority to make purchases in your company and ensure they are included in your consultations.

3.1 GET OTHERS IN THE COMPANY INVOLVED

To encourage a different way of thinking, and to increase awareness of your new sustainable purchasing program, it is essential to share what you are doing with others in the company.

Use one or more of the following tips to involve employees in your company's sustainable purchasing program.

TIPS

- **Identify an internal champion(s)** to take the lead on sustainable purchasing in your company. Ensure this champion is assigned responsibility, resources and accountability.
- **Start talking with other employees.** Communicating with a number of individuals from a variety of functions in the company will improve your company's understanding of its purchasing practices, and what you can influence. This may include talking with purchasing officers, project managers, users of products and services, facilities and estates managers, suppliers and contractors. Make sure you ask for their input as well, they may have additional ideas.
- **Put together a communications strategy.** Keep it simple and concise. Employees need to see a clear goal and that there is a plan for reaching that goal. Be open to changes in the way things are done, it might be easier to do than you might think.
- **Be ready to respond to questions and concerns.** People may be reluctant to participate, or might immediately jump to conclusions that sustainable purchasing is going to cost more.
- **Put together a procurement team with representatives from various functions in the company.** This will help ensure that sustainable purchasing is not an isolated or "add on" program. People with different functions in the company should understand the importance of the program and how they can contribute.
- **Coordinate purchases as much as possible.** A number of employees might be responsible for purchasing their own products at your company. If this is the case, try to coordinate purchases so that every purchase incorporates sustainability criteria. Coordinated purchases can better leverage volume discounts with a supplier and better inventory control to avoid "over purchasing" of product.

ESTABLISHING A PROCUREMENT TEAM

A company in the electronics sector established a procurement team to generate ideas for bringing environmental and social considerations into their existing procurement practices.

The team involved employees from various functions across the company: the manager of environmental health and safety, an industrial hygienist, legal counsel from the supply management department, a team leader from consumer product development department and the head of community relations.

Because of the cross-disciplinary nature of the team, many improvement opportunities were identified for making current purchasing practices more sustainable. Once the buyers and engineers who conducted supplier site visits became aware of the EH&S departments intentions for integrating environmental and social criteria into supplier evaluations, they could recommend when and how these criteria could be incorporated. Involving the legal department early on helped to point out the different implications of assessing existing suppliers versus new suppliers.

Involving employees from various functions early in the process also ensured each participant understood the purpose and the benefits of a sustainable purchasing program, and was motivated to look for improvement opportunities in their own job functions.

COORDINATING PURCHASES

The purchasing group at a large company with many facilities discovered that each facility was purchasing gloves independently and thus paying a wide range of different prices. While the purchaser was convinced the company would save money by purchasing gloves by bulk from a single supplier, others had to be convinced that their needs for function and quality would still be met and the magnitude of the expected savings had to be clearly communicated.

Recognizing that others might need to “see” the problem in order to be motivated to support change, the purchaser collected more than 400 gloves with 400 different price tags, and laid them all out on a table in the boardroom. As a result, there was clear agreement on consolidating purchases—of gloves and of other items the facilities purchased.

Source: Kotter, John P. and Dan S. Cohen, 2002.

The Heart of Change:
Real-Life Stories of How People Change Their Organizations, Harvard Business School Press,
Boston. p. 29-30.

FACT:

Level Ground Trading Company puts more emphasis on purchasing coffee that is certified fairly traded, than coffee that is certified organic. This reflects personal interests of the owners who want to support social development and ensure small growers maintain access to markets even if they cannot attain organic certification in the short-term.

3.2 IDENTIFY KEY PURCHASES, IMPACTS & PRIORITIES

Gather a group of people from across the company to identify the key products and services you purchase. When brainstorming, list typical purchases, how often you buy them, the purpose for buying them (or how you use them), how much is spent and what types of impacts those purchases have on your business, the environment and the community.

Using information from your list, prioritize your purchases and develop a timeline. It is likely not manageable to make all of your purchases sustainable at once.

