Tips for building a successful sustainable business

Advice from leaders in sustainable business practice

Bridget Marsh, Director
Creating What Matters
The Sustainable Business Network CEO, award winners, and other like-minded businesses share their best tips for building a successful sustainable business.

In this report these 13 leaders talk frankly about the one or two critical things (critical success factors) they had to focus on and get right to build their business successfully in a sustainable way.

Welcome,

I created this report to help business owners who want to start the journey towards sustainability or those already on it who are looking for inspiration and guidance. My approach was simple – ask those who are already achieving success to share with me the one or two things they knew they had to focus on and get right. Thirteen inspiring leaders have contributed their wisdom.

Mostly I spoke with them on the phone and recorded their answers, several preferred to write their own responses for which I was grateful. I chose businesses across the spectrum of size and across diverse industries to provide insights that might apply in any business in New Zealand. The respondents are included in no particular order – do read right to the end, to get all of these most useful insights.

In the next 26 pages, you will read how 13 of New Zealand’s leading sustainable businesses approach the complex issues. They have shared their ideas and I have written this report in the belief that sustainability is the only answer to the issues and challenges we face. We’re in this together. I hope you will take many notes and that these strategies help you build your business in a sustainable way.

I share it as part of my stand for an environmentally sustainable, joyful, fulfilling and socially just human presence on our planet, I’d love to get your feedback and if I can help in any way please contact me.

Compiled and distributed with my compliments.

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Introduction

Please note that while all attempts have been made to report accurately, the author assumes no responsibility for errors, omissions or contrary interpretation of the subject matter. All readers are advised to seek guidance before making any business decision based on this material. Also, please do not copy any of this material without permission. Thank you.

First, I would like to say a huge “thank you” to the business leaders who willingly gave their time to answer my questions, correct the copy and most importantly share their personal passion around sustainability and their wisdom. Without their generosity, the report would not be possible. It has been an absolute pleasure to put together and I am delighted you have picked it up. There are absolute gems of advice in this report.

Best wishes and I hope it helps you on your journey to a successful sustainable business.

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As I typed up the responses, what became abundantly clear to me was that there were two common threads. Firstly, the importance of trust; trust at every level of business operation, trust deliberately created in the brand and good name of the business, trust from customers in the intentions of the business, and trust of employees to come up with great ideas. Secondly, every one of these business leaders started with the end in mind. Every one had a clear idea of the world they want to live in and what needs to happen to bring that world into existence.
Here’s what you will learn in this report:

- Sustainability must be part of your business end game
- You must have a champion – either you or someone else on the team who will hold you accountable.
- Be genuine and authentic – do it for the right reasons - your customers will not be duped.
- Your decisions must make financial (business) sense.
- Get advice and support.
- Make it part of the vision and values, and in all your systems – it must be in the DNA.
- Measure where you are now, know what the impact of your current business model is.
- Work out the trends and look into the future to understand the impact.
- To be sustainable we must reverse dependency on the world’s resources, which mean renewable energy and recyclable materials.
- Must include the whole life cycle of materials used and products made.
- Quality and longevity are fundamental.
- Communicate and educate your customers, suppliers and stakeholders.
- More than anything else being sustainable is a business decision and the business case is compelling.
- The importance of deliberately building the trust of stakeholders, suppliers, customers and employees.
Sustainable Business Network

The Sustainable Business Network (SBN) provides advice and support to help business succeed through becoming more sustainable and supports its members year-round with networking opportunities, practical tools, training and sustainability assessments. SBN defines ‘Sustainable Business’ as the integration of economic growth, social equity and environmental management, both for now and for the future.

Rachel Brown – Founder and CEO

Q. (Bridget Marsh) Rachel as CEO of The Sustainable Business Network, which must role model sustainability to all its members and non-members what was (is) the key thing you have needed to focus on, to get right in order to lead the sustainability journey?

A. (Rachel) SBN’s mission is to make New Zealand the model of a sustainable nation for the world by helping business succeed through sustainability. SBN is seen as a pioneer in sustainability and we love that. The challenge for us is that it’s a fast moving field so keeping ahead of the pace requires investment in time and money – BUT as with most organisations, we have been hit hard financially through the economic crisis and again when we lost our government funding. This meant SBN had to focus on generating new income streams while offering great value to business. So our focus over the past year has been on identifying the true value of our services and then to deliver those as efficiently as possible. We had to make sure that business saw investing in SBN membership, consisting of our sustainability tools and services, as good value for their business. We now see ourselves as ‘not only for profit’ and our desire is to make enough money so that we, SBN, can invest in the ‘step change’ activities, which will see sustainability, accelerate in business and organisations.

Q. (Bridget) So understanding what the trends foreshadow and building a picture of that future is critical to knowing what to do. What other advice would you offer to business starting on the journey?

A. (Rachel) Just reflecting on the first point. This change to a more commercial mindset has seen a shift in culture for SBN staff as we have always operated as a not for profit. Any business going through change experiences a shift in culture – adopting sustainability in business is no exception. So, my second piece of advice is probably as equally as important, and is the need to get alignment of the team on the vision and values of the organisation. Everyone in the SBN knows that their personal values are congruent with those of the SBN and the legacy they personally want to leave can be achieved through their work here. Having this alignment creates both synergy and energy and enables us to achieve much more than I would normally expect from such a small team. It also makes the SBN a great place to work because everyone is motivated, engaged and fulfilled. Interestingly our membership is now growing so we must be getting the value right.
Key Points from Rachel

- Look into the future to see what current practises foreshadow
- Identify the true value of services to your customers and look for the most efficient way to deliver that value
- Align the whole team with the vision through connection with their personal values

Ricoh New Zealand Ltd

New Zealand’s only carboNZeroCert™ certified multi-functional device supplier
Named in the 100 Most Sustainable Corporations in the World, 2004 – 2011
Sponsor of the Sustainable Business Network Awards 2001

Ricoh believe that long-term business sustainability requires looking after; profit, people and the environment. It is these principles that have seen Ricoh New Zealand continue to grow and remain profitable even through the recent economic turmoil.

