THE JOURNEY TO SUSTAINABILITY:

A Conversation With Ray Anderson August 14, 2002, Washington DC

GSA's **Sustainability 2000 Workshop** brought together recognized pioneers and innovators in sustainability. This is the transcript of a video featuring one of the keynote speakers: Ray C. Anderson of Interface Inc., whose revolutionary, company-wide sustainable strategy is changing the way business is done. With Joseph Moravec, Commissioner of the GSA Public Buildings Service, he discusses how to transform your organization and its business practices to become truly sustainable.

This video is a companion to our video **Highlights of William McDonough Speech**, which was given at the Sustainability 2000 Workshop. Another resource, developed by the Office of Real Property, is the **GSA Real Property Sustainable Development Guide**, a compendium of information for government managers on sustainable development, sustainable workplaces and implementing sustainability. It is available electronically at http://www.GSA.gov. Then search for "Sustainable Development." Hard copies of our videos and guide can be requested by calling 202.501.0856.

These offerings are just part of the Office of Governmentwide Policy's efforts to help make the U. S. Government more sustainable. Along with the GSA Public Buildings Service Office of Business Operations, Environmental Business Strategies and Safety Division (www.gsa.gov/PBS/), we are working to promote partnerships between Federal, state, local, and private entities to further sustainability goals.

# THE JOURNEY TO SUSTAINABILITY: A CONVERSATION WITH RAY ANDERSON

# **MORAVEC**

Today we're going to talk about what might be called "the journey to sustainability."

GSA is proud of our contributions in this area. Sustainability, we like to say, is fundamental and indivisible from our core mission, which is to provide a superior workplace for the federal worker, and, at the same time, superior value for the American taxpayer.

We've worked green guidelines into all of our documentation, and into our procurement process, and our leasing documents, and we show procurement preference to vendors who engage in environmentally friendly behavior in terms of the products and services that they offer to the government.

We also believe that green building and sustainable design and operation has a very positive impact on the people that work in our buildings, in terms of their morale and productivity.

We believe that green building can improve recruiting efforts, and improve retention levels in government.

We believe, therefore, that green building is the right thing to do, and it's also the right business thing to do.

But we have a lot to learn. And today we're here to learn from an expert.

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Ray, I'd like to welcome you to the Eisenhower Executive Office Building.

First, let me ask you, I think you've coined the phrase, "the fully sustainable industrial enterprise." What is it that you mean by that?

# **ANDERSON**

We're a petro-chemically abusive company I would have to say.

We came to this realization eight years ago in 1994, and ever since we've been on, as you described, a journey.

We think of this journey as climbing mount sustainability, and maybe we can talk a little bit about the various faces of mount sustainability, but that point at the top, that symbolic point, in our frame of reference, zero environmental footprint.

That's the objective--to take nothing from earth that is not naturally and rapidly renewable by the earth, and to do no harm, no harm whatsoever, to the biosphere.

There is something beyond sustainable, too, Joe, and that is this notion of being restorative, to put back more than we take, and to do good for earth, not just no harm.

And that's where the entire industrial system has to get to - to repair the damage that we've done over the last 292 years.

### **MORAVEC**

So, it's not just repairing the damage, it's actually going beyond that to get back to some sort of natural equilibrium.

## **ANDERSON**

It's not just preventing further damage, but it is actually restoring and putting back some of what we've taken, and to restore the natural systems, and their ability to supply the services of nature, without which we cannot exist--the air, the water, the pollination, the processing of our waste, the production of oxygen, without which we cannot live.

These are the services that nature provides, and every aspect of the biosphere today is in long-term decline.

We have to arrest that long-term trend.

The biggest culprit in that is business and industry. Therefore, the burden is on business and industry to lead in the reversal of those downward trends.

#### **MORAVEC**

Obviously, this is something you care passionately about.

How did you come to understand that this was a direction that you needed to take your company?

### **ANDERSON**

My company was 21 years old before I ever gave one thought to the environment.

The company was founded in 1973. We survived; we prospered beyond anybody's

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wildest dreams. We were successful by any conventional measure.

But, in 1994, I woke up to the fact that there were other measures that never ever entered my consciousness.

And it happened because our customers began to ask our salespeople, "what's your company doing for the environment?"

And our people had no answers.

We were focused on indoor air quality, and trying to do good things there, but in terms of the broader environment, we were doing nothing,

And we had no answers for those customers. And it embarrassed our people.

And a group decided to try to do something about it, and a group in our research department convened a new task force, and they brought people from our businesses around the world to come together to assess our company's worldwide environmental position.

And they set the date for that meeting -- august 31, 1994. And about the middle of July they asked me if I would come and address this group, to give them a kickoff speech to launch this new task force with an environmental vision.

Well, I didn't have an environmental vision, and I didn't want to make that speech. And I drug my feet, and I drug my feet, and I finally said, "Okay."

And then I began to sweat with what to say. I could not get beyond "obey the law-comply." "Comply" was it for me.