TIPS

- **Avoid paralysis through analysis.** Your list does not need to be exhaustive.
- **Remember to include the services you contract.**
- **Mark major purchases with an asterisk** (i.e. a high frequency purchase, high volume or significant cost). This will help you choose the purchase that may save you money, have a clear benefit for the environment or community, impacts your image, or is simply the easiest to deal with.
- **Keep track of your thought process**, so that you have something to refer back to (such as the table shown on the next page). This will inform other types of sustainable purchases in the future.
- **Do not get bogged down assessing trade-offs** between one type of purchase or impact over another. Be clear about where you are starting and why, then move ahead.

CRITERIA FOR PRIORITIZING

Deciding which purchase to make “more sustainable” first is ultimately based on your company’s values. However, these simple criteria may help guide your thinking:

- Personal interest or knowledge.
- Highest volumes purchased.
- Most dollars spent annually.
- Interest from customer – Ask your customers what is important to them if they have not already specified.
- Interest from supplier – They may have ‘sustainable’ alternatives available.
- Ability to control – You may have little control over some purchases.
- Access to grants or subsidies (e.g. green energy subsidies); awards for making more sustainable purchases of certain products or services; audit programs (energy or waste audits); support from local awareness groups or government; tools and information.
- Connection to other company initiatives or priorities (e.g. energy conservation or lean manufacturing).
- Connection to local community initiatives (e.g. recycling, fair trade) – ask governments and local interest groups about what issues they are focusing on.
- ‘Best practice’ for other companies in your sector.
- Importance to your company’s brand or image.

EXAMPLE: ORGANIZING INFORMATION FROM YOUR GROUP'S BRAINSTORMING SESSION

| PURCHASE | PURPOSE | FREQUENCY | RELATIVE EXPENDITURE | BUSINESS, ENVIRONMENTAL OR SOCIAL ISSUES? |
|----------------------|---------------------------------|--------------------------------|----------------------|--|
| Landscaping contract | maintain lawn, shrubs & walkway | seasonal contract – 2x per mo. | small | walkway safety, pesticides, local contractor, landscaping tied to company image; water conservation; GHG; organic waste disposal; composting |
| Telephone headsets | ergonomics | infrequent, new employees | small | manufactured elsewhere – labour issues? waste? quality/static |
| Electricity | run machinery, power offices | use daily, pay monthly bills | large | cost, emissions, shortages/downtime; energy efficiency |
| Sugar packages | coffee | monthly | very small | waste packages, portion size |
| Binders | for internal reports | monthly | small | storage, waste |
| Degreaser | cleaning equipment | monthly | small | odour, disposal, expensive, VOC emissions; hazardous waste |
| Etc. | | | | |

EXAMPLE: ORGANIZING INFORMATION FROM YOUR GROUP'S BRAINSTORMING SESSION

| PURCHASE | CRITERIA | | | | | | | |
|----------------------|-------------------|----------------------|---------------|-------------------|--------------------|------------------------------------|------------------|------|
| | PERSONAL INTEREST | HIGH VOLUME PURCHASE | DOLLARS SPENT | CUSTOMER INTEREST | ABILITY TO CONTROL | ACCESS TO FUNDING / SUPPORT / INFO | LOCAL INITIATIVE | ETC. |
| Landscaping contract | X | | | | | | X | |
| Telephone headsets | X | | | | X | | | |
| Electricity | | | X | | | X | X | |
| Sugar packages | | | | | X | | | |
| Binders | | | | | X | | | |
| Degreaser | | | | X | X | | | |
| Etc. | | | | | | | | |

3.3 WORK WITH NEW AND EXISTING SUPPLIERS

As your company establishes a program and sets goals for more sustainable purchasing, you may have to work directly with some suppliers to obtain the product or service needed to meet those goals (the examples at the end of this section may offer ideas).

In particular, you may have a long-standing relationship with a supplier and would rather work with them to find a sustainable product than switching to a different supplier.

TIPS

- **Communicate sustainable purchasing criteria or overall expectations in a letter to key suppliers.** Describe your sustainable purchasing initiative and explain your preference for products and services with less impact on the environment and society. When possible state exactly what you expect—a certain percent recycled content in packaging or compliance with a code of conduct for sustainable purchasing (IKEA example Page 40).
- **Ask suppliers** if they offer pesticide-free landscaping services, will take back packaging, or other options to help your company meet its sustainable purchasing goals. Refer to Section 2.4 and sample questions listed in Section 2.5 for help identifying the issues your company may want to address through purchasing more sustainably.
- **Incorporate sustainable purchasing criteria into your contracts and requests-for-bids.** This positions sustainability criteria alongside criteria for price, schedule, quality and performance.
- With longer-term suppliers, **include sustainability issues in your typical visits or meetings.** Talk about environmental or social issues of concern, along with planning or adjusting the cost and quality of the product or service you are getting⁷. Longer-term suppliers present an opportunity to improve sustainability along with conventional performance improvements.
- **Be clear about how you will use any information (verbal or written) your suppliers give to you.** Explain how you intend to work with suppliers who cannot answer all questions, so they are not concerned that you will stop purchasing from them.

