



Global Resource Conservation Kick-Off

Keynote Remarks 8/31/94

GLOBAL RESOURCE CONSERVATION KICK-OFF

Ed requested over a month ago that I make the keynote remarks for this conference. I accepted reluctantly because, frankly, I did not feel in my heart of hearts that I had the right vision, at least not one that resonated in my soul. Then through pure serendipity, someone sent me a book: Paul Hawken's, *The Ecology of Commerce*. I shall quote extensively from it this morning. I now have a vision for this company, a combination of his thoughts and mine, and I'm here to share it with you.

Every dairy farmer knows the term, "carrying capacity", meaning sustainable population (as, cows in a pasture).

St. Matthew Island in the Bering Sea was a deserted island until 1944, when 29 reindeer were imported. Scientists calculated that the island had a carrying capacity of 13-18/mi², or 1600 - 2300 reindeer. By 1957, the population had grown to 1350, with no natural control, no predators. By 1963 there were 6000. They thought the calculations had not been correct. But, the calculations were correct! By 1966, the population had dropped to 42. Not just the "extra" died. The "overshoot" produced a catastrophic effect.

Many thoughtful and serious people believe that St. Matthew is a metaphor for earth. But for earth, we're not talking just population and food, but everything taken from the earth. Trees, shrubs, grass will grow back. Finite resources oil, petrochemicals, minerals, will not grow back. And there is also what we do to the earth with toxic waste and other forms of pollution.

The Ogallala Aquifer is under the Great Plains of the mid-west, the ground water from which the irrigation water is taken for the food basket of the USA. It is larger than any other body of fresh water on earth. Every day 20 billion gallons more is taken from it than is replaced by rainwater. It *can* run dry; if it does, there *will* be famine!

Globally, 25 billion tons of topsoil are lost every year, more than all the wheat fields of Australia. And world population increases 90 million per year. Read *Vital Signs 1994*, the tabulation of trends in global resources and their usage, and your blood will run cold. For example, grain production per capita has already peaked and is in decline. So is the world's fish catch per capita. And a billion people live on seriously inadequate, if not starvation, diets - already.

"Net Primary Production" (NPP) - the sum of all photosynthetic production of the ecosystem, less the energy consumed in growing and supporting plant life, is equal to about 225 billion metric tons of wood, grass, fiber, vegetable matter per year 60% produced on land, 40% in sea. Here's the definition of "selfish": One species, humans, in upwards of 30 million species, claims 40% of that annual production for itself. "St. Matthew Island". An ecological crash will happen at some time - at 50%, at 55%, at 60%, somewhere out there, and hundreds of thousands, maybe millions, of species will be lost - forever. The "death of birth", Hawken calls it, for countless species; never to be born again, ever.

Nobody can predict what the implications of that are for our species.

Tropical forests in Brazil are cut and cleared to raise soy beans to feed cows in Germany to produce surplus butter and cheese that is piling up in warehouses - and one million displaced forest people are disenfranchised and living in squalor in Rio de Janeiro. Surplus in Germany, lots of carrying capacity there, but poverty in Brazil.

While I've been talking (7 or 8 minutes), 350-400 people have died from pesticide poisoning; 25 million die each year; in some countries, more than die of disease.

The rate of species extinction today is estimated to be 1000 to 10,000 times the average rate of the last 65 million years - since the massive extinction of the dinosaurs. Nobody knows the implications - at what point will interdependence between us and them threaten us, i.e., our grandchildren or their grandchildren?

Many believe that we are exceeding the carrying capacity of the earth *now*, and will continue to do so at an increasing, accelerating rate until catastrophe strikes. Unless somebody(ies) does (do) something to arrest *and reverse* the tide.

The fact that St. Matthew Island exceeded its carrying capacity by 200% or 300% or 400% for a while did not prevent the inevitable day of reckoning. And I have not even mentioned greenhouse gases, global warming, ozone depletion, toxic waste, dioxins, nuclear waste, and acid rain. The list goes on.

Now, who can do something about this? Well, you would look for the strongest, most pervasive institution in the world to take the lead in saving the earth. But who is that? It's not the church, though the church has a role (In my church we sing, "This is my Father's world".). Not government, though government certainly has a role, regulatory, yes, but *especially* through tax policy. It's not education, though heaven knows education has a powerful role that it needs desperately to define aggressively. If not them, who is it? Who can take the lead? Business. Industry. That's who. This is the most powerful, pervasive institution in the world and the one doing the most damage. Companies like ours, yours and mine. People like us. Us! You and I.

Now here's the rainbow in this cloudy sky I have depicted: one person can make a difference. *Every* person can make a difference. People coming together and acting in concert, as in businesses like yours and mine, can make a big difference. Businesses acting in concert (for example, suppliers and customers cooperating - say, in recycling) can make a huge difference. With the environmental activist organizations the Sierra Club, Greenpeace, Wilderness Society, Audubon Society, and National Wildlife Federation, losing membership and having to cut back, it's time, I think, for the world's largest, wealthiest institution to step up to the challenge in a bigger way.

