

Lower Columbia Estuary Partnership
Science to Policy: Toxic Reduction
Panel: Toxics Reduction Activities
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Making an Orderly Transition to Safer Chemicals, Materials and Products

Reducing Our Chemical Footprint

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that was easy:



Better Management of Chemicals in Consumer Products

What are the key drivers for retailers?

- New foreign and domestic chemicals legislation
- Emerging science on health and environmental hazards
- NGO campaigns focused on retailers
- Increased customer demand for transparency and safer consumer products
- Rising role of social media allowing for instant access to information

Value of Strong Brands

- Strong brand organizations have a higher market share.
- Build a positive corporate image.
- Create differentiation.
- We choose brands because we trust them



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Brand Risk

- Anything that threatens brand equity or brand differentiators and influences consumers to choose one product or service over another.
- Anything that threatens the sustainability of current and future demand for a company's product or service.

Reputational Risk



It takes 20 years to build a reputation and five minutes to ruin it. If you think about that, you'll do things differently.

(Warren Buffett)

izquotes.com

Brand Management



- The art of creating, defining and sustaining the brand.
- Keeping the brand promise.
- Preventing damage to the brand.

Chemicals are a key element of a retailer's supply chain

- The introduction of new chemicals over the past few decades has provided significant value to product designers and retailers.
- New chemicals have helped improve the quality, efficiency and convenience in our workplaces, homes and communities.



BUT.... all chemicals are not created equal



- Hazard traits
- Human health & eco-toxicity endpoints
- Exposure routes
- Degradation & combustion by-products
- Pollution potential

*One chemical can cause cancer;
another chemical can help treat or prevent cancer*

Impacts of Toxins in Our Lives



- **Toxins in consumer products, packaging and process**
 - Harm to human health
 - Increase in diseases related to chemical exposures
 - Bio-monitoring studies
- **Toxins in our built environment**
 - Indoor air contaminants
 - Building materials containing harmful chemicals
 - Medical devices containing harmful chemicals
 - Health care organizations committed to eliminating toxins
- **Toxins in our outdoor environment**
 - Water and waterway contamination
 - Outdoor air contamination
 - Soil contamination
 - Landfill and waste treatment
- **Toxins impact our business and community economy**
 - Economic Impacts of harmful chemicals
 - Social & financial costs
 - Great public & private expense
 - Externality costs associated with harmful chemicals

Origins of Consumer Perception



- First-hand experience plus consumer's **social networks**.

- Consumers perceive messages the **brand** publishes as **less credible** than those from other consumers.



- Relatively small number of online consumers can provide the prevailing information to the population at large in connection with a brand.
- Too often, consumers understand social media better than the businesses trying to engage them.



Age of Information and Transparency

- Businesses aren't expected to be perfect, but they are expected to be honest.
- Consumers are seeking greater accountability.
- Social media has become a powerful tool for business, brand and consumer.
- Consumer will dig, discover and divulge any and all information across the web.
- Consumer will find out if your business is truthful or not, then blog it, tweet it, and share it on Facebook.

Wide Range of Business Approaches to Managing Chemicals

Basic Compliance Value Creation



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Wide Range of Business Responses to Consumer Concerns About Chemicals in Products

- **BASIC COMPLIANCE RESPONSE** – “Our business is in compliance with all current laws and regulations.”
- **DEFENSIVE or OBSTRUCTIVE RESPONSE** -- “Our business only makes safe products and therefore does not see the need nor the value of sharing chemicals in products information”
- **ACCOMMODATING RESPONSE** – “ Our business respects our customers and will take steps to accommodate their demands for chemicals in products information when it is requested.”
- **PROACTIVE RESPONSE** – “ When there is credible evidence that a chemical in a product may result in harm to human and/or environmental health, we will take action, strive to eliminate the chemical and replace it with a quality, affordable, safer and more sustainable alternative.”

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Managing Chemical Footprint Lessons Learned

- Knowing is better than not knowing.
- Action is better than inaction.
- Eliminating chemical hazard at design is better than managing exposure.
- Transparency and disclosure is better than vagueness or obscurity.
- Orderly proactive transition is better than abrupt reactive change.

Encouraging Material Health in Products and Supply Chain Supports Our Overall Sustainability Initiatives

GOALS

- **Avoid** materials, chemicals and products that are harmful to humans and the environment;
- **Inform** our customers of available alternatives to help them make informed decisions.

ASSESSMENTS

- **Hazard Assessment** – Eliminating hazard at product design is preferred;
- **Risk Assessment** – Determine acceptable risk and designing exposure controls when necessary;
- **Life Cycle Assessment** – Determine impact of materials, chemicals and/or product cradle to grave.

ALTERNATIVES

- **Identify** alternatives in an effort to be responsive to consumer demand for safer and more sustainable products;
- **Communicate** alternatives to suppliers in an effort to encourage them to prefer and use these alternatives;
- **Measure** progress towards safer materials.



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Suppliers Are Important In Helping Meet Our Objectives

We challenge our suppliers to:



- Consider chemicals of high concern to be ***pollutants or contaminants***;
- Consider direct and indirect chemical exposure to ***vulnerable sub-populations*** including children, women of child-bearing age and workers;
- Consider ***life cycle impacts*** of chemicals including harmful degradation and combustion by-products;
- Consider full ***life-cycle costing*** when making a product;
- Apply ***green chemistry/green engineering principles*** into their product design or product re-design whenever possible.



Why Chemical Footprint Project is Important to Staples

- Tells us where we are now and measures progress towards safer chemicals
- Identifies suppliers that are leaders
- Recognizes and rewards suppliers for doing what matters most to us and our customers
- Creates greater accountability across supply chains
- Encourages chemical information sharing
- Provides a metric to compare and measure continuous improvement of suppliers

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Safer Chemicals in Consumer Products Helps to Safeguard Our Brands



- Eliminates hazards where possible and reduces risk to brand.
- Creates shared value for consumer, community and company.
- Rewards suppliers for innovative solutions.
- Helps protect human health and wellness
- Helps protect natural and built environment both now and in the future.

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Thank You

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