TIP:

Put sustainability performance into RFP's, for instance "Copier paper: 80 gsm (grams per square meter) suitable for printing on fax, laser printers and photocopiers, with minimum 75% content of recycled post-consumer waste."

⁷ GEMI, 2001 New paths to strategic sourcing.

WHAT WOULD I ASK MY SUPPLIER?

Ask longer-term suppliers if they have identified sustainability issues associated with their business? Set targets to improve and measure progress? Suggest working together through collaborative workshops or seminars to come up with solutions together.

FACT:

Hewlett Packard started with 50 companies representing 70% of the total amount it spends on product materials. In the following year, it extended its sustainable purchasing efforts to an additional 100 suppliers in high priority categories (including companies with chemical or labor-intensive operations, or operations in developing countries).

Source:

www.hp.com/hpinfo/globalcitizenship/environment/supplychain/compliance.html

- **Select one or two suppliers to begin working with.** Begin with a supplier already working to improve environmental and social performance, your largest supplier, or the supplier with whom you have a close business relationship. Suppliers of a product or service that you know contributes to your main environmental impacts would also be a good start (e.g. chemical- or energy-intensive suppliers) (See VanCity example on Page 41).
- **Do not assume you have to find new suppliers.** Once a supplier understands your expectations and a timeline for supplying your company with more sustainable offerings, you may find you can work with current suppliers instead of looking elsewhere for an alternative product.
- **Reserve the right to audit or investigate complaints.** If a supplier's performance is not in conformance with your expectations or Code of Conduct, require the supplier to implement a corrective action plan. In some cases, audits or investigations may be required. If a supplier does not demonstrate improvement in a reasonable amount of time, be prepared to discontinue the business relationship.

EXAMPLES: WORKING WITH SUPPLIERS TO PROMOTE MORE SUSTAINABLE PURCHASING PRACTICES

A LETTER TO VENDORS ABOUT SUSTAINABILITY

Cottonwood Cove Resort and Marina on Lake Mohave
Cottonwood Cove Road
Searchlight, Nevada, USA 89046
www.cottonwoodresort.com

14 December 2002

Dear Valued Vendor/Supplier/Contractor to Cottonwood Cove Resort & Marina,
re. Green Procurement and Packaging Policy

Cottonwood Cove Resort & Marina, a forever resort, is committed to purchasing environmentally preferred "Green" products and services. Preference is given to both products and services that have a reduced impact on human health and the environment when compared to competing products or services that serve the same purpose. We seek to purchase products with minimized and recyclable packaging and packaging made from at least 50 percent post-consumer materials. Packaging made of non-recyclable or non-reusable materials is strongly discouraged. We also seek to develop relationships with vendors/contractors who promote environmental stewardship and where unused product and product packaging may be returned to vendor/contractor for reuse.

Cottonwood Cove Resort & Marina encourages all vendors/contractors to seek out and secure environmentally preferred products/practices and will give preference to those vendors/contractors who are successful in that endeavor. Documentation that the products, vendors and contractors are environmentally preferable is required, for example:

- "Green Seal" labeling,
- Product labeling indicating the extent of post consumer recycled components,
- Product recycling labeling,
- Product material safety data sheets (MSDS sheets),
- Letters from manufacturers stating why their product(s) are environmentally preferable,
- Letters from vendors and contractors explaining their environmental efforts and stewardship,
- Articles or letters from nonprofit environmental organizations that support/promote products, vendors or contractors,
- Written environmental management plans from vendors or contractors.

Exceptions to this purchasing preference will be made under the following conditions

- The environmentally preferred product/service is not available at a competitive price,
- The environmentally preferred product/service is not available within a reasonable time frame,
- The environmentally preferred product does not meet appropriate performance standards, e.g. guest service.
The product/service must uphold Cottonwood Cove Resort and Marina's high standard of guest service.

