

January 2010

2010 Product Sustainability Roundtable (PSRT) Work Plan

Prepared for:
PSRT Members

Prepared by:
Five Winds International



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Reminder!
The Spring 2010 PSRT Meeting will be hosted
by SC Johnson in Racine, Wisconsin
May 5 -- 7, 2010



INTRODUCTION

“Sustainability is one of the fastest growing business opportunities today. We are committed to using the PSRT as a means of helping the members understand what new developments mean to them, how to improve their company’s overall product performance, and ultimately how to help them succeed in the marketplace.”

Jim Fava, PSRT and Five Winds International Managing Director

For more than 10 years, the Product Sustainability Roundtable (PSRT) has provided a unique venue for companies to work together to enhance the sustainability of their products and their businesses. The PSRT provides a valuable opportunity for non-competing companies from across the value chain to share lessons, experiences and techniques to improve their company’s approach to product sustainability.

In 2010 we will continue to build on this tradition by addressing the six key topics of interest to you, our members: environmentally and socially preferable products, supply chain management, managing product sustainability across the life cycle, business integration of product sustainability, product sustainability in the emerging markets, and future trends. Throughout the year these topics and more will be addressed through the PSRT activities.

Participation in the PSRT has provided Kimberly-Clark with a tremendous opportunity to learn from other sustainability leaders. The open sharing of ideas in the PSRT results in the type of rare business insights that help transform knowledge into successful sustainability programs.

David V. Spitzley—Kimberly-Clark Corporation

The value members gain from participating in the PSRT includes:

- The PSRT filters the issues, evaluates what’s relevant, and delivers the business implications;
- Companies test ideas and benchmark what works with peers to avoid false starts;
- Companies learn about key trends and spot emerging issues, allowing them to be proactive in the marketplace;
- Participation from across the value chain helps companies understand and respond better to customer and supplier needs ; and
- Insight into key developments in the product sustainability sphere through Five Winds International’s participation and work with leading initiatives and companies (see Box 1 About Five Winds International below).

**Box 1. About Five Winds International**

Five Winds International is one of the world's most experienced sustainability management consulting firms. Since our beginning in 1998 we have completed over a thousand projects with many of the world's leading firms. Beyond this practical implementation experience, Five Winds is actively shaping the future through our involvement in a number of sustainability initiatives. This allows us to provide valuable insight into the key issues of today and tomorrow; as well as, interpret their implications for your business. Some of the initiatives we are engaged in and can provide insight into include:

WRI/WBCSD GHG Protocol for Product and Scope 3 Standard Development (Steering Committee Member, Technical Work Groups Members) • **UNEP/SETAC Life Cycle Initiative (Chair)** • USGBC Materials and Resources Technical Advisory Group (Chair) • **ISO 14067 Carbon Footprint for Product Standard Development Working Group (Technical Expert)** • Water Footprint Network (Sponsoring Partner) • **Sustainable Enterprise Academy (Lecturer)** • German Green Building Council (Member) • **Keystone Green Products Roundtable (Member)** • Canadian Advisory Committee to TC207 Climate Change Subcommittee (Member) • **CSA Standards (Standards Policy Board Member)** • Greater Philadelphia Green Business Program (Member) • **CEN Building Environmental Product Declaration Standards (Member)** • ASTM E60 (Sustainability Standards Group) (Member)

Included in the \$14,000USD annual membership is:

- Biannual two and a half day meetings;
- Multiple issue webinars throughout the year on various timely topics;
- Three opinion papers including one-on-one strategic briefings on key issues and their business implications;
- One \$4,000USD pilot project to support product innovation, tool development or company specific research; as well as,
- Access to the:
 - PSRT Radar – an invaluable monitor of critical emerging issues;
 - PSRT website full of valuable information from previous meetings, research and tools; and
 - PSRT Twitter and Blog - a continually updated source of only the most important developments in the product sustainability sphere.



THE 2010 WORK PLAN

2010 is shaping up to be an exciting year for the PSRT. With issues gaining speed and unprecedented attention to product sustainability, we are excited to present the core topics for 2010. These topics are based on feedback from the member companies and our understanding of emerging priority issues. Listed below are the six major themes for the year and a sample of the key issues/activities to be addressed under each one.



How are companies and consumers defining and evaluating 'preferable'?

'Greener' Product Trends • **Good Guide** • Big Box Retailers • **Packard Foundation** • Sustainability Consortium • **EPD's** • Product Category Rules • **Tools and Approaches** • Regulations • **Labels and Eco-babble** • Certifications • **Standards** • Social vs. Environmental Considerations • **The Keystone Green Products Roundtable**

How can product sustainability improve the performance and reduce the risks in my supply chain?

