



Eco-Profits: Doing things in a green way creates new business opportunities

by Robert Lerose

According to the 2013 Small Business Sustainability Report, 79 percent of the business owners surveyed reported that “offering green products and services gave their business a competitive advantage,” and that sales actually spiked during the recent economic downturn. Whether your business runs a broad-based sustainability operation or is integrating green practices on a smaller scale, customers seem to be supporting those efforts with their wallets. Business owners are finding new and innovative ways to be both profitable and environmentally responsible, as these three entrepreneurs are proving.

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Greening urban deliveries

From the start of his career as a sixth grade teacher, Franklin Jones was always interested in communities—how they worked, how they grew, how they could serve people better. He got some first-hand experience when he left teaching to work in the pedestrian and bicycle-planning infrastructure area of a land use and architectural planning firm. He followed that with a 13-month, 10,000-mile bicycle journey from Japan to Ireland that “exposed me to different ways of moving goods throughout a city, from donkey carts to semis to trains to bicycles,” he says. “I was looking at the city from a last mile perspective and noticing there was more demand for deliveries in the inner city.”

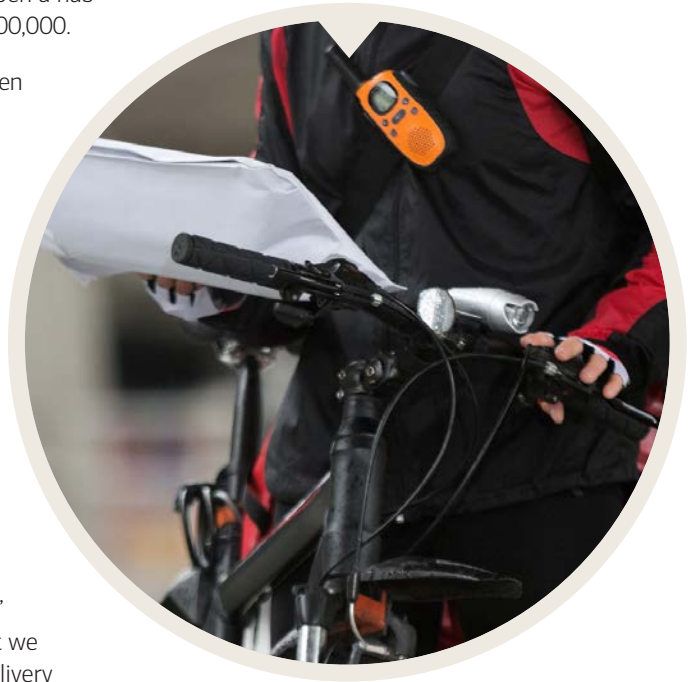
It was this combination of experiences that led to the founding, in February 2009, of B-Line Sustainable Urban Delivery, a Portland, Oregon-based B-to-B “clean energy” delivery service. B-Line employs 15 people, most of them “riders” working part-time from 10 to 25 hours a week. They operate a fleet of eight vehicles “that are pedal powered with an on-demand electric assist motor and can carry upwards of 700 pounds of payload,” Jones explains. “The motor is activated via a handlebar mounted throttle that is ‘on’ only when the rider is pedaling. This hybrid power source allows us to hire a wide range of riders while maintaining consistent route times.”

B-Line makes deliveries within about a 2 ½ mile radius in downtown and inner southeast Portland—a heavily commercial area—with plans to open a hub north of the city. Overall sales, according to Jones, are around \$500,000.

Jones says that they service about 200 accounts. Mornings are taken up with deliveries primarily to food and beverage businesses, including a coffee company, bakeries that supply restaurants, and a produce company. By eleven o’clock, they switch to delivering office products, especially for Office Depot.

Besides making money from the deliveries, Jones leverages the income generating potential of his vehicles by charging for advertising space on them. Customers whose products are being delivered, as well as “non-delivery” clients such as Google, can buy space on the sides and back. B-Line also provides warehousing services and makes additional revenue by collecting hard-to-recycle office equipment for a fee.