Thank you for your attention to this policy. Your assistance will help Cottonwood Cove Resort & Marina meet or exceed our greening and sustainability goals.

Sincerely,

[signed by Cottonwood Cove Resort & Marina's general manager]

Source: "Green" Hotels Association newsletter, www.greenhotels.com/memshr.htm

IKEA FURNITURE COMPANY'S CODE OF CONDUCT FOR SUPPLIERS

Producing for IKEA Includes the Following Requirements:

Legal Requirements

- Suppliers must comply with national laws and regulations and with international conventions concerning Social & Working Conditions, Child Labour and the protection of the Environment.

Social & Working Conditions

IKEA expects its suppliers to respect fundamental human rights, to treat their workforce fairly and with respect.

Suppliers must:

- provide a healthy and safe working environment
- pay at least the minimum legal wage and compensate for overtime
- if housing facilities are provided, ensure reasonable privacy, quietness and personal hygiene

Suppliers must not:

- make use of child labour
- make use of forced or bonded labour
- discriminate
- use illegal overtime
- prevent workers from associating freely with any workers' association or group of their choosing or collective bargaining
- accept any form of mental or physical disciplinary action, including harassment

Environment and Forestry

At IKEA, we shall always strive to minimise any possible damaging effects to the environment, which may result as a consequence of our activities. Therefore, IKEA and its suppliers shall continuously reduce the environmental impacts of operations.

Suppliers must:

- work to reduce waste and emissions to air, ground and water
- handle chemicals in an environmentally safe way
- handle, store and dispose of hazardous waste in an environmentally safe manner
- contribute to the recycling and reuse of materials and products
- use wood from known areas and, if possible, from sources that are well managed and preferably independently certified as such

Suppliers must not:

- use or exceed the use of substances forbidden or restricted in the IKEA list of "Chemical Compounds and Substances"
- use wood originating from national parks, nature reserves, intact natural forests or any areas with officially declared high conservation values, unless certified.

Source: The IKEA Way on Purchasing Home Furnishing Products.

www.ikea-group.ikea.com/corporate/responsible/conduct.html



VANCITY SCREENS SUSTAINABILITY PERFORMANCE OF STRATEGIC SUPPLIERS

During 2003, *VanCity's* Procurement Policy was updated to incorporate the company's Baseline Ethical Policy (BEP). The BEP states that VanCity is proud to work with organizations and businesses that demonstrate a commitment to healthy lifestyles, environmental leadership, respect and fair treatment, ethical business practices, and peaceful communities. Given this commitment, VanCity had to take some initiative to ensure that its suppliers met the standards outlined in the BEP.

VanCity has approximately 1,300 suppliers delivering goods and services with an annual value of more than \$65 million therefore it was unrealistic for the company to evaluate all of its suppliers performance relative to the expectations outlined in the BEP in the short-term. After some investigation, VanCity determined that its purchases are concentrated, with over 80% of annual spending allocated to only 7% of its suppliers. With this information, VanCity decided to start working with its larger, more relevant suppliers and committed to screening all 41 strategic suppliers.

The credit union hired an independent third party to assess supplier performance in areas outlined by the BEP. The research indicated that six suppliers required follow-up. Based on this assessment, VanCity developed action plans for these suppliers. One action plan requests more information from two suppliers to complete the assessment of their performance. The other action plan is to communicate the specific areas of concern to four suppliers deemed to be in potential conflict with the policy, evaluate the companies' responses, and decide if a review of the current arrangements is necessary. VanCity's ultimate goal is for 100% of its strategic suppliers to meet the standards in the BEP and will assess performance of the remaining suppliers as their contracts come up for renewal.

Source: VanCity's 2002-2003 Accountability Report.

TIP:

The Environmental Youth Alliance's *Green Workplace Program* seeks to help small and medium sized businesses improve their water, waste, transportation, and energy performance through the following activities:

- A confidential audit of business operations;
- Customized research on cost saving solutions;
- Provision of resources, contacts and service providers; and
- A written action report and client follow-up.