Leading Practices • Commodity vs. Branded Inputs • **Business Integration** • Transparency vs. Trade Secrets • **Logistics** • Tracking Data • **Materials of Concern** • High Risk Countries



How to manage product sustainability across the life cycle?

Emerging Data and Information Demands • Carbon Footprint / Management • **Water Use and Impacts** • Engaging Suppliers • **End of Life Responsibility** • Tracking Product Sourcing and Disposal • **Reducing Risks**



How to integrate product sustainability into the core practices of my company?

Accessing Marketing Opportunities • **Engaging Employees** • Supporting Middle Managers • **Getting the Attention of Leaders** • Managing Information • **Building Internal Capacity** • Fostering Innovation



What does globalization mean for our product sustainability strategy?

Risks • Opportunities • **Asia** • China • **India** • Latin America • **Brazil** • Mexico • **Leading Practice**

Where is product sustainability going to go over the next month, year, decade and what can I do today to get ready for that reality?

Stakeholder Expectations • **Private and Public Regulations** • Retail Trends • **Technology Developments** • Smart Phones • **RFID** • Radical Transparency • **Open Innovation** • Social Networking • **Future Risks** • **Social Considerations**





2009 PSRT MEMBERS

A key value of the PSRT is the opportunity to meet and discuss shared challenges and experiences with the other members of the Roundtable in a small forum. In 2009 we were pleased to have the following companies as members:





SAMPLE 2009 SPEAKERS, TOPICS AND PILOT PROJECTS

In 2009 the PSRT welcomed speakers from a diversity of backgrounds including corporate leaders, regulators and scientists. These speakers brought their expertise on key issues and emerging topics in business sustainability and shared them in interactive sessions either at the biannual meetings or on PSRT issue webinars. (To see the full list of topics covered at last year's meetings please see the 2009 agendas in the appendix.) Additional topics were pursued through three opinion papers. Finally, members undertook pilot projects to improve either their company's product sustainability performance or understanding of a key emerging issue. Below is a sample of recent speakers, topics and pilot projects.

Sample Speakers

Craig Bennett, Co-Director, **Corporate Leaders Group on Climate Change** • Scot Case, Executive Director, **TerraChoice** • Jay Golden, Co-Director, **Sustainability Consortium** • Valerie Casey, Founder, **The Designers Accord** • Brigitte Dittrich-Kramer, Director, **The Sustainability Center, BASF** • Jennifer Gaalswyck, Corporate Manager Product Stewardship, **Armstrong** • Al Iannuzzi, World Wide EH&S Sr. Director, **Johnson & Johnson** • Robert Lichter, President, **STATS** • Paul Skehan, Director, **European Retail Roundtable** • David Spitzley, Product Sustainability Manager, **Kimberly-Clark** • Sam Thompson, Researcher and Consultant, **New Economics Foundation** • Gereon Uerz, Future Affairs, **Volkswagen**

Recent Topics

The industrial design revolution • **Your business in the future** • Are chemicals killing us? • **Biomaterials in products and processes** • Water: using less may not be best • **How can business thrive by making less stuff?** • Innovating change through design • **The SEVEN sins of greenwashing** • The Sustainability Consortium: creating a product index

2009 Opinion Papers

Are Voluntary Carbon Offsets for You? • **Rising Tide - Water a Strategic Opportunity** • Emerging Opportunities Sustainability in China, India and Brazil

Sample Pilot Projects

Qualitative Life Cycle Review and Visual Representation Tool, Johnson & Johnson • **Product Risk Evaluation Tool – Goal and Scope, Rio Tinto** • Business Unit Sustainability Metrics, BASF • **Expert Support and Review of 2015 Goals, UTC** • Generalized Cleaning Product Life Cycle Assessment Tool (iReport) – Goal and Scope, JohnsonDiversey • **Design for Sustainability Tool Development, Armstrong** • Bio Based Products Issues/Considerations – Issue Brief, Knauf



2010 TERMS AND CONDITIONS

The information presented and discussions held within the Product Sustainability Roundtable (PSRT) are for the benefit and use of members of the PSRT. PSRT members may use and distribute the information and insights within their own companies, referring the source—the PSRT.

To encourage open exchange of ideas at the meetings, participating companies shall respect the confidential nature of discussions and information shared through activities of the Roundtable.

External communications (outside of member's own company) in which materials are used and insights discussed require approval of Five Winds International and/or the members who provided the materials. The content of materials to be communicated externally to the member companies will be discussed and agreed to at the close of each meeting. Five Winds International, LP reserves the right to publish materials used in the development of knowledge-building sessions.

