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**Carpet giant Interface goes for 'sustainability gold'**

Sophie Morlin-Yron

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**Interface's sustainability model shows how large industrial companies can slash their carbon emissions and other environmental impacts without compromising profitability, reports Sophie Morlin-Yron. The key is to aim high!**

**It may sound counter-productive but setting the goals at achieving 80-90% reduction is easier to achieve than a 30% target, because it forces you to think outside the box and look for alternatives to what already exists.**

Business leaders who claim profit and sustainability don't go together may have to think again - as carpet giant Interface reaches major sustainability milestones.

The world's largest carpet tile manufacturer and sustainable business pioneer, Interface, has been running one of its European facilities on 100% renewable energy since the beginning of 2014 - including both electricity and gas.

It has used next to no water in its manufacturing processes and has attained zero waste to landfill in its European facilities in Scherpenzeel, Holland.

The energy at the factory is produced by green gas created by anaerobic digestion of fish waste, which is filtered to natural gas and pumped into the grid. Another new initiative is a new water recirculation system through closed loop piping.

These are key achievements for the company as they strive towards what they call *"Mission Zero"* - an attempt by their founder and chairman, Ray Anderson, to eliminate any negative impact the company has on the environment by 2020.

The Mission Zero journey started back in 1996, by 2013 they had reduced its greenhouse gas emissions by 80% and water use by 87%.

**Renewable energy**

The Scherpenzeel facilities are the company's greenest. Globally, since the start of Mission Zero the company has reduced overall energy usage per unit of production 39%, and non-renewable use per unit of production is down 61%. Today, 36% of the company's energy comes from renewables.

Although renewables have played an important part, perhaps the most significant of measures taken are within water usage and waste management: water intake per unit of production is down 81% since 1996, and byt eh same measure, waste sent to landfill is down 91%.

Commenting on Interface's achievement, Rob Boogaard, CEO of Interface in Europe said the company has taken huge strides to achieve its goals.

"*These figures show just how far we've come and what can be achieved with the right mind set and ambition. To put it in context, as per January 2014, we are operating our European factories with a 90% reduction in greenhouse gas emissions compared to 1996, while the EU Commission has set an EU carbon reduction target of 40% by 2030."*

**Calls on UK government to support**

The company's manufacturing facility in Scherpenzeel, Holland has been the most successful in reaching sustainability targets.

Interface has another facility in Craigavon, Northern Ireland. Ramon Arratia, Sustainability Director at Interface, says achieving the same success is harder in the UK because of the Government's weak and inconsistent support for renewables, and biogas in particular.

He says this creates problems for companies wanting to adopt sustainability measures - and he calls on the UK Government to provide specific subsidies for anaerobic digestion, which produces biogas as microorganisms break down biodegradable wastes.

"*I think the UK have been doing well in terms of getting efficiency, helping small businesses, helping technologies to spread out"*, he says. *"But the UK has been slow in betting for renewable energy."*

**Companies can increase profit using the same approach**

[A new report](http://www.interfaceflor.co.uk/web/sustainability/sustainability/newindustrialmodel) by LaveryPennell, a strategy advisor helping clients to increase profits while improving sustainability performance, shows that adopting measures like Interface's, companies will increase profit as well as hitting sustainability targets.

The study, commissioned by Interface, has - based figures from Interface and other companies - developed a new business model: 'The New Industrial Model'.

The report shows that the *"new, more profitable and sustainable business model"* will bring increased profits, more jobs and reduced environmental impact using - in a nutshell - the following three stages:

* non-labour resource efficiency to reduce costs and environmental impacts;
* reinvesting some of the savings from stage one in sustainable inputs such as renewable energy and recycled materials;
* developing innovative new products and capturing market share growth, capitalising on the competitive advantages created in the first two stages.

According to the report, other leading companies including Unilever, Body Shop, Patagonia, and Ecover have all recognised the power of implementing the model.

Greg Lavery, CEO, Lavery Pennell, says their aim is to show the world that *"this is a business case that is actually doable".* And the fact that commodity prices have increased significantly makes the case all the stronger.