Contact the Environmental Youth Alliance to find out how the Green Workplace Program can help you determine your baseline.
www.eya.ca

NOVEX DETERMINES BASELINE FOR PAPER CONSUMPTION

In collaboration with the Environmental Youth Alliance, Novex Couriers determined that it consumed the equivalent of 61 trees each year through paper consumption. Establishing a baseline helped the company to set targets for reducing the number of trees it consumed each year through efforts such as buying at least 30% post-consumer recycled content paper, purchasing a multi-function copy machine capable of printing double sided, billing once a month instead of twice a month, etc.

3.4 SET TARGETS AND MEASURE PROGRESS

Developing targets and measuring progress will help you formalize your sustainable purchasing program, measure financial and non-financial benefits, and make it more meaningful for everyone involved (including employees, management, and suppliers).

TIPS

- **Start with low hanging fruit.** Get some early successes with products that have clear environmental or social attributes (such as recycled-content paper, cleaning products with an eco-label, or appliances and electronics carrying the energy star label).
- **Determine your baseline.** For those purchases with significant impacts, begin collecting data to determine your baseline.
- **Set targets for improvement.** Your targets can be product or service specific (e.g. purchase at least 30% post consumer recycled content paper), or they can be more general targets (e.g. 10% of our company-wide purchases must meet sustainability criteria).
- **Collect data and publicize.** Publishing information that demonstrates reduced costs, improved efficiency, increased market response, or enhanced environmental performance promotes accountability and information sharing will help to formalize your program, get others engaged.
- **Communicate small successes internally and to suppliers.** Use email, newsletters and periodic meetings to communicate the progress you are making with your sustainable purchasing program. Sharing small wins will help you get buy-in across the company on the value of your program, and encourage employees and suppliers to look for other improvement opportunities.

A few examples of sustainable procurement targets can be found in Tables A & B. Once you have gained some early success with low hanging fruit, your company can pick a few priority products to start with, perhaps those you suspect to be significant impacts (Table A), or you can set some company-wide targets (Table B).

TABLE A: PRODUCT OR SERVICE SPECIFIC TARGETS

- Purchase at least 30% post consumer recycled-content paper.
- Purchase FSC-certified wood products wherever possible and avoid purchasing wood produced from ancient forests.
- Purchase enough green power certificates to power one of your company's office buildings or a certain percentage of your company's overall energy costs.
- Increase the amount of energy efficient lighting your company uses by a certain percentage, within a certain period of time.
- All new office equipment (PC, monitors) has to meet current 'Energy Star' requirements.
- VOC content of all paints and stains not to exceed the levels specified in the Environmental Choice criteria (200 grams/litre).

TABLE B: GENERAL COMPANY-WIDE TARGETS

- Purchases meeting sustainability criteria as a proportion of total company purchases.
- Proportion of employees who are aware of sustainable procurement policies/practices.
- Proportion of annual purchases from local suppliers.
- Reduced costs, improved efficiency, increased market response, better design, innovative solutions, enhanced environmental performance, improved accountability and information sharing.
- Include sustainability criteria clauses into all contracts for goods, works and services by June 2005 (or other date).
- Incorporate sustainability considerations into all new buildings and major refurbishment projects where design commences on or after June 2005 (or other date).

FACT:

Envision Financial Credit Union in B.C. purchased enough Green Power Certificates to entirely power its new Langley branch, and plans to add to its portfolio each year until it has purchased enough certificates to power all 17 of its branches.

www.bchydro.com/business/success/success1033.html

FACT:

Novex Couriers committed to increasing the amount of energy efficient lighting it uses by 75% by Nov 1st, 2005.

Energy Efficient Lighting Conversion Project.

www.novex.ca

3.5 DEVELOP POLICY STATEMENT

Developing a policy statement will help you establish management support for your sustainable purchasing program, communicate your intentions with employees and suppliers, and set goals and priorities.

Use one or more of the following tips to ensure sustainable purchasing becomes a formal part of the way you do business.

TIPS

- Your sustainable purchasing policy **should outline key social and environmental objectives and be supported by practical steps to achieve those objectives.**
See side bar examples of corporate purchasing policies.
- **Publish your policy** on your website or in your company brochure. This demonstrates your commitment to action.
- **Link your sustainable purchasing policy to your company's overall business strategy.** This will help to ensure the program is part of a wider strategy, and will demonstrate to employees that it is an important element of the company's overall business success. In larger companies, this will also help you to gain support from senior management.
- **Communicate your policy to all employees and suppliers.** Demonstrate your commitment to sustainable purchasing and ask employees and suppliers for help in reaching your goals.
- **Review your policy regularly** to ensure changing priorities are reflected.

