

RAISE THE GREEN BAR

PRESENTED BY
MADE SAFE AND
GOOD HOUSEKEEPING

HOSTED AT
HEARST TOWER
NEW YORK, NY

2017
SUMMIT FINDINGS
& KEY TAKEAWAYS



2017 AGENDA

WHAT A POWERFUL DAY! TAKE A LOOK BACK AT THE INAUGURAL RAISE THE GREEN BAR PROGRAM AND FEATURED SPEAKERS



8:00 a.m.

- ▶ **Registration & Breakfast**
Sponsored by Sambazon, Siggis and Four Sigmatic Coffee

9:00 a.m.

- ▶ **Welcome** Steven Swartz, President & CEO, Hearst

9:15 a.m.

- ▶ **Fireside Chat** *Media, Influencers & Third-Party Seals*
 - Laurie Jennings, Director, Good Housekeeping Institute
 - Rachel Rothman, Chief Technologist, Good Housekeeping Institute
 - Amy Ziff, Founder, Made Safe

9:30 a.m.

- ▶ **Keynote** *Green Grows Up*
 - Jeffrey Hollender, Founder & CEO, Sustain Natural

10:00 a.m.

- ▶ **Featured Speaker** *The Broader Impact: How the Things We Use Everyday Impact Ecosystems*
 - Summer Streets, Environmental Chemist, Minnesota Pollution Control Agency

10:30 a.m.

- ▶ **Panel** *Corporate Action: People, Planet & Profit*
 - Moderator: Birnur Aral, PhD, Director, Health, Beauty & Environmental Sciences Lab, Good Housekeeping Institute
 - Cate Vanegas, Director of Marketing, Bona
 - Challey Comer, SVP for the Environment, Energy + Sustainability, Capalino+Company
 - Eric Korman, CEO & Founder, PHLUR
 - Lisa Dreilinger, PhD, Associate Director, Reckitt Benckiser
 - Jeremy Black, Co-Founder, Sambazon

11:00 a.m.

- ▶ **Fireside Chat** *You Are What You Wear: How Fashion Is an Extension of Your Values Today*
 - Anne Fulenwider, Editor-in-Chief, Marie Claire
 - Amanda Hearst and Hassan Pierre, Co-Founders, Maison de Mode

11:30 a.m.

- ▶ **Featured Speaker** *Beauty Faces Up to Sustainability*
 - Annabelle Stamm, Senior Consultant, Quantis International

12 p.m.

- ▶ **Locally Sourced Lunch** *Introduced by Executive Chef Jason Heiselman*

12:30 p.m.

- ▶ **Featured Speaker**
 - Pedram Shojai Leads Gong with Sneak Peek from the Documentary Prosperity

1:00 p.m.

- ▶ **Panel** *Healthy Products, Healthy People, Healthy Planet*
 - Moderator: Beth Lambert, Executive Director, Epidemic Answers
 - Steven Burke, Sustainability Manager, Consigli Construction
 - Barry Cik, Founder & Technical Director Naturepedic, Environmental Engineer
 - Barbara Guthrie, Chief Public Safety Officer, UL

1:40 p.m.

- ▶ **Panel** *Home & Style: The Age of Eco Authenticity*
 - Moderator: Kate Black, Founder, Magnifeco & EcoSessions®
 - Emily Scarlett, Sustainability & Media Relations Manager, H&M USA
 - Kendra Peavy, VP, S'well
 - Jennifer Gootman, VP Social Consciousness & Innovation, West Elm

2:00 p.m.

- ▶ **Featured Speaker** *Green Claims: Know the Rules*
 - Randall Shaheen, ESQ, Venable, LLP

2:30 p.m.

- ▶ **Featured Speaker** *Endocrine Disruption, Our Fate, the Future and What Companies Can Do*
 - Pete Myers, PhD

2:55 p.m.

- ▶ **Featured Speaker** *How Local Policy Can Drive Sustainability Forward*
 - Jessica Ottney Mahar, New York's Director of Policy, The Nature Conservancy

3:15 p.m.

