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Overcoming market barriers for Green Products

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The promise of the Green Economy lies on a foundation with two critical piers: products and services. This new vision forces us to redefine what the American industrial base is, to align our values with our markets. It also forces us to acknowledge the necessity of transparency, accountability and metrics to build resilient and highly-functioning systems, in everything from financial services to green buildings.

In the six months since the launch of the Green Product Association (GPA), my team and I have been laying the groundwork to lead the product side of this new economy. We have dedicated considerable time examining existing barriers - in conversations, surveys, events and research with manufacturers, thought leaders and specifiers - for specific products and the green products market as a whole. While some of what we've learned may be obvious to anyone in the industry, some of it may not - so I'd like to share our findings.

There are three key problems that the Green Product Association is addressing:

1. Standards and certifications are too numerous and confusing;
2. Greenwash makes it impossible to make informed product decisions; and
3. Specifiers aren't equipped with the tools and knowledge to specify and sell the value of green products.

Problem #1: Standards and certifications are too numerous and confusing.

The overriding problem internationally is that each country has different, often-conflicting standards for evaluating or referencing product performance criteria. This ranges from green building standards (BREEAM, LEED, Green Star, CASBEE, CEPAS, etc.).

Product standards are further complicated by the trend to rely on Life Cycle Assessment (LCA) as the appropriate tool to measure, define and differentiate products.

This approach can be misleading and dangerous because even world-renowned LCA experts will tell you that it is not an exact science and that the definition of boundaries and protocols is not universally agreed-upon. The "80/20" Rule (a.k.a. The Pareto Principle) suggests that, in order to cause rapid and comprehensive change in the industry, perfection is the enemy of the good. Waiting to perfect LCA alone will not get us there.

Furthermore, the vast number of certifications (more than 80), the differences between 1st, 2nd and 3rd-party certifications, the conflict between ISO (method-based) and ASTM (metric-based) standards, and the variations in requirements between different countries, make specifying and manufacturing green products overwhelming, costly and inefficient. This problem calls for creating a framework taking into account all the factors above. This green product framework is a core deliverable of GPA.

Problem #2: Greenwash makes it impossible to make informed product decisions.

Greenwash, the false or irrelevant claim about a product or material, simply delegitimizes the entire

industry. Manufacturers who take leadership and go through 3rd-party certifications are justified in their anger at competitors who may make false or unsubstantiated claims. Specifiers, on the other hand, are frustrated by the difficulty in understanding which products are green and what specific green attributes such products have. We can look to the food industry for a relevant model, where labeling is increasingly consistent, defined, and required.

Transparency about what is in a product, how it was manufactured, etc, is an issue for both sides of the supply chain. Specifiers want to be able to know what's in a product to make informed decisions. Manufacturers who are truly committed to green also want to be transparent, while not giving away their trade secrets. Again, many think about nutritional labeling in the food industry as a useful model for thinking about product transparency.

Problem #3: Specifiers aren't equipped with the tools and knowledge to specify and sell the value of green products.

Market confusion abounds due to a few different causes. First, many people professionals, including architects and specifiers, still don't understand the details of how to evaluate green products. Those of us who spend our lives educating others about green design may feel that we no longer need to talk about basics - unfortunately, that's not the case. GPA Members and Thought Leaders have shared that they still find fairly low levels of product literacy at workshops and trainings.

All of the manufacturers we spoke with found that the ever-increasing number of new "product listing" websites are diluting value in the market without necessarily increasing impact. Manufacturers also spend a lot of time responding to different questionnaires from architects, many of whose questions are the same but in slightly varied formats and language. In the past few years, many efforts have been made to streamline this, but have been unsuccessful not least because of the lack of consistency within design firms.

How can we realistically solve these problems?

Based on this valuable input, GPA has gotten its marching orders. Our Thought Leaders and Industry Partners are working with us over the next five months to develop the green product framework that will answer the Holy Grail question: What is a green product? There will be clear definitions and parameters for product claims to help eradicate greenwash, and referenced standards and certifications to help clarify which claims are valuable and effective. We are working with our different Global Trade Partners to align conflicting standards and working with our specifying community to promote a more standardized way of managing the flow of information and data. As we work to simplify and streamline these elements, we also continue our education and training activities so that every professional involved in product selection will have the skills and tools they need. Understanding the barriers was the first step - now we're moving on to action and invite you to help us take on join us.

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