NOVEX COURIERS - PURCHASING POLICY

It is our purchasing policy to give preference to suppliers who:

- are more responsible in the way that their product or service is made, used, transported, stored, packaged and disposed of.
- offer environmentally responsible products or services that are of reasonable, equal or better quality than that of current suppliers.
- offer environmentally responsible products at a price that is reasonable, equal or better than that of current suppliers.

MOUNTAIN EQUIPMENT CO-OP - SOURCING POLICY

Purpose

Our Sourcing Policy ensures that our product sourcing activities support MEC's Values, Core Purpose, Mission, Vision and commitment to sustainability.

Guiding Principles

MEC will follow sourcing practices that ensure our products are manufactured in safe and healthy workplaces where human and civil rights are respected.

1. We will ensure our Supplier Code of Conduct (SCC) is reviewed annually and conforms to the International Labour Organization's core labour standards.
2. We will ensure all our suppliers know that we expect them to comply with our SCC.
3. We will use a combination of internal and external monitoring to audit manufacturers of MEC-labelled products to ensure compliance with our SCC.
4. We will work with suppliers who do not comply with our SCC and help them to improve their work practices. If corrective action is not achieved, we reserve the right to cease business with the supplier in question.
5. All MEC suppliers must meet our specific requirements for product quality and overall service to maintain their MEC supplier status. Within those parameters, MEC gives priority to Canadian based and operated suppliers. In addition, we support suppliers whose values and ethics are consistent with MEC's; who are socially responsible; or who are cooperatives. This priority status does not apply to Agents, Wholesalers, Importers or other types of resellers.

WARNER BROTHERS - PURCHASING POLICY (EXCERPT)

Warner Brothers recognizes that purchasing practices can have a profound effect on the environment. They developed a purchasing policy and distributed it to all departments in the company. They ask all employees to adhere to the following when making purchases:

1. Purchase “environmentally friendly” products which include one or more of the following attributes:
 - High recycled post-consumer content
 - Recyclability
 - Durability/re-usability
 - Reduced packaging
 - Decreased use of toxic chemicals in manufacturing (e.g. chlorine, CFCs)
2. Include the following criteria in the selection of vendors:
 - Commitment to supply and increase availability of environmentally sound products
 - Willingness to urge their suppliers to improve their products and go beyond minimum standards
 - Flexibility in reducing packaging
 - Environmentally sound practices in manufacturing
3. If you find that the cost of an environmentally preferred product exceeds that of a standard product, call for assistance, before placing your order.
4. Foster internal communication and education about environmental purchasing practices which will include, but not be limited to:
 - Purchasing choices, volume and pricing updates to executive management
 - Education and information to studio employees and purchasing staff on company purchasing practices (e.g. instruction, product labels)
 - The inclusion of environmental criteria in all bid processes
5. Require construction and demolition contractors to include in the bid process measures for salvaging and recycling of construction and demolition (C&D waste, proper handling of solid and hazardous waste, and tonnage reports).

US EPA Private Sector Pioneering. How companies are incorporating environmentally preferable purchasing. Published June 1999.

HP - SUPPLY CHAIN SOCIAL AND ENVIRONMENTAL RESPONSIBILITY (SER) POLICY

HP's commitment to corporate social responsibility extends to our global supply base and we expect all HP suppliers to conduct worldwide operations in a socially and environmentally responsible manner. Our goal is to work collaboratively with our suppliers to ensure compliance with the following principles.

Legal and regulatory compliance

Suppliers will ensure that their operations and the products supplied to HP comply with all national and other applicable laws and regulations.

Continual improvement

Suppliers will integrate environmental, occupational health and safety, and human rights and labor policies into their business processes, and maintain management systems to guarantee improvement.

Information access

Suppliers will provide clear, accurate and appropriate reporting to HP upon request.

To operationalize our SER Policy, we will work collaboratively with our suppliers to ensure conformance with our Supplier Code of Conduct and our General Specification for the Environment.

www.hp.com/hpinfo/globalcitizenship/environment/supplychain/compliance.html