- ▶ **Fireside Chat** *The Future of Conscious Capitalism*
 - Pedram Shojai, Urban Monk, New York Times Bestselling Author and Producer of the film *Prosperity*
 - Jane Francisco, Editor-in-Chief, Good Housekeeping

4:00 p.m.

- ▶ **Panel** *Disruptors on How to Move a Market*
 - Moderator: Amy Ziff, Founder, Made Safe
 - Larry Weiss, MD, Chief Medical Officer, AO Biome/Mother Dirt
 - John Matise, CEO, Eclair Naturals
 - Dr. Kourosh Maddahi, Founder, Oral Essentials
 - Hillary Peterson, Founder, True Botanicals

4:35 p.m.

- ▶ **Closing Remarks**
 - Patricia Haegele, SVP, Publishing Director, Chief Revenue Officer, Hearst Lifestyle Group

5:00 p.m.

- ▶ **Cocktails & Conversation with Dr. Mehmet Oz** *in the Good Housekeeping Institute Kitchen of the Future Powered by Miele*
Sponsored by Yaelands Family Wines, Raaka Chocolate and Grafton Village Cheese

THE BIG PICTURE



- ▶ **What opportunities exist for companies that respond to the public's desire for safer, healthier nontoxic products?**
- ▶ **What are the barriers that make meeting public demand so challenging?**
- ▶ **How can companies actively engage in developing better products and becoming better corporate citizens?**

»» These are some of the questions corporate sustainability pros, brand disruptors, scientists, academics and consumer experts addressed at the first-ever **Raise the Green Bar** summit held in New York City on November 8, 2017.

The daylong event was hosted by **Made Safe**, a nonprofit that offers a third-party ingredient-safety certi-

fication for household products, and the **Good Housekeeping Institute**, an iconic product-testing facility and consumer advocate. Featuring presentations, panels and fireside chats, it took place at the Hearst Tower, a LEED Platinum-certified office building and home to *Good Housekeeping*. Participants included marketers, brand managers, entrepreneurs and business leaders interested in maximizing their sustainability efforts and profits while better engaging consumers.

Hearst President and CEO **Steven Swartz** kicked off the event by stressing the importance of corporate action in an era of less government oversight. Swartz noted the words *Good Housekeeping's* founding publisher spoke over 130 years ago: "The mission of *Good Housekeeping* would be equal parts public duty and public enterprise." Swartz called upon businesses — mission-driven organizations, social enterprises, universities and corporations — to ask themselves: *How can we do our part to make the country better and stronger, and strive to make our world better?*

Made Safe founder **Amy Ziff** noted that companies failing to embrace sustainability, health and safety risk losing out on the skyrocketing market share that "green" consumers represent. Ziff said most consumers aren't aware of a company's sustainability programs because those stories are buried in annual reports rather than incorporated in authentic brand attributes or messaging.

Market research affirms that brands would benefit from telling their sustainability stories to shoppers. There are more than

62 million self-defined "Eco-Aware Moms" who hold \$1.75 trillion in buying power. These shoppers are very motivated to buy products that are seen as safer, healthier and better for them. While vague sustainability claims tend to be ignored, products whose authentic branding focuses on specific health and safety benefits gain far more traction — and a larger share of a consumer's purse or pocketbook.

Raise the Green Bar showcased different approaches to creating "green" products and practices in the fashion, home and personal care spaces. The summit offered specific recommendations for brands to help streamline authentic "green" product development and marketing — and the value of communicating authentic and transparent "sustainability stories" for greater ROI.

WHAT YOU'LL FIND INSIDE

This report summarizes seven historic challenges to adopting sustainable practices and highlights five key strategies and takeaways identified during **Raise the Green Bar 2017** that every brand must consider in order to profit from growing consumer demand for healthier, safer products.

KEY TAKEAWAY

Consumer demand for greener, healthier and safer products is only going to intensify. Companies, brands and retailers that are ignoring what consumers want and need are already losing market share. It is a mistake for even the best-intentioned companies to delay incorporating sustainable programs and practices. Those that want to do well and do good need to act now.



