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## **BSR Report Reveals Business Opportunities in Tackling** Sustainable Consumption

San Francisco—July 28, 2010—BSR's latest report examines the newest frontier of sustainability, outlining the opportunities for companies to deliver value to customers, society, and the planet by promoting sustainable consumption—an economic and social system that allows all individuals to meet their basic needs without disrupting the planet's healthy ecosystems.

"For years, sustainable consumption has been framed as a limitation on business," said BSR President and CEO Aron Cramer, who recently led a workshop on the subject in New York with BSR member companies from the agriculture, apparel, food, retail, personal care, and beauty sectors. "But in a world where our consumption patterns outpace the planet's ability to regenerate resources by 30 percent, businesses that figure out how to deliver enhanced value by radically reducing material inputs and engaging consumers on product use will be well-positioned for success."

BSR's report, "The New Frontier in Sustainability: The Business Opportunity in Tackling Sustainable Consumption," moves beyond "first generation" sustainability efforts focused on sourcing of materials, processing and assembly, and distribution, and identifies opportunities for companies to tackle sustainable consumption through three key parts of the business value cycle:

- » Product design: Design choices about things like material weight and packaging have direct impacts on transportation costs and fuel use, while choices about energy efficiency directly impact energy consumption in a product's use phase. In some cases, a focus on sustainable consumption may result in the radical redesign of familiar products, and in other cases, there may be an opportunity to deliver the same value through services (such as car-sharing) rather than products (such as car sales).
- » Consumer engagement and use: Consumers may be in the driver's seat when it comes to choices about products and use, but companies can give consumers the keys to more sustainable behavior by embedding sustainable options into products and giving consumers simple, accessible information about how to use their products in a more sustainable manner.
- » End-of-use: Companies are setting targets to eliminate all waste from products' end-of-life. This focus allows business to incorporate waste prevention into the design phase of products. Some companies are drawing inspiration from nature by implementing "closed-loop systems" that mirror the natural life cycles of living plant cells.

Highlighting leaders in sustainable consumption such as Best Buy, which is investing in ways to help consumers manage their home energy and water use; GoodGuide, which provides consumers with information on the health, environmental, and social impacts of everyday products; and the Danish city Kalundborg, which has created an "industrial ecosystem" in which a dozen industries cooperate in reusing "waste" from neighboring facilities, BSR's report emphasizes the many opportunities for companies to innovate in the name of sustainability.

"Sustainability can and should be thought of as a way to create opportunities and become a substantial source of competitive advantage, not solely as a way to mitigate risk," said Cramer. "When it comes to sustainable consumption, the transformation imperative is clear: If more businesses adopt the principles of sustainable consumption, we have the potential to increase

global prosperity while avoiding the depletion of our natural resources and still preserving the ecosystems that underpin our lives."

BSR will be discussing this topic at several workshops for members, with the next event taking place in London in September. To read BSR Research & Innovation Manager Linda Hwang's article on sustainable consumption, visit <a href="http://www.bsr.org/membership/members-only/insight-articles/20100713\_bsr\_insight\_53744.pdf">www.bsr.org/membership/members-only/insight-articles/20100713\_bsr\_insight\_53744.pdf</a>. Access the full report at <a href="http://www.bsr.org/reports/BSR">www.bsr.org/reports/BSR</a> New Frontier Sustainability.pdf.

Business people interested in learning more about BSR's work on sustainable consumption should contact Virginia Terry at vterry@bsr.org.

## About BSR

A leader in corporate responsibility since 1992, BSR works with its global network of more than 250 member companies to develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. With offices in Asia, Europe, and North America, BSR uses its expertise in the environment, human rights, economic development, and governance and accountability to guide global companies toward creating a just and sustainable world. Visit www.bsr.org for more information.