

LEADERSHIP STANDARDS CAMPAIGN

What Is The Leadership Standards Campaign?

The Campaign educates the market about attributes and benefits of leadership standards. Leadership standards exist in numerous industries, including building, building products, forest products, agriculture. These standards cover most global economic activity and require real improvements over *status quo* practices and products. They are the standards that are driving the change we need in the world today toward a more sustainable economy and society. *The fundamental Campaign goal is to change underlying economics, so companies invest in real environmental / social change required to meet Leadership Standards, rather than advertising / lobbying campaigns of greenwash standards and labels that are confusing the market, blocking further environmental progress, and violating FTC's Environmental Marketing Guides.*

Who Leads the Campaign?

The Campaign is led by the Sierra Club and National Wildlife Federation, with Perkins+Will, Corporate Responsibility Association and Eaton, because they have been involved in similar campaigns in the past and can be trusted to mount a campaign that has integrity and serves the public interest.



What Are Attributes of Leadership Standards?

While not perfect, leadership standards provide real environmental leadership and improvement in their respective fields and continue to improve over time. These standards have certain crucial common characteristics:

- ✓ They are generally consensus-based and transparent, having been shaped by a balance of environmental and economic interests.
- ✓ They are not controlled by the industries whose performance they rate.
- ✓ Where they certify products, buildings, or processes, they generally have a number of mandatory environmental performance requirements addressing critical issues (prerequisites), and are comprehensive in scope
- ✓ Their goal is to drive market transformation toward sustainability.
- ✓ Examples of Leadership Standards are LEED, FSC, SMaRT, and Green Building and Sustainable Manufacturing Underwriting Standards.

Why Do We Need a Campaign?

- 1) *Growing interest in and demand for greener products, buildings, and processes is driving the proliferation of environmental standards and labels, thus confusing the market.*

Some of these standards represent real leadership across a broad range of indicators, while most others represent minimal or partial improvement over the *status quo*. The weakest standards are created and driven by the industries that they profess to regulate, and are greenwash.

The Campaign aims to reduce marketplace confusion over the proliferation of green standards and labels by “separating the wheat from the chaff.” It highlights the leadership standards in a number of industries and explains what makes these standards strong and worthy of our support.

The ultimate goal of the Leadership Standards Campaign is to support the success of leadership standards in the marketplace. If these standards, and the companies and products they rate, are successful, then more companies will adopt them. Voluntary and market-based leadership standards can drive the rapid environmental progress of entire industries. This is a crucial part of the change we need in the world today.

- 2) *The growing prevalence of greenwash standards and labels*

Concurrent with the growing success of leadership standards, there has been a proliferation of

greenwash standards and labels that pass off as "green" practices and products that in fact represent only partial or marginal improvements over the *status quo*. Like the high-bar standards, these standards and labels also have certain common characteristics:

- ✓ Most are driven by economic interests, and lack the support of most credible environmental organizations.
- ✓ A number are created, dominated and funded by trade associations and/or companies in the industries that they profess to regulate.
- ✓ In general they lack important prerequisites that protect or improve the environment, economy, and social equity.
- ✓ While this is never stated, their central purpose is to slow market transformation to sustainability by competing with the high-bar standards and confusing professional practitioners and the public alike. They skillfully employ the lingo of environmental stewardship and leadership, but at a fundamental level they exist to serve and protect rather than challenge and transform the *status quo* of the industries that they rate. Instead of investing in real change, the companies and trade groups that drive these standards invest in marketing to make it seem like it's a "Coke vs. Pepsi" competition of equivalents rather than a "Polyester vs. Silk" substitution of a cheap imitator for the real thing. They also invest in lobbying to slow the uptake of the high-bar standards, to water them down, or to gain equal footing in the marketplace.

3) *Powerful environmental groups and companies share an interest in combating harmful greenwash*

Public and private awareness of and concern for the environmental challenges we face is at an unprecedented level. Through the current economic crisis, interest in green practices and products has continued to grow at nearly every level of society. Greenwash is one of the greatest deterrents to what can and must become a real tidal wave of change.

In addition to the greenwash standards and labels, unsubstantiated or false manufacturer claims about environmental and social benefits of products create market confusion for purchasers and slow the market penetration of leadership standards. In an informal survey of leading green building magazines, about 70% of the ads and communications about environmental benefits of products were false, misleading, or inaccurate. State and Federal enforcement of truth in advertising statutes and the Federal Trade Commission Environmental Marketing Guides to prevent these unlawful communications has been almost non-existent.

Environmental groups are the logical ones to combat greenwash, not least because it's their mission to save the environment. Numerous surveys have shown that the public is more likely to trust a credible environmental organization over the news media, government, and industry. As important, every company or front organization that engages in greenwash is afraid of being targeted by an effective environmental campaign.

Companies that have taken the high road and invested in real change in their practices or

products in order to meet one of the high-bar standards obviously also have an interest in seeing greenwash exposed and greatly minimized. In many cases, these companies are in direct competition with those who have refused to internalize the costs of making real change, and the latter are therefore able to undercut the former on price or else maintain competitive pricing while achieving higher profit margins.

For example, a leading furniture manufacturer was forced to forgo spending \$4M to eliminate PVC / toxic Stockholm Treaty Chemicals in order to achieve a leadership certification, due to market pressure of its competitors to certify to the industry greenwash standard because their customers/purchasers are being taken in by the hype surrounding the greenwash standard.

4) Competing standards harm the economy and thus are not favored by government and the capital markets.

For this reason, government does not have competing statutes because it is highly inefficient and burdensome.

Designing the Campaign

Leadership Standards Campaign was designed and executed by major environmental groups with partners that meet or support leadership standards. The Campaign is educational in nature.

The Campaign has Draft Leadership Standards Criteria, Principles and identified Standards and is creating a centralized information resource educating the public and professional audiences about high-bar standards and labels and their importance in solving our environmental problems. The central work product will be a website that will identify:

- Those leadership standards that enjoy the support of the environmental community
- The attributes that distinguish these standards and why these are important
- How these standards have been evaluated
- Examples of products, buildings, or processes meeting these Standards
- Their benefits compared to greenwash standards and labels
- Why these leadership standards counter greenwash and why this is important

Funding the Leadership Standards Education Campaign

The Campaign is supported by foundations, companies and other stakeholders who have an interest in educating the public as to standards and labels that represent real environmental leadership and improvement.

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