ABOUT

GOOD HOUSEKEEPING INSTITUTE

Since 1900 the **GH Institute** has served as the consumer product testing and advocacy arm of *Good Housekeeping*. Staffed by a team of engineers, chemists, researchers and product experts, the Institute evaluates thousands of products each year in its labs. Its rigorous analysis is key to the unrivaled trust that consumers have in *Good Housekeeping*.

The **Good Housekeeping Seal**, launched in 1909, is the ultimate symbol of trust, assurance and reliability. When an item earns the GH Seal, consumers know it's been rigorously assessed and the GH Institute stands behind it, even providing a refund or replacement if found defective. It's the only third-party emblem that offers a warranty.

The GH Institute introduced the **Green Good Housekeeping Seal** in 2009 to help consumers sift through the confusing clutter of "green" claims and make more environmentally responsible choices. The Green Good Housekeeping Seal builds on the primary Seal and takes a 360-degree lifecycle approach to certifying products by evaluating them for toxicity of ingredients, recyclability of their packaging materials, sustainability of their manufacturing, extent of their resource consumption (water, waste, energy) and efficiency of their transportation modes. The evaluation also takes into account a company's corporate social responsibility practices.



CHALLENGES

TO MASS ADOPTION OF GREEN PRODUCTS

1 *Formulating effective green products is not easy.*

At the summit, **Seventh Generation** cofounder Jeffrey Hollender spoke about how the world has changed, acknowledging that 30 years ago, green products just did not work well. Consumers eager to "go green" were often disappointed when they found those products did not deliver on the benefits they promised. While the availability of technologies and ingredients has drastically improved since then, there are still hurdles to overcome.

2 *Historically, there wasn't a real market for green.*

Green products were mostly a blip on consumers' radar, said Hollender. But Seventh Generation persevered, despite the fact that it lost money for the first 13 years of its existence. Even before becoming profitable, Seventh Generation donated a portion of sales to environmental groups and causes. Hollender explained that it was those very same environmental groups that paved the way for the products Seventh Generation made, and grew the market by investing in research and education around environmental and sustainability issues. He credits much of the brand's early success to those groups.

3 *Some retailers create merchandising roadblocks for greener products.*

Initially, retailers either refused to stock products marketed as "green" or exiled them to an out-of-the-way section of the store that left them marginalized in consumers' eyes.

Ironically, retailers' decisions to shun greener goods led to development of food co-ops, natural foods stores, and eventually the founding of serious competitors like Whole Foods. Though more retailers today carry healthier, safer products, the number of "green retail renegades" continues to grow, thanks to the determination of consumers to meet their needs regardless of where they shop — which is increasingly online.

4 *Lack of standards creates confusion and greenwashing, while undermining consumer confidence.*

There were no certifications or standards at the beginning of the sustainability movement in the '80s and '90s. Back then, it was the "Wild West" for products and claims. The resulting confusion in the marketplace made it easy for companies to "greenwash" product attributes by promising they provided health, safety and environmental benefits that they, in reality, did not.

5 *Meaningful green standards are scarce.*

It can take a long time to reach a consensus for accepted criteria. It took over 10 years to create the widely known USDA Organic guidelines, a labeling system that provides both valuable industry guidelines and strong consumer direction. But while various organic and GMO standards now exist for food, shoppers struggle to find labels that clarify what products outside of the food industry are green and healthy.



ABOUT

MADE SAFE

Made Safe is a nonprofit with a mission to change how products are made for a safe and sustainable future. The group uniquely assesses ingredients for a circular economy using a hazard-based chemical analysis approach. Made Safe works with brands at any point along their sustainability journey by providing information through the Ingredient Insights™ subscription or by providing specific Ingredient Diligence™ reporting on materials and inputs.

From certification to behind-the-scenes ingredient work, Made Safe offers a roadmap for manufacturing products Made With Safe Ingredients™ not known or suspected to harm human health or ecosystems. By working with Made Safe, formulators, brands and retailers can learn where potential issues may exist; Made Safe helps turn ingredients into an asset, not a liability.