In the U.S. alone, some 70,000 companies are already committed to some form of environmental commerce. Interface is in that group, but I do not think we are doing enough. No one is, I dare say. We have not scratched the surface. How much is enough?

Consider this: Since World War II, East and West, together, have spent about \$10 trillion fighting the Cold War. That is roughly equal to the cost incurred in building all the residential structures on earth, or all the commercial and institutional; or all the infrastructure on earth. You could say, in a sense, that we have bought and sold the earth fighting a Cold War with a MAD strategy (Mutually Assured Destruction) to head off the foolish *prospect* of global annihilation.

Two years ago, I heard Henry Kissinger say that after winning the Cold War we needed another goal. His idea was that the goal should be sustainable prosperity. But we've already gone too far. I think the goal should be a restorative economy, putting back what we've taken. How much can we afford to spend to head off the real and *certain* prospect of global annihilation that now faces earth?

No less a person than Mikhail Gorbachev spoke in Los Angeles recently. Here's what he had to say:

"While we were thinking how to multiply the weapons of nuclear overkill, we acted like barbarians digging a common grave. Today, nature is taking its revenge for mankind's mistreatment of it - for nature can well do without man."

We and all businesses have three ecological issues to face:

1. What we take from the earth.
2. What we make.
3. What we waste.

1. We (Interface) take oil and natural gas from the earth in the form of nylon, latex, pvc, bitumen, energy. And we don't put it back. I believe we must push the envelope until we no longer take from earth.

2. We make products that end up, at the end of their useful lives, in land fills, polluting the earth. I believe we must push the envelope until nothing we make ends up polluting the earth.

3. We waste all along the way, but not by nature's definition of waste. In nature, waste is food. It's recycled through the food chain. Our industrial waste is a pollutant. Call it what it is. I believe we must push the envelope until all our waste is biodegradable and recyclable into the food chain.

Here's a thought: In nature there actually is no waste. Everything goes back into the food chain - naturally. In the next century the really prosperous companies, and the ones that are rescuing earth, will be the ones that emulate nature - and make no waste.

So, for starters, the goal is that *everything* gets reclaimed, reused, or recycled, and conserved, except biodegradable waste, waste by nature's definition that can go back to food.

I believe it is good business and will be increasingly so, to be good stewards of the earth. Just as we know that quality doesn't cost, it pays; we must get to the point that stewardship (conservation) doesn't cost, it pays. Our customers say they want it. Will they pay for it? We must see. We must give them the opportunity to tell us "yes" or "no".

It is a huge technological challenge. I think Interface Research Corp. has a big role to play in sponsoring and developing that technology. It is a matter of breaking down the problem (the "elephant into digestible bites") and parcelling it out among ourselves, our suppliers and would-be suppliers, spreading it around for resolution, using our leverage with suppliers, and sharing the results, new ways of doing things. Mother Earth and the

generations to come will be the beneficiaries.

And a big management challenge, too. The management challenge is doable quickly, I believe. We can begin by benchmarking within our own businesses; then with other businesses. We can adopt best practices everywhere. Then best practices can become better and better, in the Kaizen fashion. Then blend in sustainable technologies as they come, making the investments that make sense.

So, the bottom line today is: let us commit with this kick off to not just sitting here, talking to each other, but to doing something. Specifically, doing what? I don't know. You must tell me when you're ready. I know you'll figure it out.

Here's the Vision that Ed asked for: "To be the first name in industrial ecology". Do you see the similarity to our corporate vision: to be the first name in commercial and institutional interiors? What if Interface became the first industrial company in the world to achieve sustainability? Imagine the favorable reaction of the marketplace! Not to mention the example we would set.

Ed only asked for a vision, but what about a mission? I'm reminded of what a NASA scientist told us at a sales meeting years ago. President Kennedy's mission for NASA to put a man on the moon by 1969 turned out to be flawed. It was too easy! After Apollo XII, NASA floundered, looking for a suitable new mission. So let's make our mission ambitious enough. How about this for a mission: To convert Interface into a *restorative* enterprise, worldwide. Think about that one: once we're sustainable, we become restorative by helping others become sustainable.

Ed didn't ask for this either, but how's this for a strategy: Reclaim, reuse, recycle, conserve, adopt and advance best practices.

While I'm at it, how about this for a goal: To achieve sustainability by You must fill in the year. In fact, feel free to take each of these, massage them, develop them, then come back to me with your version of each.

Thank you for this beginning. things. I know it will lead to good. All the best.

Copyright 1994 Interface, Inc.
and affiliates. All rights reserved.
Used under license.