

Subject: Comprehensive Sustainability Strategies - Industry Week article

Green Spot: Stonyfield Farm: A Culture of Leadership

A history of forward-thinking programs and impressive operational gains describes the exemplary sustainability programs at Stonyfield.

By [Brad Kenney](#)

Stonyfield Farms' environmental mission is the core of the company's activities, and continues to be a key differentiator among its competitors. The company was among the first to go "carbon-neutral" in the mid-1990s, produces 100% organic products, and gives 10% of its company profits to organizations that "help protect and restore the environment."

The latest of these projects is Climate Counts, an initiative aimed at empowering consumers to achieve no less a task than saving the world. With Climate Counts, Stonyfield President and "CE-Yo" Gary Hirshberg has gone beyond the corporate arena, using his experience and knowledge to launch a new non-profit that directly addresses the environmental concern he considers the most-pressing issue of our time. Add that to continued operational successes at the facility level, and you've got a company that is looking, and moving, forward into manufacturing's green future.

***IW:** How are you addressing energy efficiency?*

Hirshberg: Efficiency gains at our facility and CO₂ reductions have come from many initiatives, including designing processes to incorporate heat recovery, installing energy efficient motors and lighting, implementing energy efficient building practices, refrigeration system changes and fuel switching.

From 1995 to 2005 Stonyfield Farm reduced facility energy use and the associated CO₂ emissions per pound of product by one third, saving over \$1.7 million and 46 million kWh -- enough energy to power 4,500 homes for a year -- and prevented over 14,000 tons of CO₂ from entering the atmosphere.

***IW:** Have you evaluated renewable purchase or production?*

Hirshberg: In 2005, Stonyfield Farm installed a 50 kW solar photovoltaic array on its yogurt making facility in Londonderry, New Hampshire, the largest array in New Hampshire and the fifth largest in New England.

Stonyfield Farm also designed and constructed an anaerobic pre-treatment system that generates energy from its yogurt processing wastes. This treatment system uses 80% less energy and generates 90% less waste than conventional dairy treatment systems.

IW: How are you addressing waste reduction?

Hirshberg: In four key ways:

An award winning program to minimize solid waste has prevented over 16 million pounds of materials from going to landfills or incinerators; this is equal to preventing 8,000 tons of CO2 from entering the atmosphere (equivalent to taking more than 1,400 cars off the road for one year).

Also, Stonyfield Farm has recycled over 18.5 million lbs of materials, including paper, plastics, cardboard, food and metals.

Through completed comprehensive Life Cycle Assessment of the Stonyfield Farm product packaging by the Center for Sustainable Systems (of the U of Michigan) which is widely referred to by many in the packaging industry

And finally, we created a "packaging scorecard" to measure the sustainable attributes of our packaging.

IW: Which of your initiatives is your company's priority?

Hirshberg: No specific goals have highest priority. One of our missions is to serve as a model that environmentally and socially responsible businesses can also be profitable.

IW: Are you getting buy-in from the C-suite and the shop floor? And how?

Hirshberg: In 2006 Stonyfield Farm launched the Mission Action Plan (MAP). One of the most strategic and comprehensive approaches ever undertaken by any company -- and maverick by any standard -- MAP was established as a way to engage Stonyfield Farm employees in the company's environmental mission and GHG emissions reductions. The goal is to make the company's environmental efforts become part of the company DNA.

MAP consists of teams of people in identified impact areas measuring impact, setting goals, and holding team members accountable for meeting the goals. Groups formed include: Zero Waste Team, Sustainable Packaging Team, Facility GHG Emissions, Transport, Milk Production Emissions, Events, and so on. Each team is responsible for completing an annual action plan which includes setting long and short term goals, all of which must be approved by the CEO and COO annually. Job descriptions incorporate the MAP team responsibilities, with employee performance reviews and bonuses based in part on achieving MAP goals.

IW: How is climate change being factored into company plans?

Hirshberg: On the topic of climate change, Stonyfield Farm has been an innovator in solutions. Dating back to the early 1990's, Stonyfield Farm began monthly tracking its energy use and greenhouse gas emissions. Stonyfield was one of the first U.S. companies to undertake an "Eco Audit," the comprehensive study identified areas of environmental impact from the company's entire operations -- from milk production to disposal of yogurt cups -- and helped set the stage for future areas of focus.

In 1997, Stonyfield Farm became the first US manufacturer to offset 100% of its facility energy use, almost a decade before Al Gore and "An Inconvenient Truth." As a result of the difficulty we experienced in trying to figure out how to offset our own emissions, the company produced a how-to manual for other companies interested in doing the same (the then-new concept of emissions offsetting.) This guide is still found on the Stonyfield Web site, continuing to attract emails 10 years later from companies wanting to follow Stonyfield's lead.

Having begun by tracking GHG emissions from its use of energy (propane, natural gas, oil and electricity), in the late 1990's, Stonyfield Farm began exploring other areas which had an impact on the climate, such as its distribution and the energy embodied in its supply chain. Stonyfield Farm completed its first whole company carbon footprint in 2000.

IW: How important is green corporate branding in this day and age?

Hirshberg: When you can help the consumer identify your brand with something that both our company and they care about -- whether it's healthy vending, reversing climate change, saving family farms, or just putting healthier food on the table -- then they pay a little more attention and they're much more likely to think of us first. And the key word here isn't even 'think.' It's whether they'll 'feel' us first.

We try to reach people with messages of hope, messages about caring for the world, messages that the world doesn't have to be the way it is. The message may be simply that just because we're a company, that doesn't mean that we're some anonymous blob that just puts junk out there -- we're out there for you. I think consumers generally feel that way, and the proof is that we've managed to grow consistently at three times the rate of the category, spending probably one quarter the rate our competitors have spent.

IW: Can you describe your "Climate Counts" program in more detail?

Hirshberg: Climate Counts is a collaborative effort to bring consumers and companies together in the fight against global climate change. It is a nonprofit organization funded by Stonyfield Farm, Inc. and launched in collaboration with Clean Air-Cool Planet. The goal is to motivate deeper awareness among consumers -- not only that the issue of climate change demands their attention, but also that they have the power to support companies that take climate change seriously -- and communicate with those that don't. When consumers take action and raise their voices on issues that matter to them, businesses pay attention. A loud and clear consumer movement that demands more aggressive corporate action on climate change will not fall on deaf ears.

Climate Counts' Company Scorecard scores major corporations across many sectors -- from apparel to electronics to fast food -- on their commitment to reversing climate change. Predicated on the idea that climate activism is easy when based on the choice between supporting one company or another, Climate Counts will show that while companies have a tremendous impact on climate change, nothing has an impact on companies more than consumers themselves.

IW: What's the best piece of advice you can give to companies considering getting with the green program?

Hirshberg: When companies say they don't have the staff or the money to pursue socially responsible projects, our response is they can't afford not to. Reducing packaging, shrinking the waste stream, reducing energy use saves money. And the more money you spend in those areas, the more you'll save if you just examine better strategies in the areas of production, waste management and energy use.

You have to be inventive and innovative and think outside the box -- in our case, the yogurt cup -- to find ways to be more environmentally friendly and socially responsible. If you do it right, you'll save money, too. And the result will be a better bottom line, because ultimately, your consumers will thank you every time they go to the check-out counter. You'll be a brand with some value added, and that extra something means much more to consumers these days.