Their success can be attributed to several key factors, the first being that Ricoh focuses on working with their customers to deliver solutions for effective document management, and they provide energy-efficient copiers, printers and software solutions that help to reduce toner and paper usage.

Ricoh acknowledge that their people also play a major role in helping them become a market leader, so employees are actively encouraged to share their ideas to ensure that sustainability remains an integral part of Ricoh’s business activities going forward.

Also, key to Ricoh’s positive performance is their continued commitment to reducing their impact on the environment, which extends to recycling product packaging, used toner cartridges and used machines as well as voluntarily off-setting energy use associated with their machines to help reduce their customers’ carbon footprint.

Michael Pollok – Managing Director

Q. (Bridget) Michael, thanks for being willing to be interviewed for this report. As Managing Director of the New Zealand subsidiary of one of the top 100 Sustainable Companies in the World, acknowledged as the most profitable in the copier business, with the largest market share and now the only one to be carbonZeroCert™ certified; I’d like to know from you what you think is the key thing that a business starting out on the sustainability journey would need to focus on and get right.

A. (Michael) Without a doubt the most critical thing is the person at the top has to be 100% committed. They must lead the initiative with belief and sincerity. For Ricoh it was a complete mind shift through the realisation that if we did not take this journey the future looked very bleak for the organisation. The figures on resource use and deterioration of the planet told us we had to do something.
Q. (Bridget) So it was a business decision based on the facts as Ricoh leaders saw and understood them. Tell me please, a little about how Ricoh understands sustainability.

A. (Michael) At Ricoh sustainability is understood to be about building an organisation to last and that means being less dependent on resources of the world. The by-product of that belief is that we know we don’t just need to slow down our use, we have to reverse it. At a practical level this means using renewable energy and recyclable materials.

Q. (Bridget) Thanks Michael – anything else you’d like to add?

A. (Michael) The other important factor is it must be a whole culture change, it can’t be done piecemeal. So don’t start unless you’re totally committed. And do it for you, for your business, your employees and customers first. Don’t do it as a marketing strategy. Do it because you believe in it and then you can use it. Then you can say “If you want to be part of the journey with us here’s how we can help your organisation be more efficient.”

Key points from Michael

- 100% commitment by the leader(s).
- Do it because you believe in it and engage others as you take the journey.

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Eco Store

Sustainable Business Network Awards
Winner – NZI Sustainable Business of the Year (2009)
Winner – Trailblazer Large and Corporate Business (2009)

From humble beginnings 17 years ago making soaps at home, Malcolm Rands and his team have built ecostore into a leading New Zealand manufacturer, wholesale distributor and retailer of sustainable household and personal care products. ecostore promotes the use of safer, healthier alternatives to conventional everyday products, without compromising on performance. All of ecostore’s products contain plant-based ingredients and are just as effective as the leading supermarket brands.

Malcolm Rands – Founder and CEO

Q. (Bridget) Malcolm your journey has been a little different to other businesses in that you sell eco products. Tell me please, what was the one thing that you knew you had to get right to get traction when you were starting out 18 years ago?
A. (Malcolm) Authenticity was the biggest part of it. We knew it was important to be genuine and be able to stand up to scrutiny. Back at the beginning we were unusual. We were purists because we truly believed in what we were doing and we felt we would have been knocked down if we’d looked green on one side but continued with unsustainable non-environmentally friendly practises on the other side.

For example when we started out doing mail order we didn’t buy in any packaging we re-used and recycled everything. So before you start out I recommend you do the small stuff and get that right across everything you do. The other side to being sustainable is of course that a business needs to make money, it has to be financially sustainable as well. So my advice here is don’t think you have to reinvent the wheel. Pick your battles carefully. When you need advice and support get it. Find the best people in their field to work with. Use their knowledge and expertise and then try and convert them to sustainability.

(Bridget) Thanks Malcolm, I agree with you that it’s important to get the advice and support you need.

Key points from Malcolm

- Be authentic – can’t be done as an add on, build the trust in your brand.
- Remember that decisions must make business sense, sustainable financially.
- Get advice and support when you need it.

Yealands Estate

Sustainable Business Network Award Winner – Emerging Large and Corporate Category, Central and Southern Region (2010)

Innovative thinking and a ‘can do’ philosophy has seen Peter Yealands develop New Zealand’s largest privately owned vineyard in the rolling foothills of the Awatere Valley. The NZD$45M winery features advanced green technology in every aspect of design and function. At full production, it will accommodate some 11,000 tonnes of fruit all grown on the 1,000-hectare estate.

Examples of initiatives and achievements are as follows:

- Yealands’ strategic focus on innovative sustainability is backed up by carboNZero® accreditation.
- Wine case sales in 2009 were up 140% on the previous year; a remarkable result given the worldwide recession and an over-supplied market.
- In 2009, Yealands introduced the first wine to be packaged in NZ in PET (plastic) in a traditional 750ml bottle. This packaged wine is 89% lighter in weight, took 19% less
energy to make, and produces 54% less greenhouse gas emissions. The organisation is currently working on the second generation of this product which will have added recycling features.