And while I was really sweating, a book landed on my desk. It was Paul Hawkins book, "the ecology of commerce." And I began to read it without having an idea of what was in it.

And about a third of the way into the book it hit me like a spear in the chest.

### **MORAVEC**

That's a startling metaphor.

### **ANDERSON**

An epiphanal experience. And I'll tell ya the point of the spear was the phrase coined by E.O. Wilson, the great Harvard biologist-- "the death of birth," a phrase that he coined to put a face on species extinction. The very notion of a species disappearing never, ever to be born again was a point of a spear in my chest, and it's still there.

And I resolved at that moment that number one, I was a plunderer of the earth. My business, of which I was so proud, was a plunderer of the earth, part of the system that had to change. And I resolved to do what I could in the time that I have left to change that.

A leader has to articulate a vision, and it has to be a clear vision, it may be difficult to grasp at first. Therefore, it's necessary to continue to beat the drum in a consistent, persistent way, to hold up that vision, and continue to hold it up, and not waver and not

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change from week to week, and month to month. And, to be honest, for a year our people thought this was the program of the month, and it would surely go away.

But it didn't because I kept beating that drum, "this is where we're going," and I kept articulating the vision.

Over time this plan emerged, "climbing mount sustainability." And we identified the seven faces of mount sustainability, and we began to climb on each of those faces, with the intent of meeting at the top, again, that symbolic point at the top representing zero environmental footprint.

If the whole industrial system is to climb mount sustainability it must climb the same seven faces of the mountain, and maybe there's an eighth one that we'll all discover together.

The first face of mount sustainability and the easiest one of all to climb is the face of waste. Eliminate waste.

And we created this initiative in our company to literally drive waste out of our company.

# **MORAVEC**

Not just reduce waste, but eliminate.

# **ANDERSON**

Eliminate waste. In the manufacturing operation, such as we have a number of, every manufacturing facility has its concept of standard waste, allowable off quality-- it's okay to do wrong a certain amount of the time, as built into the standards. It's an accepted practice.

We decided to eliminate all of those standard okay allowances for waste of off quality. And we said, "Perfection is where we're going."

That's the way you eliminate waste-- by striving for perfection.

The second is to analyze emissions, to be sure that whatever we do emit from our factories, from our offices, from our automobiles, from our homes, whatever we do emit is harmless, totally benign and harmless to the biosphere.

That is incredibly difficult to do in this society because so much of what comes into our factories, into our homes, into our offices, is replete with materials that never, ever should have been taken from the earth's crust. It took nature 3.8 billion years to put some of it there. In its presence, we never would have evolved into homo sapien sapiens, but now we're bringing that very stuff right into our living rooms, so to speak. It's very much suicidal.

And we must learn to think upstream, and put the filters not only into the pipe, but put the filters into our brains and go upstream and stop that stuff. Find the substitutes that enable us to operate without a really dangerous stuff that we are bringing into our factories, our homes, and our offices.

The third face of the mountain is the one of renewable energy. 
And that is incredibly

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important, and very, very expensive today. So, what we're doing, and what you can do in your offices, is focus on efficiencies to reduce that use of energy to that irreducible minimum-- substituting compact fluorescent light bulbs for incandescent light bulbs. You get something like 1/10 the environmental impact.

The fourth face of the mountain is closing the loop on material flows to capture those molecules, giving them life after life after life, keep them going in the technical loop.

There's the natural loop, too. Dust to dust, you know, the one we're all familiar with. And natural raw materials, compostable products, that's a good loop, too. But most of what we're doing, and most of what society is doing, is dealing with man-made materials. That's a technical loop.

One organism's waste is another's food. We're talking technical food here. Capture those petro molecules and bring them back. If you're driving the process with renewable energy, capturing those molecules, giving them life after life, a company like ours can eventually cut the umbilical chord.

### **MORAVEC**

I love the way you think in molecular terms. Talk about getting down to the real nitty-gritty.

### **ANDERSON**

And big system too. The whole system.

The fifth face of the mountain is the transportation face-- moving people, moving products from point a to point b. You have it. I have it. Every business, every organization has this problem. We're basically dependent on the transportation industry to solve it.

Now, we can do some things. We can video conference to save that unnecessary trip. We can build our factories near their markets to shorten the pipelines. We can drive the most efficient automobiles.

But, at the end of the day, we're sure that we will always have this carbon gap where we've generated carbon dioxide in transportation, and it won't go away, unless we can find a way to offset it, for example, with trees. So, today, we're planting trees for travel. And every time one of our people travels 4,000 miles on a commercial jet we plant a tree.

Two hundred years...

### **MORAVEC**

That's very innovative.

# **ANDERSON**

In 200 years that tree will be full grown, and we will have got even with earth for that trip we took 200 years ago. So, it's a long-term strategy.

So, we look for opportune places to get more bangs for the buck, to plant trees where

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they can do the most good. Amory Lovins, for example, says, "a tree in the city is worth 11 trees in the forest," because of the shade that it provides, and the reduction it puts on the air condition system for our building. So, plant trees in the city.