The Made Safe certification program is the only comprehensive human and ecosystem health-focused seal for a wide array of household products; for the first time, shoppers know which products are safe to use on their bodies, with their families and in their homes.



6 Price and availability are still major barriers.

Many low- and middle-income consumers would choose green products, but find them too limited, too expensive or not sold where they shop. Panelist Stephen Burke of **Consigli Construction** noted that some mainstream big-box sellers are helping pave the way, even though much more work is still needed. He highlighted that even without legislation, Walmart, Target, and Home Depot are making efforts to develop policies for instituting greener supply chains and products sold.

7 Legislation is slow moving.

Rewriting legislative policy and lobbying for manufacturers to list all ingredients are two key steps for improving the green landscape, and the consumer has a critical role in each. When enough consumers make noise about problems and raise awareness, they get the masses to shift their habits. As more people buy differently, they shift-share and force companies to change to keep their share. When

enough companies change, they also demonstrate that this sort of change is possible. Legislation usually follows these trends.

“We have to create enough noise that there is a true cost of dumping stuff into the environment,” noted keynote speaker Dr. Mehmet Oz. “I am not even going to ask for laws on this. The way we do things in America is that we change opinions. Americans vote with their pocketbooks every time they buy something. When we change opinions, then consumers buy the products that are better for them. That’s why this day was so important. When people realize that they have the power to change things, then we start getting active.”

Speaker Jessica Ottney Mahar with **The Nature Conservancy** shared that they conduct extensive polling as an advocacy organization. “What comes up repeatedly is that people want to know that when they purchase products, they’re part of a solution—and people are willing to pay more to be part of that solution,” she noted.

KEY TAKEAWAY

During times of governmental inaction or inadequacy, the marketplace can solve critical problems. Organizations that set their brands up to authentically ride the green wave are most likely to succeed in today’s more demanding business environment. Trustworthy, third-party certification programs establish rules and metrics to ensure that brands actually deliver on the benefits they claim.

ATTENDEES

Participants ranged from major global companies and organizations to smaller green and disruptive brands, including Absolute Green, Acquis Inc., Allergy Standards Ltd., AO Biome/Mother Dirt, Avon Products Inc., Babo Botanicals, BMW of North America, Bona, Bratskeir & Company, Caboo Paper Products, Capalino+Company, Captain Planet Foundation, Cause Global, Citi, Citizen Relations, Clean and Healthy New York, Devacurl, Éclair Naturals, Epidemic Answers, Frontier Co-op, Generation Investment Management, Green Community Schools, Green Matters, Greenopia, Hearst, H&M, Innersense Organic Beauty, Inward Point, Ketchum, L’Oreal USA, Live Clean, Maison du Mode, Mamavation, Minnesota Pollution Control Agency, Moms Clean Air Force, Naturepedic, the Nature Conservancy, New Conscious Capital, Nutmeg Aspirin, Oral Essentials, PHLUR, PooPourri, Power Women in Green, Procter & Gamble, Quantis, Reckitt Benckiser, Sambazon, Sustain Natural, S’Well, Style House, True Botanicals, Underwriters Laboratories, Unilever, UPPAbaby, US Pharmaceutical Corporation, Victorinox Swiss Army and West Elm.



KEY INSIGHTS FROM CONSUMER SURVEYS

Made Safe's research shows:



84% of people are much more likely to shop from retailers that have taken steps to sell products free of toxic chemicals, and 14% are more likely.



Shoppers prioritize health, safety and lack of certain toxic chemicals over other factors.



93% of people are more likely to buy a product if it has an independent third-party seal of approval.



Nearly half (46%) consider themselves to be "green" shoppers.

5

STRATEGIES FOR ASPIRING GREEN BRANDS

1 Companies must focus on the triple bottom line: people, planet and profit.

"The triple bottom line and its core value of sustainability have become compelling in the business world due to accumulating anecdotal evidence of greater long-term profitability," reports the *Indiana Business Review*.

Raise the Green Bar attendees agreed that companies need to "walk the walk" and "talk the talk."

Currently, it is easy to measure profits. It must become just as easy to measure the welfare of **people** and the impact on the **planet**. A common unit of measure needs to be created. In the meantime, every company can move forward in addressing these **three Ps**.

