Think Green and Make More

Editor's note: This month we jump on the eco-friendly bandwagon and introduce an occasional column intended to help small business owners save money as well as resources. Let us know how your business methods are good for the environment and we'll pass them on to our readers in future issues.

♦ Countless innovative businesses have successfully introduced "green" products in recent years. While many of these products have saved money, they have also reduced impacts on human health and the environment by using recycled or recyclable material, reducing energy usage, or eliminating use of toxic chemicals.

Two opportunities to help your business reduce the impact on the environment, while saving you money, are product improvement and process improvement. The product improvement approach refers to development of products that have preferable environmental attributes when compared to similar products, as well as the marketing of these products as "green."

The process approach refers to improving your manufacturing and business operations to reduce your use of energy and materials as well as reduce wastes and emissions associated with the production process.

The goal of these approaches is to benefit your bottom line while improving profitability in the following ways:

- Increasing market share — attracting green consumers by getting your products included in environmentally preferable purchasing programs.
- Reducing operating costs — increasing efficiency and reducing waste leads to better profit margins.
- Less tangible benefits — includes benefits such as increasing employee participation and morale, strengthening the company's image in the community.

It is helpful to emphasize the product development process when considering how to incorporate greening concepts. While all development phases are important, studies show that about 70 percent of a product's environmental impacts are determined by decisions made during the design stage.

Make greening the centerpiece of all design steps from concept, design and prototype, to marketing, manufacturing, packaging and delivery.

Don't forget, greening is a continuous process so monitor new information and ideas as they become available to further improve your products and manufacturing processes.

— Source: "Greening Your Products" U.S. EPA guide, www.epa.gov.

♦ Here are some tips from CNN to help your business go green:

Get smart about recycling. Look at what your company consumes and find ways to recycle, reduce and reuse. Recycle paper and introduce less toxic supplies and materials. Companies such as Green Earth Office Supply sell recycled-paper products to businesses. Refill computer ink cartridges rather than add them to the landfill. The same goes for obsolete computers. There are companies, such as Petaluma, Calif.-based Ecohaul, that will, for a fee, remove, refurbish or properly dispose of old office equipment and supplies.

Review your energy use. If you're ambitious and building a new commercial space or remodeling an old one, it may pay to install solar panels. Many states offer substantial tax rebates to businesses for such upgrades.

Think outside the gas tank. Transportation can have a huge impact on the bottom line for businesses large and small. If you need a company car, consider going hybrid. As consumers continue to embrace automotive alternatives, more models are entering the market and incentives continue. There's plenty of information on the latest in alternative transportation at car-centric Web sites such as Edmunds.com and carmax.com.

Do your research. Co-op America, a green advocacy organization and eco-driven online catalog, has earned a Business Seal of Approval award for its product assortment as well as offering an inspiring list of hints and tips on how to go green. And, for the ultimate inspiration, check out the Gateway to Astronaut Photography of Earth (http://eol.jsc.nasa.gov), an online collection of global shots dating from the Mercury missions in the late 60s.

— Source: Fortune Small Business *at CNNmoney.com.*

♦ Access to capital for energy-efficiency upgrades need not be an issue. Some upgrades require little funding. For those that do require investment, don't worry; there are many traditional and non-traditional financial resources available. A well-designed upgrade can provide your business a positive cash flow from energy savings while paying off the capital investment for new equipment.

For small, inexpensive projects, you may want to use your own internal funds to pay for the upgrade in order to keep your payback period low and return on investment high.

For larger jobs, financing might be the only way to pay for the upgrade. Fortunately, a variety of sources and mechanisms exist for small businesses to finance energy-efficiency improvement projects.

It's your business decision to weigh your competing needs for capital versus continuing increases in operating costs for energy. Remember, even a longer return-on-investment on energy efficiency results in affordable comfort, and new, more reliable equipment that will pay for itself with energy savings. Strategic energy efficiency investments are your hedge against the certainty of higher utility bills that you cannot control.

The following resources can help you find funding information and opportunities for your upgrade:

- Multiple grants, loans and financing opportunities are available to businesses through the U.S. EPA and Department of Energy's (DOE) "Energy Star" program (www.energystar.gov).
- The DOE's Inventions and Innovation (I&I) offers financial and technical support to inventors and businesses for promising energy-saving concepts and technologies. I&I selects technologies to receive grants through a competitive process. Although I&I has no funding for its activities in fiscal year 2008, businesses are encouraged to continue to visit the I&I Web site at www1.eere.energy.gov/inventions to check for information about any upcoming solicitations.
- The Small Business Gateway at www.epa.gov/smallbusiness offers links to environmental experts, financing options, and ways to find and save money.

— Source: Business.gov, Green Business.