It is not the purpose or intention of the PSRT to discuss pricing and other business issues that would interfere with trade.

The reports and detailed findings arising from pilot studies/projects with member companies will be privileged and confidential and intended for the internal use of the member company (ies). Member companies will normally be expected to share their lessons learned and findings at a general level with other members at meetings of the Roundtable and through a one-page description of the project, which they approve for circulation among the membership. Pilot projects must be completed with the calendar year of membership and unused funds cannot be transferred to future years.

Any models or tools developed through work with the roundtable and its members will be copyright protected and proprietary to those member companies who participated in that pilot and Five Winds International, LP.

Five Winds International, L.P. reserves the right to adjust the content of this work plan, as they see fit, at any point throughout the year.

Five Winds International, LP shall not be responsible to the client for lost revenues, lost profits, cost of capital, claims of customers, or other special, indirect, consequential, or punitive damages.

The contents of this work plan are copyright protected and proprietary to Five Winds International, LP. Material and intellectual property contained herein may not be divulged to any third party without prior written consent of Five Winds International.



APPENDIX. 2009 MEETING AGENDAS

Below you will find the agendas from 2009 to provide you with a sense of the topics discussed and value the meetings provide. Beyond the meeting content, members continually comment on the valuable experience that working with colleagues across the value chain and in a variety of sectors provides. We look forward to building on this experience in 2010.

Spring Product Sustainability Roundtable 5-7 May, 2009 Armstrong, Lancaster Pennsylvania

Meeting Highlights:

- **The Emergence of New Standards on Sustainable Products** In this session we will catch up with global climate initiatives including product carbon footprint standards from **WRI/WBSD and PAS2050** (BSI/ Carbon Trust); murmurings of a US National Eco-label and insights from an ANSI/EPA workshop in April in DC; the US's ASTM **sustainable product standards**; the global **Water Footprint Network's** emerging water footprint methodology. What are the latest rules? What is the market pull?
- **Marketing** is changing almost as fast as the technology that powers our communication! See the face of marketing in 2009 and understand how we can leverage new techniques to better convey sustainability performance. In this session we present **results from our recent survey of product claims** – what green claims are we making in the US and the UK? And the Shelton Group answers the question “will consumers spend more green to get green?” from their 2009 research
- **Tools in The Toolbox** This year, several PSRT companies created tools to enhance their sustainable product design programs – including Johnson & Johnson's new product scorecard. In this session we examine tools BASF, Black&Decker and Johnson&Johnson are using and discuss implementation
- **Innovation + Intuitive Packaging** focuses on harnessing the latent creative powers of an organisation to redesign packaging to meet both environmental and humanitarian needs. In this session, learn about “intuitive packaging” from Dean Bellefluer, of D-idea, a concept developed from his experience working in Europe, Asia and the Americas.
- **Networking** begins Monday evening (for those in town early) with dinner at the Iron Hill Brewery. On Tuesday witness the latest in green manufacturing at Armstrong's EMERGE facility, before dinner at Armstrong Manor. On Wednesday go back in time with a historic walking tour of Lancaster and end with a networking dinner at The Press Room



Tuesday 5 May, 08.15 – 17.00

- 0900 Welcome to Armstrong + Tour of Armstrong Avenue
Armstrong, Steve Pfeifferberger + Deb Torborg
-
- 0930 Introductions + Expectations – share one recent success, share one new challenge
Each Participant & Five Winds International
- Hear your peers' good news success stories AND get their perspectives on your latest challenge – we will generate a take-home list of solutions in this facilitated exercise
-
- 1030 From LCA to Newly Launched Products, from Take-back + Recycling to Corporate Communications + Sustainability Marketing
Colleagues from Armstrong
- Discuss the details on a range of new and ongoing sustainable product design activities at Armstrong
-
- 1200 Lunch – Armstrong Avenue, Decompression Lounge
-
- Knowledge Session: The Changing Face of Product Marketing!**
-
- 1300 Marketing 2009 – the power of non-traditional media
Karen Barnes, Shelton Group
-
- 1330 Results of a 2009 study – will consumers pay more green for green?
Karen Barnes, Shelton Group
-
- 1445 Green product claims – from the US to the UK, what did we find on the product label?
Five Winds International, 2009 study results
-
- 1530 Roundtable Discussion
Come prepared to talk about an advertisement or claim on product sustainability that you've seen recently – from your company, or elsewhere. We'll discuss leading practices and what elements help define success in the market
-
- 1600 TOUR Armstrong's EMERGE Facility
Armstrong, Todd Bergman
-
- 1700 Wrap Up + Adjourn
Bus departs for Armstrong Manor
-
- 1800 Cocktail Reception at Armstrong Manor
Use this downtime to network, relax + catch-up on email (the Manor has wireless)
-
- 1900 Dinner at Armstrong Manor
Hosted by Armstrong
-