- Yealands recently applied for and was awarded an EECA grant towards the installation of a bio mass boiler that will remove the need for them to burn LPG. This project will reduce GHG emissions and provide significant cost-savings in the long term.

Peter Mann – Operations and Sustainability Manager

Q. (Bridget) Peter, what was the one thing that the team at Yealands knew they had to focus on and get right in order to get traction on the profitable sustainable path?

A. (Peter Mann) We were different to some others in that we started with a Greenfield site and our buildings were built to the New Zealand Green Building Code. The very first thing we did was to design an energy efficient building.

But to get the traction we wanted and to get better we had to know where we were. So the most important thing was measurement. We needed to measure our levels of waste, our use of resources such as fuel, electricity and chemicals so we could know we were making progress. We started with energy efficiency and moved to a carbonZeroCert™ programme and continue to work on being more efficient with all resources used.

My advice to someone starting out is to pick one thing, if fuel use is a big factor in your business you could start with fuel consumption and focus on reducing that.

Q. (Bridget) In the beginning was it a business reason or something else that started Peter Yealands on this journey?

A. (Peter Mann) Peter Yealand’s love of the land and wildlife is legendary. It meant he wanted to ensure his business did no harm to the things he loves. He also recognised the business rationale. His mixture of passion for the environment and the business opportunity of creating a real point of difference in a highly competitive industry were the two factors that have created this potent mix.

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**Key points from Peter**

- Start where you are, pick one thing and begin there.
- Measure the impact of current practise.
- Sustainability is great business.
Paraoa Bakehouse

New Zealand’s first BioGro\textsuperscript{CertTM} certified organic bakery

Sustainable Business Network Awards:
Winner – NZI Sustainable Business of the Year (2008)
Winner - Trailblazer Small and Medium Business (2008)

"A truly sustainable, restorative business model."

Paraoa Bakehouse, located on the Kapiti Coast, has one hundred percent commitment to sustainability.
This has been the company’s founding objective since its inception 14 years ago under the guiding hand of founder and managing director, Robert Glensor. The company now employs 18 staff and produces a range of organic, wheat and gluten free breads including the popular "Purebread" which is sold nationwide.
The overall Paraoa Bakehouse promise to their customers is:
"You'll smell the difference and taste the difference, and your body (and our planet) will appreciate the difference!"
  
Great taste - Good health

The Challenge:
Minimise and mitigate the impact of their business activities, from food source through to production and delivery of products to customers

Some of their achievements so far:
  • sources grain and other elements that have been grown using sustainable organic farming practices and baked with traditional baking methods.
  • New Zealand’s first and only BioGrocert\textsuperscript{TM} certified bakery and has an unwavering commitment to providing sustainable food choices for consumers.
  • New staff are given an induction manual that includes a section on sustainability to ensure they are appropriately trained and understand the company’s values.

Along with their commitment to tasty, nutritious food, Paraoa Bakehouse has made remarkable waste reduction efforts. Although they produce thousands of kilograms of food products weekly they reduce the amount of rubbish going to the landfill each week to less than the size of a netball (less than 1kg of waste). Additionally, the company is constantly reviewing packaging around their breads; sourcing biodegradable or recyclable materials wherever possible.
Robert Glensor – Founder and Owner

Q. **(Bridget)** Hello Robert, I’m thrilled you could be part of this report because I’m so impressed with your waste reduction efforts. I always thought the food industry was one of the most wasteful. So can you tell me what you knew you had to do at the Bakehouse to get traction on the sustainability journey?

A. **(Robert)** Minimising waste. It was a no-brainer really. Right from the beginning I saw that minimising what was wasted was both a basic fundamental of sustainability and an important factor in creating a great profitable business. At Paraa Bakehouse we take a big picture approach to minimising waste. By that I mean that our understanding includes optimising all our energy use including labour. So we looked at the whole operation not just the materials we were using. This includes how far apart the machines are and how much walking people are doing every day.

The other aspect to minimising waste is of course the financial benefit. I was committed to organics and sustainability personally but the whole team really see it as important. They’re very aware and contribute ideas and understand both the environmental need and also the financial imperative to reduce waste. We buy the best organic wheats and grains, and they are expensive, so not wasting our raw materials is easy to understand.

Q. **(Bridget)** Where do you see the imbalances in our approach to sustainability?

A. **(Robert)** I find it frustrating that there is a huge emphasis on sustainability and saving the planet but hardly any focus being organic. It seems the majority of people want to save the planet but don’t realise the harm they are doing to the land and their own bodies. It is sort of as if they’re saving the planet, but don’t realise the damage we’re doing to the health of our ecosystem. Unless that changes, they won’t be around to enjoy the results of their work! I’m passionate about helping people understand the benefits of protecting and caring for our lands, for sustainable agriculture, and supporting farmers and growers who are doing things the right way. That way we can feed our bodies with the highest quality food. It’s all part of the big picture.

We have also recently launched our Purebread Organic Education Programme, designed to support the appreciation and practical application of organics amongst our young children. With the sales of selected Purebread products we donate organic seeds to kindergartens, primary schools and Te Kohanga Reos. Response has been great and I’m pleased we can do our bit for future generations.

It’s good for everybody, good for the planet and good for business.

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**Key points from Robert**

- Start with the end in mind.
- Take a big picture approach and involve every aspect of the business.
- Involve the team, trust them to believe in your vision and be committed.
- Lead the field and educate as you go.
Andrew.Stewart


Andrew.Stewart Ltd is a planning and environmental consultancy who place emphasis on delivering positive results for their clients through innovative thinking, rather than following established industry traditions.