One company that has done so is **Sambazon**. They discovered the power of acai, a tiny berry grown in the Brazilian rainforest. As a triple bottom line company from the start, the business pioneered a way to sustainably develop a market in the Amazon. They've created thousands of jobs while promoting conservation and environmental responsibility. Today, they support 10,000 small family farmers who manage nearly two million acres that grow organic and fair-trade certified products. Sambazon created a new market, and now retail at stores like COSTCO and Whole Foods.

Companies are also increasingly seeking out opportunities like **1% for the Planet** so they can automatically give back a portion of revenue to charities. This is useful for triple bottom line companies, and others that want to show their commitment to more than just profit.

2 Embrace "net positive."

A net positive approach is a new way of doing business that puts more back into the environment, society and the global economy than it takes out. Here are four **Raise the Green Bar** participant companies that are moving in the right direction:

UNILEVER

A net positive company considers the energy, water and resources used not only during its manufacture but also during its use by consumers. This multinational did extensive research on its products' lifecycle. It discovered that only 20 percent of an item's environmental impact is credited to the brand, including manufacturing, but 80 percent is attributed to consumers based on how a product is used and discarded.

H&M

The fast fashion leader found that 95 percent of clothing thrown away could have been reworn or recycled and only .7 percent of Americans have donated a piece of clothing. H&M is pursuing "net positive" by collecting these unwanted items, no matter the brand, for recycling. The goal was to collect two million pounds of unwanted textiles. But recognizing there is still a long way to go, the goal has been increased. Since 2013, H&M has recycled 55,000 tons of fabric, and with 509 retail stores, the potential for growing textile upcycling is massive.

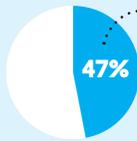
S'WELL

With the Million Bottle Project, S'well aims to prevent 100 million plastic bottles from entering landfills,





A Good Housekeeping sustainability survey of over 1,700 people affirms that consumers want to make “greener” choices.



There still is a price barrier to consumers purchasing green. 47% are not willing to pay a premium for green products.



The majority of people are willing to spend more for a product they know is safer: 17% are willing to spend 1-5% more; 42% are willing to spend 6-15% more; and 35% are willing to spend 16-25% more.



Baby products, skincare and household cleaners are the three most important categories for consumers when shopping for green items.



waterways, and “other undesirable locations.” Every **Raise the Green Bar** participant who agreed to take a pledge to reduce the use of single-use plastic bottles received a reusable S’well bottle.

BONA

While it doesn’t talk about itself as a green or eco company specifically, the hardwood floor care company believes in making products better for the environment and healthier and safer for consumers. In the 1970s, long before the European Union had any requirements around flooring finishes, Bona pioneered a water-based finish that is still used today and is in fact the number one water-based finish on the market. By creating a water-based alternative, Bona produced a safer alternative not only for its consumers, but for its workers, service providers and the environment.

3 Be transparent; disclose fully.

Increasingly, companies are using transparency as a way to “come clean” and show they have nothing to hide. This is not a passing fad, as many Fortune 500 companies have plans underway to disclose all ingredients over the next few years. Ingredient transparency is a key step in letting consumers decide for themselves about products and their safety. Ingredient disclosure promises to become an even hotter hot-button issue, especially as media outlets, bloggers and NGOs turn more attention to it.

PHLUR is building its brand on this opportunity by being completely transparent about the ingredients in its fragrances — at a time when the norm for most fragrance companies is to maintain their ingredients as trade secrets.

Author and scientist Dr. Pete Myers pointed out during **Raise the Green Bar** that companies need more lists of what NOT to include in their products so that they can inform the supply chain about what is unacceptable and what is safe.

Transparent lists, like the **MADE SAFE Hazard List™**, are hugely effective tools and helpful to both consumers and manufacturers to know what ingredients to avoid.