*"Metals have had an average 3 times price increase since 2002, and energy prices have gone up six times since then. No longer should companies be concerned about labour costs and productivity, it's all about resource productivity.*

*"If you're a heavy user of any of those - and let's face it manufacturing uses a lot of energy, metals and fossil fuel products - there are a whole lot opportunities here to seize."*

**Investors reluctant**

So why are some companies still reluctant to adopt a green approach? According to Colin Le Duc, founder of Generation Investment Management LLP (GIM), an investment management firm with a focus on sustainability, investors and shareholders often hold companies back.

Consequently, he says the business case is complex and while no one can argue against the model, *"investors are worried about long term investment and returns"* and the challenge lies in gaining credibility and getting them on board.

But Lavery argues that investing in the new model will give returns within one to three years. He adds: *"You could loan the money from Wonga and still, even with the loan payback, it's profitable."*

**Green business means more money - and attention**

In the case of Interface, green practices have paid off: they have remained successful in a highly competitive industry - reducing costs by €7.6 million a year, while also cutting lifecycle greenhouse gas emissions by 35,500 tonnes of CO2 (equivalent) a year in its European manufacturing operations.

Reducing costs was achieved by cutting back on energy and yarn usage, switching to renewable energy, and replacing 49% of its raw materials with bio-based or recycled alternatives.

A green business approach can also raise a company's profile.Interface has won numerous industry awards including Business Green Company of the Year in 2011, Guardian Sustainable Business Award for Waste & Recycling in 2011, and The Environment Agency Sustainable Pioneer Awards 2010.

**Innovation is key**

Innovation has been the driving force throughout Interface's journey.Thinking outside the box, or perhaps re-thinking the box altogether, is what's needed to reach unimaginable goals, says Arratia.

"*Setting high standards and goals helps. It may sound counter-productive but setting the goals at achieving 80-90% reduction is easier to achieve than a 30% target, because it forces you to think outside the box and look for alternatives to what already exists.*

*"And it forces you to have a wider scope and for example redesign a whole factory instead of just the one line. With a wider scope you have much more leverage. If you change the whole design of the product then you can achieve much more efficiency and tweak what was wrong with the design in the first place."*

And there is proof of innovation for sure. Some of the things that were considered impossible 20 years ago have now become reality.

Sourcing raw materials is the cause of most of the negative environmental impact today and there is a lot of room for improvement there still. At Interface, it's the yarn, which is made of nylon.

**Recycling nylon used to be 'impossible'**

The inventors of nylon, which is synthesised from carbon, told Interface in the 1990s that it was impossible to recycle. Today, the majority of their carpet tiles contain recycled yarn and some of them are made by 100% recycled nylon. The goal for 2020 is to use only recycled or bio-based materials.

[One of their projects](https://www.facebook.com/Interface.EUR/app_1403104246582421) for sourcing sustainable raw materials entails recycling nylon fishnets. By working with the Zoological Society of London (ZSL), they source abandoned nets which are causing problems for the marine environment.

The nets are collected by [Project Seahorse Foundation](http://www.zsl.org/conservation/regions/asia/project-seahorse), a coral reef conservation project in the Philippines, which works with the local communities, and are then shipped over to their factory and recycled into yarn.

**More to be achieved before umbilical cord to oil is cut**

But even companies like Interface can do much more. They have recently introduced new innovations with the aim of reaching even further, resulting in a 95% water reduction and 90% carbon reduction from January 2014 across the facilities.

Boogaard says: *"While our achievements are to be celebrated, this is certainly not a time to be complacent. For us, Mission Zero is not simply about reducing our own direct impacts - it's also about taking full responsibility for the entire lifecycle of our products.*

*"Our goal is to cut the umbilical cord to oil, with the result that 44% of our raw materials in Europe are already recycled or bio-based. We've come a long way but our mission continues."*

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**See also:**

* [www.interfaceflor.co.uk/web/sustainability](http://www.interfaceflor.co.uk/web/sustainability)
* [www.interfaceflor.co.uk/web/Products/neteffect1](http://www.interfaceflor.co.uk/web/Products/neteffect1)
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