A cohesive group of trusted experts, they deliver high quality, innovative advice and first-rate customer service, based on effective communication and experience. A great place to work to boot, professional and personal growth is fostered as is integrity within the communities they work in. Andrew.Stewart Ltd is a role model of sustainable business for the SME business sector, with a commitment to continual improvement.

Operating in a challenging industry where tendering is often heavily weighted to price rather than the whole of life project cost and performance Andrew.Stewart Ltd encourage clients to deliver their development projects from a social, environmental and legislative perspective. This often requires greater investment early on in the project lifecycle but avoids long-term delays, frustration and cost such as environment court proceedings. Telling clients the truth early on, leaving nothing out means no surprises and meaningful community engagement and education of all stakeholders will help clients navigate the way to successful delivery of projects.

Close to home Andrew.Stewart has developed an exciting project called the Low Carbon Zone - a business cluster concept where businesses collaborate within their geographical area on sustainability issues. “People are crying out for community” says director Aaron Andrew. “In our neighbourhood we have restaurants, bars, professional services, retail and gyms. Lowzone is about sustainable business being attractive, and that collaboration creates community which generates good will eventually cultivating a more sustainable business quarter which becomes more attractive to potential tenants”. For more information, see their website: www.thelowzone.co.nz

Alice Andrew – Director

Q. (Bridget Marsh). Hello Alice, firstly congratulations on the Judges commendation at the Sustainable Business Awards last November. Because you work with businesses all the time I’m sure you will have valuable insights into what you knew you needed to focus on when starting out on the sustainability journey. What was the one thing you felt you had to get right to get traction in the beginning?

A. (Alice) The very first thing we had to do was show absolute commitment as business owners/managers, and from the leaders in the company. This ensured we got everyone to take part and understand our sustainable business vision. Some of the areas we chose to work on take up a lot of time and it was important to not lose the focus and slip back. In the firm, we have a passionate advocate. It is important to have someone who is always on the case, communicating where you are at (especially the good stories),
what is important and never letting an opportunity to remind staff of the reasons we’re doing this go by.

I think it’s important to be practical and keep your business head on as you work through the issues. For example, there are a lot of areas where we would have liked to make changes such as our leased vehicles (a legacy of previous choices) but we chose to focus where we could make an impact without significant cost. In fact, our energy efficiency policy has saved us a lot more money than we thought. We have done simple things like putting stickers on switches as a reminder to turn them off. We also worked out that we didn’t need as much ‘light’ as we had in our rooms and removed some.

It’s easier in a small or medium business to communicate such things, especially in an open plan office because everyone is interacting with each other and holding each other accountable on a daily basis. Behaviour changes like this make a big difference, people begin to get it personally and take the change home with them. The ripple effect works.

The ripple effect works with our social responsibility policy as well. We were involved with Ngati Whatua professionally and then got involved in volunteer planting days on Orakei Marae (every season since 2002). We’ve now watched that forest grow whilst growing our sense of social sustainability, our ability and skill at working with and being with others, connecting with what’s important to them. We get real value out of our volunteer activity – personal, professional and social.

We try to encourage other businesses to do something about food waste. We’re passionate about compost, and we take the food waste from work home every week (reducing our waste to landfill by about 50%) – but it’s very difficult in the city for other businesses that don’t have someone willing to take personal responsibility for it. There’s no-one doing the pickup. There’s a business opportunity there!

Q. (Bridget) Alice that’s fantastic advice with key points about passion, commitment and communication but also being practical. How would you sum up?

A. (Alice) In conclusion I’d say it’s important to be practical, to always ask should I do this or that? You can’t always be perfect and have all the answers. When you’re faced with a difficult decision about what is the more sustainable option just use the basic principles reduce where possible, look for the low hanging fruit when you’re starting out, and make sure you have absolute commitment from the leaders.”

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**Key points from Alice**

- Absolute commitment from the leaders.
- Find a champion in the team.
- Keep it practical and viable.
- Educate and inform as you go.
The Herb Farm

Sustainable Business Network Awards:
Winner – National Trailblazer Small and Medium Business Award (2009)
Winner – Trailblazer Small and Medium Business Award, Wellington Region (2009)

The herb farm is a vibrant, ever growing, profitable and sustainable company, which offers a unique visitor experience and is nationally recognised as a brand showcasing quality 100% natural skincare and healthcare products, based on the amazing healing power of natural herbs.

They manufacture natural skincare and health care products and are also a destination offering a themed garden, retail shop, café, beauty retreat, workshops and seminars and a great kids club.

Since the herb farm’s establishment, developing a sustainable business that benefits not only customers and employees, but also has a minimal impact on the environment, has been at the forefront of their endeavours.

The organisation has developed comprehensive sustainability policies around areas such as suppliers, raw materials, equipment, waste, recycling, energy and transport.

The herb farm has strong community and educational links and regularly run hands-on workshops and educational sessions for IPC, Massey University and UCOL. The organisation is also involved in local beauty pageants, such as Miss Manawatu and Miss Teen Manawatu, and leverages these opportunities to educate young women about the benefits of natural health and skincare.

Sarah Cowan and Lynn Kirkland

Q. (Bridget) Congratulations to the Herb Farm team for your Trailblazer award in 2009. When you established the business Sarah, you knew it had to be sustainable and organic, so they were a given, what was the most important thing for you to focus on to get traction and gain market share?

A. (Sarah) I knew we had to make sure it was unique in the market place. It was also important to keep the herbal focus and the philosophy strong throughout the business.