Wednesday 6 May, 08.00 – 17.30

0830 TOUR Lancaster's Resource Recovery Facility ***note–no open toed shoes, shorts, or heels**
Hosted by Armstrong, www.lcswma.org/resourceRecovery.asp

1100 Innovating Change through Design
Dean Bellefleur, Founder and Creative Director, D-idea

Intuitively functional packaging harnessed from the latent creative powers of an organisation deployed as a sustainable solution for a global enterprise, signals green. *Will the innovation be incremental or radical?*

1200 Lunch – meeting room

1245 Tour of Building 701
Armstrong – Jim Baker and Amy Costello

1315 Turn Talk into Action – identify one take-away action from yesterday
Five Winds International

Knowledge Session: Standards on Sustainable Products

1345 Lay of the Land – Our Map of Current Initiatives, Linkages and Outliers
Five Winds International

1400 The SEVEN Sins of Greenwashing
Scot Case, Executive Director, TerraChoice (via telephone)

1430 101 Product Eco-Labels + The Standards Behind Them
Clare Lindsay, USEPA
Overview of ideas from ANSI's April workshop, Keystone Dialogue group, the draft Feinstein Bill and others

1530 Developing an International Standard for Product Carbon Footprints
David Spitzley, Kimberly-Clark
The World Resources Institute + WBCSD – new developments and challenges; The British Standards Institute + Carbon Trust – a brief update

1630 The Water Footprint Network – From Volume to Assessing Impact: pilot projects and objectives for 2009
Nicole Unger, Unilever + Five Winds International

Roundtable Discussion

1730 Adjourn

1815 Historic Walking Tour of Lancaster
with Costumed Guides from the Lancaster Historical Society & Tourist Bureau

2000 Networking dinner at 'The Press Room'
no host www.pressroomrestaurant.com/dinner.html



Thursday 7 May, 08.00 – 12.15

0800 Refreshments

0830 Solidifying key outcomes from “Sustainable Products Standards” session
Five Winds International

0930 Signals on the Radar – Evaluating our 2007 Predictions + Predicting into 2010
Five Winds International

Knowledge Session: Tools in the Sustainable Product Design Toolbox

1000 Johnson & Johnson's new Product Scorecard
Al Iannuzzi, Sr. Director World Wide EH&S

1045 2008 PSRT Project Results – Tools to Sort Eco-label Criteria, Tools to Select Design Priorities
Pat Meyer, Product Stewardship, Engineering Plastics, BASF
Dan Fitzgerald, Engineer, Black & Decker

1200 Closing Actions

1215 Adjourn (+ lunch for all who are staying)



Fall Product Sustainability Roundtable 5-7 October, 2009 BASF designfabrik™ (Design Factory), Ludwigshafen, Germany

Meeting Highlights:

- **Get To Work and Get Productive** as BASF hosts the PSRT in its famous designfabrik™ or design factory. Converted from an old manufacturing plant, BASF hosts designers and architects here to discover and innovate. Welcome! We'll also visit **The 1 Litre House** a BASF showcase home that operates on less than one litre of oil per year
- **Tools and Metrics on Product Sustainability** Hear the results of Five Winds' autumn survey. Come prepared to describe a tool you use, which 'sustainable product design' program could you not do without – or describe a tool you need: its characteristics and how it would help you. BASF will talk about its **Eco-Efficiency** tool and we'll also hear about **Coca Cola's Plant Bottle** and other new packaging designs. **Jay Golden of the Sustainability Consortium** will lead a discussion on the plans **Wal*Mart** and other retailer's have to harness LCA and create a **product index for consumers**
- **Want More on Retail?** The Retail Forum on Sustainable Consumption – a collaboration among **European Retailers and the European Commission** – is now 7 months old. We'll hear from **Paul Skehan** on the Forum's agenda for 2010. We'll convene a panel with Jay Golden and Paul Skehan. Please come prepared to share questions you receive from retailers, and to pose your questions to Jay and Paul. Consider what you think is the most effective way to convey product sustainability information to consumers
- **Worrying About What the Future Brings for your Business?** Learn how Volkswagen and BASF conduct futures research and use that information to inform business decisions. We'll talk future materials, we'll talk sustainability
- **Did We Mention Carbon? Water?** A significant proportion of our time will be spent discussing actions, projects and outcomes on these two key topics. BASF will share a great deal – perspectives, recent initiatives and tangible contributions to the value chain. On carbon, we also welcome **Craig Bennett, Co-Director of the Corporate Leaders Group on Climate Change** to provide insights into the upcoming UN Conference on Climate Change in Copenhagen

Monday 5 October, 12:00-17:30

12:00 Welcome to BASF
BASF

12:30 Introductions + Expectations – share one prediction
Each Participant & Five Winds International

Hear your peers' predictions, and share yours: what do predict is on the horizon for carbon, water or retail?