While it is difficult to come up with hard data to measure the environmental impact of B-Line’s non-polluting vehicles, Jones estimates that over 300,000 pounds of CO₂ have been “avoided.” He adds: “One of the interesting byproducts of our service is that we often do not use the loading zones. We’re not only providing a delivery for our client in a green vehicle, we’re also freeing up a loading zone so another larger truck can utilize that space. There is a very interesting domino effect all the way through the streetscape. Because if loading zones are freed up, then the double-parking doesn’t happen. And if the double parking doesn’t happen, then the congestion flows and traffic flows. And if the traffic flows, then overall CO₂ reduction happens, too.”



Turning waste into profits

When Traci Phillips got laid off from her high-powered IT job, she knew she had to try something different. After seeing the large amount of e-waste generated—including personal computers, monitors, keyboards, fax machines, scanners, and cell phones—and how it was sometimes disposed of improperly, Phillips founded Natural Evolution in January 2003.

Starting with a 1,200-square foot facility in Tulsa, the plant now has 14 workers and has expanded to 33,000 square feet. A 9,000-square foot facility opened in Albuquerque last December. Although she won't reveal actual numbers, Phillips says the company is profitable, recycling roughly three million pounds of waste a year. Customers include government agencies, tribes and tribal businesses, Fortune 100 companies, and small businesses in all types of industries.

"We're unyielding about our commitments to our customers, employees, and the environment," Phillips says. "Not everyone can say or follow through with that." To that end, Natural Evolution has earned certification from eStewards, which sets responsible and ethical standards for e-waste recycling and refurbishment.

Natural Evolution accepts material from across the country, either dropped off or picked up, that workers cull through and sort to determine the safest way of disposal. About 96 percent of the material is recycled: some is sent to a waste energy facility and some is sold to vendors for its copper, aluminum, and precious materials. "There's an awful lot of e-waste that is still ending up in places where it shouldn't," Phillips says. "That's why if you can find companies that are eStewards, you have a level of confidence in the type of company you're doing business with."



Non-toxic, American-made products

Coming up with a new product that fills an existing need has launched many businesses. Case in point: when a sales rep for REI, the outdoor recreation equipment chain, could not find an American-made metal water bottle, he set about manufacturing one. The result is Liberty Bottleworks, a Union Gap, Washington-based manufacturer of long lasting, sustainable bottles. Founded in 2010, the company has 43 workers, strives to run a zero waste facility, and uses only American-made equipment in its facility.

"We choose to think green before we think anything else," says Shawn Hill, Liberty's sales and marketing manager. "We actually have a liner in our bottles that is very similar to a ceramic glaze, so there's no metallic or plastic or chemical taste when you drink out of it. You just taste water or whatever is in your bottle. We also use a unique patented digital printing process and a digital gel ink that enables us to print in full color on our bottles instead of screen printing." Hill explains that screen prints can actually have BPA and BPF in them—hormone-disrupting chemicals suspected of causing neurological and physical problems.

Besides placing standard recycling bins throughout the facility, Liberty uses non-toxic soaps and chemicals, and a water filtration system lets them reuse the water up to seven times.

The biggest obstacle for Liberty has been trying to sell consumers on the merits of a metal water bottle that sells for \$10 or \$20 when a similar bottle made overseas can go for \$2 or \$3. Nevertheless, Hill says that gross sales went from around \$100,000 in 2010 to \$4.3 million in 2014.

“Taking the small extra two steps makes a huge difference,” Hill says. “It can be as simple as recycling a coffee cup or a piece of paper from the printer. But if we can all collectively do that and just make minor adjustments on our day-to-day operation, it can impact the big picture drastically.”

We choose to think green before we think anything else.”

Shawn Hill, sales and marketing manager, Liberty Bottleworks

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