4 Learn from the disruptors.

Companies that are making products differently and disrupting the status quo are gaining attention, shelf space, and most importantly, the loyalty of consumers. Here are examples from summit attendees:

Naturepedic in bedding, **True Botanicals** and **Éclair Naturals** in beauty, **Oral Essentials** in dental care and **Sustain** in sexual health are all working to redefine their categories. Their disruptive approach is paying off as consumers reward them with brand loyalty, and the brands themselves garner increased media exposure and retailer attention.

Naturepedic founder and CEO Barry Cik, a board-certified environmental engineer, created the first crib mattress for his grandchild after realizing conventional mattresses could be loaded up with toxic phthalates, polyurethane foam and flame retardants. Having addressed a consumer need, his business grew organically; last year Naturepedic sold 70,000 mattresses — and at premium prices.

West Elm’s sustainability work launched as a pilot program in 2013, with a focus on having fair-trade factory programs. West Elm certified its first factory in 2014 with 38 products and 195 workers. Today that model has spread to parent company Williams Sonoma, impacting 5,000 workers on the way to 10,000.

5 Take advantage of third-party certifications to authenticate your efforts.

In a marketplace overly saturated with unsubstantiated green claims, third-party emblems legitimize the work of companies doing good in a trusted and unbiased manner. The hosts of the **Raise the Green Bar** summit offer certifications for packaged consumer products:



WHAT RETAILERS & BRANDS CAN DO

RETAILERS

As the government leaves the role of policing product safety to major retailers, companies bear increasing responsibility for making rules about ingredient allowances, manufacturing practices and more; they must also be prepared to defend their choices and products they sell.

Walmart is a great example of a company that helped transform an industry. Ten years ago, it mandated that laundry detergents become twice as effective. Within two years, the industry had responded by shifting to more concentrated detergents—and saving millions of gallons of water and other resources in the process.

While some large retailers like Walmart and Home Depot are already treading this path, many are not. One step they can take is to dedicate more shelf space to existing healthier, safer products. But to be a true leader, retailers can require brands they sell to meet meaningful sustainability criteria and help educate consumers.

BRANDS

Brands must stop over-promising and making unsubstantiated claims. Many eyes scrutinize the marketplace, from federal agencies and regulatory groups to NGOs, lawyers and, of course, consumers. Social media enables every person to exercise some kind of force on products, and even encourages it. The only effective way for brands to protect themselves is by basing claims on science, and then being transparent about them.

Consumers want authentic, safe, ethical and affordable products that they can verify are actually better for them and the planet. Brands can use third-party standards to build trust and confidence in retailers and attract new consumers into the green space.

Third-party certifications and guidelines lead brands to success and longevity by establishing meaningful parameters for brands to follow while providing validation, education and trustworthiness to consumers.

➤➤➤ **MADE SAFE®** is the first nontoxic product certification in the marketplace that crosses product categories and vertical supply chains. The Made Safe seal has a unique scientific approach to ensure that products have been made from a base of safe ingredients not known or suspected to harm human health, the environment, aquatic or terrestrial life, and the entire ecosystem. With Made Safe, brands can demonstrate confidently that their products are safe for use on people's bodies, with their families, and in their homes. It is the only seal of its kind.

The Green Good Housekeeping Seal is a sustainability emblem that takes a full lifecycle approach when evaluating products on a multitude of attributes, including toxicity of ingredients to humans and aquatic life, sustainability of manufacturing and transport, packaging materials, end of life of the product, as well as the corporate social responsibility practices of the company. Only products that have earned the primary Good Housekeeping Seal—those that have been tested to ensure they perform as intended—can apply for the Green Good Housekeeping Seal.



THE BOTTOM LINE

Consumers and stakeholders are increasingly demanding cleaner, safer and better made products. Companies that aren't meeting this demand need to figure out what they can do immediately to earn their share of the exploding green market. Raise the Green Bar highlighted many of these opportunities. Using clear metrics established by independent third parties can help brands convey their commitment to a higher standard than the government mandates and enables them to demonstrate that they are positioned to be a company for future generations.

GET YOUR TICKETS NOW FOR RAISE THE GREEN BAR 2018!

NOVEMBER 8, 2018

Visit our ticket portal at bit.ly/GHI-MS2018

KEY CONTACTS

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