The sixth face of the mountain is the one of sensitizing everybody. And, in many ways, it's the most important. It's where we really begin--sensitizing our customers, your customers in GSA, or other government agencies that you're serving, sensitizing your suppliers, folks like me, sensitizing your own people to all these thousands of things that everybody can do to move, inch toward sustainability. The sensitizing hookup--it may be the most important face of the mountain.

And that involves the community, too, investing in the community. In our case, it means education. And we want the best people in the community lining up to work for our company,

So, there's an enlightened self-interest in investing in education. But it lifts the community at the same time. It's win-win. So, opportunities like that are to be cherished.

And finally, the seventh face of the mountain: when all the rest of this is in place and really, really working, it will make possible what a very smart Swiss businessman named Walter Stahel conceived a long time ago -- the true service economy.

And when we think about the service economy, we think about lawyers, and doctors, and waiters, and waitresses, the people that are providing service in everyday life. But what Walter Stahel visualized was an industrial system where the products delivered service.

In my case, carpets, that means color and texture, and comfort on the foot, design, acoustical value, the ambiance, and all the functionality of carpet.

That's why people have carpet. It's not for the sake of 20,000 pounds of nylon in their office. It's for what the nylon delivers.

In the true service economy, our products and other durable goods will not be sold, but the service they deliver will be sold.

And we've already actually created the evergreen service agreement that says, "You don't have to buy our product. You can buy the service that the product delivers. Satisfaction guaranteed. And when you don't like the service anymore, tell us to come and get our product."

But, at the end of its life, we will take that product back and give it life after life. No more landfill, no more incinerator, life after life in the technical loop.

And everyday you're paying just for what you want-- the service that the product delivers."

That is the service economy in its fullest manifestation. Our customers support this initiative. It gives us leverage with our suppliers. We can bring them along.

So, we held a green-the-supply-chain meeting. I made a speech. People sitting there never heard this kind of stuff before. But I said it anyway. And, you know, a substantial number of them went away shaking their heads, but a few got it.

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And we favored the people who have worked with us in this cooperative mode, and we have moved an entire industry by doing that.

There's no such thing as the sustainable company standing alone.

Every company is part of a supply chain. This concept of inter-dependence is very much a part of what you're talking about.

It extends clear back to the mind and the wellhead, and it extends clear forward to the customer's use of the product, and what the customer then does with the product at the end of its useful life.

In the beginning, we started this journey because it was the right thing to do. Very, very quickly, though, it became obvious that it was the smart thing to do also in the purest business sense.

And one of the factors that made that so true was the way our people bought into this higher purpose. I believe it was Abraham Maslow who said it a long time ago, that people work, first of all, to satisfy their needs for subsistence, and then they want to develop and advance, but, beyond that, they want to have a purpose in their lives and in their work. And this commitment of our company, which our people have embraced, has given them that higher purpose. You can't beat that for bringing people together.

Can I tell you the story of "tomorrow's child"? It was early on in this journey for us, it was march of 1996, we were not two years into this, and I was speaking at every opportunity to our people to bring them along, and not knowing whether I was getting through, frankly, until one morning in march of '96, it was a Tuesday morning, there was a sales meeting for one of our subsidiary companies in southern California

And I was there taking advantage of the opportunity to talk to our people about their environmental stewardship, our environment stewardship, moving us together up this mountain, and again, not knowing whether I was getting through, until one of the people, about a week later sent me an email.

He had composed a poem after our Tuesday morning together. And he sent it to me by email. And I'll tell you it was one of the most uplifting moments of my whole life because it told me, "by golly, one person got it."

# **MORAVEC**

Connected with one.

## **ANDERSON**

I'm sure he represented others. And the title of the poem was:

"Tomorrow's child."

Without a name; an unseen face
And knowing not your time nor place
Tomorrow's child, though yet unborn,
I saw you first last Tuesday morn.

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A wise friend introduced us two,

And through his shining point of view

I saw a day which you would see;

A day for you, but not for me.

Knowing you has changed my thinking,
For I never had an inkling
That perhaps the things I do
Might someday, somehow, threaten you.

Tomorrow's child, my daughter-son,
I'm afraid I've just begun
To think of you and of your good,
Though always having known I should.

Begin I will to weigh the cost
Of what I squander; what is lost
If ever I forget that you
Will someday come to live here too.

Joe, every time I get down, "tomorrow's child" comes and whispers in my ear and lifts me up, and the message is simply this-- every last one of us is part of the web of life.

Every one of us.

And we have a decision to make while we're here in our very brief visit to this beautiful blue planet, we can either hurt it, or we can help it.

It's that simple.

And it is every human being's choice.

! Instrumental !

(Woman) Also available is our video of William McDonough's speech, given at the sustainability 2000 workshop, and the GSA real property sustainable development guide. For a copy of the guide, visit our web site, www.GSA.gov or for hard copies of the guide and videos, call us at 202.501.0856.