Q. (Bridget) So as you’ve grown has that focus changed at all?

A. (Sarah) As we have grown it has been important to ensure that our values and stance in terms of sustainability have never wavered. We continue to look at ways we can improve what we currently do and believe in ‘Kaizen’ (continuous and never ending improvement). We have maintained our commitment to natural and...
sustainable at all times and have strict criteria around this. It is at the core of our business and is reflected in our team values, commitment and passion in what we do.

Q. **(Bridget)** What outside advice or support did you use?

A. **(Sarah)** In terms of outside advice, most of our policies and strategies have been with us from the start. When I decided to do the ‘Get Sustainable’ challenge that was an opportunity to formalise what we already did and look at what we could improve on. I found the Sustainable Business Network very helpful and their website had lots of great links and info on it.

**(Bridget)** Thanks Sarah it’s great to hear the emphasis you put on your values and passion. To sum up your approach has been to establish a unique brand that is completely trusted for its commitment to natural and sustainable, which is obviously paying off. Good luck for the future.

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**Key points from Sarah and Lynn**

- Look for the point of difference that will create the business case.
- Do it because you believe in it – your passion will change lives.
- Embed it in every part of the business.
- Continuously improve.
- Trust built through unwavering commitment to the values and standards.

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**Kokako Organic**

**NZI National Sustainable Business Network Awards:**
Finalist – Trailblazer Small and Medium Business (2009)

Kokako Organic is a fair trade organic coffee roaster and catering service. It operates a cafe in Parnell, Auckland. The ethos behind Kokako is that great coffee and delicious food should be good for you as it is for the producers and the environment. Kokako aims to source only the best fair trade and organic ingredients for their products, both locally and internationally.

Kokako’s blends of 100% certified fair trade and organic coffee, purely indulgent hot chocolate and Grab & Go range of salads, bakes and slices are available at some of the country’s best specialty food stores including Farro Fresh, Harvest Wholefoods, Huckleberry Farms and Commonsense Organics in Wellington.

Kokako Organic supports the rehabilitation of the Kokako, an endangered bird, by sponsoring organisations who are working to regenerate the natural habitat of the Kokako and ensure it is safe for future breeding.
Mike Murphy - Owner

Q. (Bridget) Mike, Kokako is very inspiring in its passionate commitment to sustainability not just of its business but of the planet’s ecosystem. Please tell me about this passion.

A. (Mike) Every business these days seems to have some sort of ‘sustainability statement’ eschewing their green credentials. Unless they are genuine I feel that this can actually undermine sustainability and even their own business profile.

The two main things I would reinforce when you are starting on the sustainability journey are your commitment to being ‘genuine’ and your willingness to not accept the status quo. Tying these together is your ability to communicate these aspects in a good way.

Be Genuine: Consumers are savvy – they know when a company is trying to use sustainability as a selling tool and they also know that just because you list ‘recycling paper’ on your list of sustainability objectives that you are probably not that serious at all. Your priority is to first understand your business and how it is perceived by your customers and the wider community. For example, a business selling food and beverage products like Kokako is going to have a completely different sustainability plan to a services oriented firm such as a lawyer.

Once you know who you are and what you represent only then can you determine what your sustainability journey is going to look like. You can then tailor your initiatives that go well beyond the basics (recycling which is a no-brainer) to plotting genuine tasks, which are not only sustainable but make good business sense.

An example – at Kokako we have one of Auckland CBD’s biggest commercial worm farms. These not only defer organic waste from landfill, but they also help create top quality soil and worm juice and save us a lot of money in waste removal costs. You need to incorporate sustainability into your company DNA – by doing this you will help to showcase your company as being genuine.

“Once you know who you are and what you represent only then can you determine what your sustainability journey is going to look like.”

Q. (Bridget) After being genuine and not trying to jump on the band wagon or dupe your customers, what’s your second highest priority?

A. (Mike) Don’t accept the status quo: Look at your sector and determine what is wasteful or annoying about the services delivery or product packaging. How can you do it better, smarter, and incorporate the life cycle of the product or service? Don’t just copy your competitors – innovate and hunt out solutions. By asking why things are done a certain way you can actually break the mould and be seen as a trailblazer in either your product category or service sector.

For example, at Kokako we had a great new product to launch – 100% fairtrade organic drinking chocolate with no preservatives or emulsifiers. We wanted a sustainable packaging solution but none could be found ‘off the shelf’. We had to innovate as this would help to launch the product and provide our

“Don’t just copy your competitors - Innovate and hunt out solutions.”
USP. We sourced a clear bag for the drinking chocolate mix, which is both biodegradable and compostable – it is made from a sustainable wood pulp in Australia. We then popped this in a recyclable cardboard box; so our customers can enjoy their drink knowing that this is a zero waste product.

**Key points from Mike**

- Be genuine, build the trust of consumers and suppliers through sincerity.
- Know who you are and what you represent.
- Look for the opportunity to give customers what they truly want.
- Hunt out solutions – they are the gold in the business case.

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**Parkes Automotive**

**Tasman District Council Environmental Awards:**
Winner – Supreme Award (2008)

**Sustainable Business Network Awards:**
Winner – Trailblazer Small and Medium Businesses, Central and Southern Region (2009)

**MTA National Awards – Winners of the Environmental Award for Innovation (2009)**

Parkes Automotive has a skilled and experienced team that offers a full range of automotive repairs and servicing in its extensive workshop. Services include repairs and maintenance, full lube service, engine injection flushing and diesel repairs as well as full WOF checks and pre-vehicle purchase inspections. There is also a comprehensive LPG service available, including parts.