Knowledge Session I: Tools + Metrics

13:30 PSRT Survey – What product-specific metrics are you reporting?
Five Winds International

Results from Five Winds' autumn survey of PSRT companies



14:00	PSRT Tool Box Show-and-Tell: Roundtable discussion <i>PSRT companies + Five Winds International</i>
	Come prepared to present one tool you use: a tool your 'sustainable product design' program could not do without OR tell your colleagues about one tool you need – what are its key characteristics + how would it help you?
15:00	Experience Applying BASF's Eco-efficiency Tool <i>BASF</i>
15:45	Packaging Design at Coca Cola – The Story behind the New Plant Bottle <i>Cees van Dongen, Coca Cola</i>
16:30	TOUR: BASF's One-Litre House
	Tour the features of this home, uniquely designed to operate for one full year on one-litre of oil
18:00	Reception + Networking Dinner at BASF's Restaurant
20:00	<i>return to hotel</i>

Tuesday 6 October, 09:00-17:30

09:00	Wondering What to Expect from COP15 in Copenhagen? <i>Craig Bennett, Co-Director, Corporate Leaders Group on Climate Change</i>
	In December, Copenhagen hosts the UN Climate Change Conference. What is the EU Corporate Leaders Group on Climate Change doing to influence the outcomes? What key outcomes do they anticipate?
<u>Knowledge Session I: Tools + Metrics continued from monday</u>	
10:00	Wal*Mart + Other Retailers' Sustainability Consortium: Creating a Product Index <i>Jay Golden, Arizona State University, Co-Director, Sustainability Consortium</i>
	Discuss the Consortium's vision and goals, pilot projects and perspectives on using the tool Life Cycle Assessment to support a consumer facing product index
11:00	Capture ideas + actions from Monday – Roundtable discussion <i>PSRT companies + Five Winds International</i>
12:00	<i>lunch</i>



Knowledge Session II: Climate Change

-
- 12:30** **BASF's Perspective on Carbon Footprinting**
BASF
- How carbon footprinting links to the delivery of materials and helps BASF's customers improve their environmental performance
-
- 13:00** **Carbon Projects + Outcomes at BASF**
BASF
- Hear about specific BASF programs on carbon footprinting: what projects are underway, and what results have they yielded to date
-
- 13:30** **BASF's Role in Abu Dhabi's Carbon Neutral City - The MASDAR Project**
BASF
- BASF is a strategic partner in constructing Masdar City, the world's first carbon-neutral and zero-waste city. BASF supplies construction materials and system solutions. www.basf.com/group/pressrelease/P-09-340
-
- 14:00** **Climate Change Roundtable Discussion – Sharing Solutions**
PSRT Companies + Five Winds International
-

Knowledge Session III: Your Business in the Future

-
- 14.45** **Volkswagen's Techniques for Futures Research**
Gereon Uerz, Future Affairs, Volkswagen
- What does VW's team of 15 Futures Researchers do to track the future and prepare their business accordingly? Hear perspectives on materials of the future and how VW sees sustainability as a business issue in the coming years.
-
- 15.45** **BASF's Future Business division – Insights and Perspectives**
Head of Future Business at BASF
- In this working session, BASF will lead us in developing a short-list of possible collaborations on future business ideas. To begin, the head of BASF's Future Business will share BASF's process for transforming high level ideas into tangible opportunities.
-
- 16.45** **Questions + Answer – Roundtable Discussion**
PSRT Companies + Five Winds International
-
- 17:15** **Adjourn. Depart for Cathedral Walking Tour**
-
- 17.45** **Walking Tour: UNESCO World Heritage Roman Cathdral, oldest in Europe**
BASF
- Indeed a demonstration of sustainability, the cathedral was built in 1030 to last for centuries. The PSRT will visit the cathedral in the village of Speyer
<http://whc.unesco.org/en/list/168>
-
- 18.45** **Casual, Early Dinner Near the Cathedral in the Village of Speyer**
- Dinner at Hausbrauerei Domhof. Typical German fare in a casual atmosphere
www.domhof.de/Hausbrauerei.htm
-