

“Going Green” is Red Hot ***Beverly W. Macy***

Climate change. Energy efficiency. Green design. Sustainable development. The latest red-hot trend is GOING GREEN. And this is not your parent’s tree-hugging environmentalism, either.

No, this is a trend that has burst on the scene with a new fervor – perhaps spurred by Al Gore’s “An Inconvenient Truth”, but also by a renewed sense of urgency as terms like “carbon footprint” and “carbon offset projects” begins to dominate our discourse.

From multinational corporations and academic institutions to market segments and individuals, globe-oriented people across the U.S. are turning a watchful eye to “green” initiatives. Not only are they making money doing so, they’re applying peer pressure on others to join in.

Take LOHAS, or *Lifestyles of Health and Sustainability*, as an example of the new business opportunities that are emerging on the Green landscape. According to the LOHAS website (www.lohas.com) there is an estimated \$208 billion U.S. marketplace for goods and services focused on health, the environment, social justice, personal development and sustainable living. The consumers attracted to this market have been collectively referred to as *Cultural Creatives* and represent a sizable group in this country. Approximately 16% percent of the adults in the U.S., or 35 million people, are currently considered LOHAS Consumers.

Andy Pace, owner of Safe Building Solutions, in Waukesha, Wisconsin, has seen the interest in green building in his area jump tenfold in just 4 years. He points out that the green demographic is interested in the *health* benefits as well as *environmental* benefits to using green building supplies. “The Whole Foods and Trader Joe’s shopper wants to prepare their organic food in a non-toxic kitchen. They want products that enhance the environmental safety of their home and are energy efficient as well.”

In fact, a recent McGraw-Hill Construction survey found that between 5-10% of new homes built in 2010 are expected to be green, creating a market of between \$19 billion and \$38 billion. That number was 2% of the market (just \$7.4 billion) in 2006, so the sector is clearly experiencing exponential growth.

Finally, the *Los Angeles Times* reported in June that “the presidents and chancellors of 284 colleges and universities nationwide have signed a pact to combat global warming by making their campuses ‘carbon neutral’ as soon as possible.”

Focusing on the environment is not new. Remember Earth Day? Founded by Senator Gaylord Nelson (D-WI), the first such event took place April 22, 1970. That previous November, the *New York Times* published an article stating, “rising concern about the environmental crisis is sweeping the nation’s campuses with an intensity that may be on its way to eclipsing student discontent over the war in Vietnam...a national day of observance of environmental problems...is being planned for next spring...when a nationwide environmental ‘teach-in’...coordinated from the office of Senator Gaylord Nelson is planned....” And so came the first Earth Day. And recycling. And the EPA. And endangered species. The list goes on.

But all that is changing. Unlikely supporters are emerging everywhere. Republican California Governor Arnold Schwarzenegger became a poster child for the Going Green movement (see www.gogreeninitiative.org for more details about this trend). He was on the cover of *Newsweek* under the headline: "Save the Planet . . . or Else." In a recent interview, maverick journalist and author Thomas Freidman described the innovation required to develop "clean" technologies as *the* next great global industry. "By confronting climate change, by taking the lead in doing that, by setting really high standards for our industries and businesses, we ... can stimulate an enormous amount of innovation," he said. Even the Christian Right has weighed in, with a recent *Washington Post* account suggesting, "There is growing evidence -- in polling and in public statements of church leaders -- that evangelicals are beginning to go for the green. Despite wariness toward mainstream environmental groups, a growing number of evangelicals view stewardship of the environment as a responsibility mandated by God in the Bible."

What's going on here? And how do you get involved, whether you're an individual or a company?. The time has clearly come to climb aboard this key trend, which has taken off like a runaway train. And if you don't, it may cost you dearly. Corporate executives even report that RFPs are including requirements to outline the responding company's green initiatives, and new hires want to know how their prospective employer is Going Green.

Three distinct camps have since emerged: companies and organizations with long-time "environmental" policies that will need to undergo a re-branding exercise to update their marketing and media positioning and messaging, newbies to the "green" universe who can take an aggressive and early stand on going green and those who simply fail to see green or red, or any other trends.

The innovation aspect of going green means big business. If even some of the predictions are correct, the climate change clock may be ticking faster than anyone thought and industry, supply chains, technology and universities will need as much innovation as fast as they can get it. Kleiner Perkins Caufield & Byers, a leading venture capital firm that saw clean-technology investments soaring by more than 50% in the first three quarters of 2006, has doubled its renewable-energy fund to \$200 million. Kleiner partner Ray Lane told the *Wall Street Journal* that clean tech will be "bigger than the Internet, by an order of magnitude."

Even small business is getting into the act. Companies like Tobias Stucco® Interior Wall Finish in Santa Rosa, Calif., manufactures a "green" interior wall finish product for the rapidly growing-green building market. President Roz Johnson reports that, "We have received interest and contracts from big names like the Four Seasons Hotels, the Venetian in Las Vegas, and the hot new restaurant chain Pink Taco, which recently opened its newest restaurant in Los Angeles. We believe that being green does not sacrifice style for sustainability but, in fact, enhances it."

One green campaigner who might make most captains of industry red faced with envy is media magnate Rupert Murdoch of News Corporation, who recently pledged to make News Corporation's worldwide operations carbon neutral and vowed to "educate and engage" his readers and viewers about global warming. If that doesn't convince you this is a trend that is RED HOT, I don't know what will.

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