Parkes Automotive is committed to sustainable business practice as the preservation of the environment for future generations. It is something the team feel strongly about. For Parkes Automotive, sustainable practice means meeting their present needs without compromising the ability of future generations to meet theirs. To achieve this Parkes Automotive endeavour to go beyond compliance through the adoption of pro-active strategies to restore and enhance the environment in which we work, live and play.

Their long-term goal is to become carbon neutral and produce zero waste and the impressive outcome of their journey to date of writing includes an 80% reduction in waste to landfill and reduced electricity consumption by 20%.

**Anita Newport - Director**

_Q. (Bridget) Hello Anita, thanks for being willing to be part of this report. I really wanted to have someone from the automotive industry because it has a rather ‘dirty’ reputation. To start I’d love to hear why you and Andrew decided to do this._
A. (Anita) Thank you for the chance to share our journey with others and hopefully motivate other businesses to make changes that will help reduce their impact on the environment.

Andrew and I worked on deep sea fishing vessels before we took over the garage five years ago and saw firsthand the destruction that industry can have on the environment. We promised ourselves that when we were in the position to be able to make a difference that we would. We had no idea at that stage that we would buy a business in the automotive industry that is not known to be environmentally friendly, but where there is will there is a way.

Q. (Bridget) So where did you start?

A. (Anita) The first thing we did was find out where we stood. We spent a bit of time measuring the waste our business was responsible for and looking at long-term solutions for the waste, as we wanted to make sure that any system we put in place would work, and that other garages and businesses could use the initiatives in their own workplaces. It was also important that we had the support of our staff and the community so that anything we put in place would be supported in our absence.

We have incentives for the staff in the way of a slush fund with all of the savings made by recycling and re‐using going into the slush fund to be spent on staff. For our customers, we have newsletters providing environmental tips etc, and a monthly $100 workshop voucher draw for those customers who chose to receive invoices and reminders by email rather than post, or pay their accounts using internet banking, which all reduces paper and travel.

You will see a huge list of things that we do on our website. I am also in the middle of a research project on waste tyres for the Tasman District Council to help find a long-term solution for end of life tyres in New Zealand as 4 million tyres a year currently go to landfill.

We are passionate about creating a sustainable future, for our family, for our business, for our community and our environment. We hope we can help others to make changes too.

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**Key points from Anita**

- All industries can work on their sustainability.
- Be a leader in your field – teach others as you go.
Resene Paints Limited

Sustainable Business Network Awards:
Winner – NZI Sustainable Business of the Year (2010)
Winner – Trailblazer Large and Corporate Business (2010)

For over 60 years, Resene has forged a reputation of excellence and quality in manufacturing quality paints, colours and coatings.

Resene’s company vision is to be respected as an ethical and sustainable company and acknowledged as the leading provider of innovative colour and paint solutions and technology. They believe in keeping things simple by entwining technological, social, environmental and business goals to build a better business with all their actions.

Just one of Resene’s five factories can consume more than 45 tons of raw materials in one day, so Resene educates both themselves and others on the environmental impacts of raw material selection and proactively purchases materials with lower environmental impacts. Recently they won and invested a $1m research prize in reducing demand on oil and gas reserves. When the Managing Director was asked to commit a further $1 million of Resene’s resources to match further funding his reply was “how could I say no?” With more than 600 staff members, even the “little things” add up, so internal purchasing practices also reflect a commitment to sustainability.

Product stewardship is a key concern for Resene. 'Paintwise’ their product return scheme was conceived in 1999 and currently most Resene Colourshops take all brands of paint and packaging returns. To date more than 750,000 paint cans, 100,000kg of paint and 200,000kg of steel have been collected and/or recycled. More than 100,000 litres of waterborne paint have also been donated to community groups. No wet waterborne paint goes to landfill.

Sustainable Consumption initiatives led Resene to produce a waterborne paint with more than 50% renewable content. Resene continues to recycle around 18 tonnes of plastic every two months. They promote the reuse of plastics before considering recycling options, including using them for bulk pack options for larger customers. Smarter reverse logistics with pallets and cardboard from suppliers has greatly reduced waste to landfill. Around 1800kg per week of paper is recycled from Head Office. Through commitment to a four year process, the production team are on track to bring compactor waste in at around 100 tons for 2010 - a 37% reduction on 2006 volumes.

With retail customers, the biggest challenge is getting them to focus on sustainability as a holistic issue. To engage them with sustainable practices, Resene launched the Eco.Decorator programme. Designed to recognise a nationwide network of environmentally responsible, quality focused painting contractors, the Resene Eco.Decorator programme assesses principles for sustainable work, waste management,
project plans and project sign off processes. Only contractors who successfully meet these standards can promote themselves as an authentic Resene Eco.Decorator.

**Danusia Wypych – Technical Director**

Q. (Bridget) Resene Paints is not new to sustainability, the company has been on the journey longer than most, so winning both the Sustainable Business Network Trailblazer Large and Corporate Business and the Supreme awards last November must have been very sweet. Congratulations, and thank you for being willing to participate in this report; intended to provide inspiration and insights for business owners new to the journey. My question is ‘what is it that Resene Paints know they have to focus on and get right to maintain traction on their sustainability journey?’

A. (Danusia) Colin, our Senior Technical Director gave me great advice when I took over as Technical Director, which I frequently revisit. He told me he lived by the mantra that he always wanted to be able to sleep well at night. In order to do that he had to make the best decision he could based on the best information available and be prepared to revisit those decisions when new information became available.

