

Third Quarter 2009 – Volume 9, Issue 3

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Market Forces Buying Environmentally Preferable Paper: Is it Worth the Investment?

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Devoting additional resources to the purchase of environmentally preferable or "green" products might seem like a difficult challenge given the current economic climate and consequent belt tightening across the country. Fortunately, with a strategy that stresses improvements in staff efficiency, businesses can drastically ameliorate the environmental repercussions of their purchasing while also lowering the overall cost of their operations.

Paper, for example, is a staple for many businesses, so much so that the average office worker uses approximately 10,000 sheets annually, according to the Federal Network for Sustainability. Paper that is made from recycled fiber, processed without chlorine, and certified by the Forest Stewardship Council (FSC) provides excellent opportunities to soften the harmful environmental effects of papermaking. Environmentally preferable paper and paper products can reduce energy and water usage, mitigate the harmful effects of chlorine in the effluent from paper manufacturing plants, and ensure that virgin fibers are sourced from a well-managed forest that protects biodiversity.

Unfortunately, paper with more recycled content is more expensive than conventional virgin paper. Based on a 2004 Responsible Purchasing Network (RPN) survey, 30% post-consumer waste (PCW) paper and 100% PCW paper have an increased cost of 8 percent and 36 percent respectively, per ream than paper from virgin sources.

To overcome the price difference, businesses can shift toward more efficient practices to reduce the overall amount of paper used. The first step is switching the default setting on all printers, copiers and fax machines to double-sided (duplex) printing, which reduces paper use up to 40 percent. Prioritizing electronic over print

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communications should also be encouraged. A sharing station utilizing discarded paper that has been previously printed on one side should be set up next to each printer and copier. Personnel should reuse this one-sided paper for drafts and/or internal documents.

Successful green purchasing programs follow a set of "best practices." These begin by forming a committee which gathers baseline data and sets goals for paper reduction and increased socially and environmentally preferable purchasing. Next, an organization should adopt a policy, evaluate standards and specifications, implement improved practices and monitor and report its progress.

If an organization is shifting from conventional paper that exclusively uses pulp from virgin sources to 100% PCW or 30% PCW paper, it would need to reduce its paper consumption by 26 percent or 7.5 percent, respectively, to make up for the added cost of recycled paper. When combined with additional cost-saving practices such as buying in bulk to reduce shipping costs or purchasing from a cooperative contract or group purchasing organization, the end result can produce a net savings over baseline costs.

The city of Palo Alto, California recently made a cost-effective switch to more environmentally preferable paper. The city decided to switch from the 30% PCW paper to 100% PCW paper, which costs 9 percent more, and to reduce their overall paper usage by 25 percent. The figure at left shows how the city saved \$11,500 annually after the first year by switching to environmentally preferable paper and becoming more efficient with their paper use (Palo Alto Climate Protection Plan, 2007).

City of Palo Alto's Switch from 30% PCW to 100% PCW	
Cost of 30% PCW paper previously used <small>20,000 reams at \$3.20/ream</small>	\$64,000
Cost of new 100% PCW paper <small>20,000 reams - 25% reduction = 15,000 reams at \$3.50/ream</small>	\$52,500
Approximated staff time to change default settings on printers and copiers	\$20,000
Total cost year 1:	\$72,500
Business-as-usual cost:	64,000
Net benefit:	-18,500
Total cost year 2 and after:	\$52,500
Business-as-usual cost:	64,000
Net benefit:	+ \$11,500

The switch to environmentally preferable paper has a price premium that can be easily offset by utilizing quick and simple efficiency procedures. This allows organizations to make a meaningful contribution to sustainability goals without doing any damage to balance sheets.

To learn more about how institutions can save money from incorporating environmentally preferable purchasing, visit RPN at:
www.responsiblepurchasing.org.

The Responsible Purchasing Network (RPN), a project of the Center for a New American Dream, helps institutions incorporate environmental, human health, and social justice considerations into their purchasing decisions. RPN promotes responsible purchasing through outreach, trainings and presentations, conference calls, and media and communications efforts. For more information, visit www.responsiblepurchasing.org.