Because sustainability is part of our vision the most important thing to get right from our perspective is the alignment to our overall business strategy. Our commitment is to quality and a business that has been here for 65 years and will be here for the next 65 years. This gives us a longer-term view and informs our decision making. If we intend being here when it’s time to pick up the pieces (and we do) we want a say in what those pieces are.

Quality is the key to our success and everything we do must be consistent with that. We believe that a sustainable paint is the one that is most durable – that is also a quality paint. The longer the paint lasts the less resource it uses over time.

We don’t see sustainability as a race, nor is it about ticking all the boxes. We look for big long-term impact that delivers a quality product consistent with our vision. We consider the impact of our products on the painters who use them, the customers, retailers, the environment, and of course our staff.

It’s amazing what our staff will do. As a management team, we tend to set lofty broad goals and let the team decide exactly what they will do to deliver on that goal. For example, we asked them to measure waste. Within a week, the shops had nailed it. Not only were they measuring they had found ways to reduce by an estimated 50%. We left the implementation all down to them and they always set targets higher than we would have and deliver on them.

Our team are very important. They understand our core values and strategy. So when we have achieved one goal we involve them in setting the next meaningful goal. We consider what will deliver real, tangible benefit. We’re not interested in tweaking or embellishing anything; authenticity is key.
Key points from Danusia

- Align the business strategy to be a sustainable business.
- Build trust through consistency over the long-term.
- Quality and longevity are integral to sustainable solutions.
- Look for the big long-term impacts your industry is creating and work on mitigating those.
- Involve your team – they are the source of many of the best ideas.

BDO Waikato

Sustainable Business Network Awards:
Winner – Emerging Large and Corporate Business, Waikato Region (2010)

BDO Waikato provides accounting services in the heart of Hamilton’s CBD. Their office has been an Independent Member Firm of BDO since 2001 and they have a strong history of providing core accounting services to Waikato clients for over 80 years.

With three partners and a team of 28, BDO Waikato has the base to grow and to serve the whole Waikato region.

According to partner Bernard Lamusse, the five key areas that a successful business should address are:

- Look after your people. Your people are the key to your organisation being successful.
- Establish long-term relationships with your customers. Without your customers you don’t have a business.
- Consider the impact of your business on your environment and minimise this as much as possible. For example, as Chartered Accountants we are high users of paper. We have made conscious decisions to minimise our usage of paper.
- Be involved in your community.
- Be profitable. To be sustainable you need to put aside reserves for a rainy day to make sure that you are still around in 100 years.

Bernard Lamusse - Partner

Q. (Bridget) Hello Bernard, thanks for being willing to share your insights with the readers of this report. I wanted to include BDO because I have sometimes heard it said that ‘service industry’ businesses can’t play a big part in the sustainable journey because they are not making things or buying very much. And also because BDO is a large global network, I’m wondering what effect that has had.
So can you tell me in terms of sustainability what did you know BDO had to get right to get traction?

A. (Bernard Lamusse) I knew we had to have a champion, someone who had the enthusiasm to carry it through. We were lucky in that our receptionist was really keen on recycling. So that was where we started.

So a champion was number one. Then we had to have buy-in to the idea from the partners in the firm.

Having decided to start on the journey, we needed a plan and some expert advice on what to do and how to do it. The SBN awards criteria gave us both a structure to follow and a plan.

“Having decided to start on the journey, we needed a plan and some expert advice on what to do and how to do it. The SBN awards criteria gave us both a structure to follow and a plan.”

Q. What have been some of the benefits for the firm?

A. The benefits have been huge, and not just financial - much more than we saw in the beginning. We’ve made savings in paper costs obviously, but also in staff time filing and retrieving files, also in space usage. The room we previously used to store paper is now a community kitchen. We see we can save a further 20-30% in future.

Our goal now is a truly ‘paperless’ office. It’s been very rewarding to discover that we are the leaders in sustainability among the BDO global network.

Key points from Bernard

- Find a champion in the team, and trust them to lead.
- The benefits are huge and not just financial.
- Get expert advice and have a plan.
- It’s possible for one office to in a global network to start the ripple effect.

Soar Printing

“In 2010 we were the first corporate printing company in New Zealand to achieve carbonNeutral certification as an organisation” – Fred Soar

Soar Printing takes a keen interest in environmental issues and has stringent policies in place to limit or eliminate the environmental impact of their operations.

A core part of Soar’s environmental policy is a review process that allows them to continuously improve their processes. By adopting current best practices, and being prepared to upgrade them whenever an opportunity arises, Soar set a standard for others in their industry to follow.
Soar’s environmental policy touches every part of their operation. When purchasing new equipment, Soar look for energy efficiency and longevity, choose environmentally friendly inks and papers sourced from sustainable forests, recycle as many waste products as possible; and have systems and procedures in place to dramatically reduce waste and resources in keeping with their sustainability program.

Soar Printing has attained Enviro-Mark®NZ Diamond status. Enviro-Mark®NZ is a government programme led by Landcare Research to help businesses put in-house procedures in place, to meet environmental standards and reduce environmental impacts. Soar has successfully been awarded with Enviro-Mark®NZ Diamond status, the highest Enviro-Mark®NZ certification level as well as ISO 14001.

Fred Soar – Managing Director

Q. (Bridget) Fred, Soar printing is clearly a leader in the sustainability field, can you tell me what the key thing you needed to focus on and knew you had to get right in order to get traction is?

A. (Fred) Yes, it’s really clear to me we had to know where we were. We had to begin measuring. Then we could see the impact on the environment and our business profitability of our practises. We measured our waste, our water consumption, fuel use, landfill use, power use and recently our carbon footprint.

With that information, we were then able to find out what the key drivers of non-sustainability are. It was really clear to us that it makes good business sense and improves profitability.

My advice to someone starting out is to measure so you know what the key drivers are in your business, then choose the most important driver of non-sustainability including financial sustainability, the one that will give the biggest return and start there. The savings here will help fund some of the changes down the track.

Q. (Bridget) I’d like to ask one more question Fred. How important has your focus on the environmental impact and sustainable business practises been to the success of Soar in recent years?

A. (Fred) Focussing on environmental impact and sustainable business practises has meant economic savings… as well as the company doing the right thing for our community.

Key points from Fred

- Learn what the drivers of un-sustainability are.
- Measure so you know the economic impact of non-sustainable practises, choose the one with the biggest financial return, and start there.
Focussing on sustainable business practises has meant economic savings and better business profitability.

Educate others as you go.

The Conference Centre

Sustainable Business Network Awards:
Judges Commendation – Trailblazer Small and Medium Business, Northern Region (2010)

In 2009 Robyn Henry took over ownership of The Conference Centre, having formerly managed it on behalf of AUT University. Centrally located in Penrose, the Centre offers a comprehensive range of meeting and entertainment facilities, with 16 fully equipped conference rooms and on-site catering. It aims to offer the most sustainable conference package available.

The Conference Centre aims to direct and drive sustainability. Every decision, purchase or process is questioned for its environmental impact, as part of developing environmental and social best practice.

The Challenge

• Bringing people together for face-to-face interaction inevitably requires travel and consumption of resources.
• The building must be managed carefully to maximise its environmental performance while maintaining the Centre’s commitment to ‘four star’ service and quality.
• Reducing waste by effective planning, re-use and recycling, and educating staff and clients to share and adopt the Centre’s philosophy.

Some achievements so far

• The Centre has dramatically increased its use of reusable, recycled and locally sourced products, and is developing good routines for on-site recycling of organic waste.
• Clients are being encouraged to use public transport options, and other means of reducing the overall impact of events.
• Staff are provided with facilities that encourage walking, cycling and public transport usage.
• Since conducting a waste audit, The Conference Centre has seen a measurable reduction in packaging, as suppliers are provided with reusable containers for the delivery of food daily, which are then washed and reused.
• Old monitors were recently sent to a kindergarten and day care centre for the children to role play with.
• Clients and suppliers have become involved in the Centre’s drive to sustainability, which has already impressed those that share or are developing the same sustainability focus as them.
• Increased awareness about waste has encouraged staff to keep a tidier and less cluttered workplace, which has produced more pride in their surroundings and helps
them to focus on their jobs more. This has seen an increase in productivity and smarter working.

- With various recycling rubbish bins located throughout the Centre, everyone is more mindful of what waste they produce. There has been a drop in packaging and reducing kitchen costs.

Robyn Henry - Owner

Q. (Bridget) Robyn, firstly congratulations on your win in 2009, and thanks for agreeing to participate in this report. Thinking back to the beginning what was the one thing you knew you needed to do and get right to get traction on your sustainability journey?

A. (Robyn) As the owner of a small business I knew it would be really easy to get into overload and overwhelm. The danger there of course is to try to do too much and then people and budgets get burnt out. So we had to pick one thing to do. We started with recycling paper and when we thought we had that under control we asked what else can we do?

Q. (Bridget) So taking it one step at a time was most important for a small business. What else did you know you had to do?

A. (Robyn) When I took over I decided to commit to sustainability as a vision for the business but I also knew I had to get the whole team onboard to do it successfully. I was not from a ‘green’ background but had seen the benefits of taking a holistic approach and working with people in a previous role I’d had. We had a person with a disability on staff and I observed the positive effect of that on the rest of the team and wanted to take that wider. When people have a personal connection between their own values and the values of the business they are much more energised and productive. We have a holistic approach and take our social responsibility very seriously. That connects with my values and the values of my staff.

Once we had the paper recycling sorted and the team involved, we then asked ourselves what was logical and sensible to do next. We always want to do more and find ourselves torn between wanting to take on another project and being able to afford the time and resources to tackle it. There is always payback but to get the payback you must approach it in a business like way. Be really practical and stay in business. First tenant of sustainability is to stay in business. Sustainability will always be in our core values and the thing I say is, “if we can’t do it tomorrow we might be able to do it next week”.

Q. (Bridget) Thanks again Robyn, I know you are passionate about this which rubs off on those around you. What’s one final piece of advice you’d like to offer?

“There is always payback but to get the payback you must approach it in a business like way. Be really practical and stay in business.”
A. (Robyn) The other important thing to emphasise to others starting out on this journey is – don’t give up. We had one instance when we had sourced a farmer to collect our food waste but then we’d got our waste down so far it was no longer worth his while to come and collect it. So we had to think of another solution. We think we’ve found it but not sure yet.

Key points from Robyn

- Don’t try to do it all at once – choose one thing to begin on.
- Involve the team.
- Be practical and stay in business.
- Don’t give up.

Final words

About the compiler of the report.

I am a business strategist working with businesses to assist them to grow more profitable, faster, and understand how to do it sustainably.

I do this by working with you to answer the nine critical questions you must consider to have the big picture before you begin working on the details of waste reduction, energy minimisation, suppliers, packaging, and distribution etc.

I appreciate that you have requested this report and I will email you the 9 critical questions in a few days time. If you are ready to create a sustainable business or take your business further on that journey, jump the queue by emailing me, we can have an echat and I will send you the nine questions.

Go well, go sustainably.

Bridget Marsh
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