

Interface's ultimate goal: No emissions, no waste

EcoSense initiative aims to make firm better steward of environment

By Edward DeMarco STAFF WRITER

Ray Anderson's entrepreneurial vision has carpeted offices the world over. But on one point last year his thoughts were threadbare.



Anderson

The founder and CEO of Atlanta-based Interface Inc., the world's leading maker of carpet tiles for commercial use, had been asked by the company's research chief to convey his environmental vision to a companywide task force.

Anderson reluctantly accepted the invitation. In truth, he admitted to himself, he had no vision.

Then, in what Anderson calls an event of "pure serendipity," a blueprint for the company's environmental future fell into his hands just before he was to deliver the speech.

Joyce LaValle, a sales and marketing executive at Interface's Prince Street unit, gave Anderson a copy of the 1993 book "The Ecology of Commerce," an environmental manifesto written by California businessman Paul Hawken.

"It absolutely nailed me between the eyes," the soft-spoken Anderson says, sitting in his spacious office overlooking the forest that blankets Vinings.

Hawken argues that corporations must begin to produce goods and services in ways that sustain the environment, rather than degrading or destroying it. He warns that business and the environment are on a collision course, citing the rapid depletion of topsoil, aquifers and forests even as the world adds millions to its population each year.

"Sustainability is an economic state where the demands placed upon the environment by people and commerce can be met without reducing the capacity of the environment to provide for future generations," Hawken writes.

Hawken's philosophy of benign environmental impact struck Anderson so deeply that he challenged his employees to follow a startling path: to transform Interface into the world's premier example of industrial ecology.

Interface has the geographic scope to make some impact. The 22-year-old company, which will generate about \$800 million in revenue this year, operates factories in Europe and the United States and is building another in Thailand. It sells carpet tile in 110 countries, including those as remote and poor as Albania.

Sustainability, although a fledgling concept, is gaining attention around the world. "Leading corporations are attaining new efficiencies and market advantages from incorporating environmental quality and stewardship criteria into their product policies," concluded

experts from industrialized nations who gathered at the Massachusetts Institute of Technology in December to discuss sustainable consumption and production.

Hawken maintains that the critical issue facing business is not the disposal of hazardous waste, but its creation.

That issue hits home because Interface uses petrochemicals — oil — to produce its carpet. Anderson wants to strive for a goal he concedes may be unattainable in his lifetime: creating a manufacturing process in which oil and other raw materials would be extracted by recycling carpeting, instead of taking

fresh supplies from the earth.

Anderson describes this as a "closed loop with no emissions, nothing going up the stack, out the pipe, or in the landfill. No waste."

Aiming to push Interface toward that ideal, Anderson has launched an initiative called EcoSense to transform the carpet maker into an environmentally friendly operation. "EcoSense is our program to achieve 'sustainability' for Interface — meaning, to get to the point where we no longer are a net 'taker' from the earth," Anderson wrote in a letter to shareholders in May.

► See **INTERFACE**, Page 18A

Book: Business practices destroying life on Earth

Interface Inc. CEO Ray Anderson says Paul Hawken's 1993 book, "The Ecology of Commerce," has profoundly influenced his thinking about his company's impact on the environment. An excerpt from Hawken's book:

"A hundred years ago, even 50 years ago, it did not seem urgent that we understand the relationship between business and a healthy environment, because natural resources seemed unlimited. But on the verge of a new millennium we know that we have decimated 97 percent of the ancient forests in North America; every day our farmers and ranchers draw out 20 billion more gallons of water from the ground than are replaced by rainfall; the Ogalala Aquifer, an underwater river beneath the Great Plains larger than any body of fresh water on earth, will dry up

within 30 to 40 years at present rates of extraction; globally we lose 25 billion tons of fertile topsoil every year, the equivalent of all the wheat fields in Australia. These critical losses are occurring while the world population is increasing at the rate of 90 million people per year.

"Quite simply, our business practices are destroying life on earth. Given current corporate practices, not one wildlife reserve, wilderness, or indigenous culture will survive the global market economy. We know that every natural system on the planet is disintegrating. The land, water, air and sea have been functionally transformed from life-supporting systems into repositories for waste. There is no polite way to say that business is destroying the world."

— Edward DeMarco

Interface

Continued from Page 8A

So far, Anderson's philosophical conversion has spawned one tangible — and radical — experiment. Interface has installed carpeting under a perpetual "Evergreen Lease," in a new building for Southern California Gas Co. This means that Interface owns the carpeting, will replace worn tiles as needed, and will recycle those that are removed.

"The economic viability of the Evergreen Lease for us depends on our closing the loop . . . being able to recycle used face fiber into new face fiber and used carpet tile backing into new carpet tile backing, and we have not yet learned to do either economically," Anderson told an ecological conference in August. "So, you might say, we're cantilevered a bit. But we will get there."

A leading proponent of sustainable industrial practices, William McDonough, dean of the University of Virginia's architecture school, is dreaming up ideas for Interface. Anderson says McDonough's collaboration with the company is at an early stage. McDonough did not return telephone calls.

Before becoming a convert to Hawken's ecological credo, Anderson says he guided Interface on a course of compliance with environmental laws.

"We're not breaking any laws anywhere that I know of," he says. "And yet I know that we are taking from the earth in what we use and what we waste."

Anderson uses blunt language to describe his company's impact on the environment. Along with other industrial companies, he says, "We have been plunderers of the earth."

But despite his newfound mission, Anderson frets that his ecological conversion might be misinterpreted and says he "shudders" to think what a

reporter might write about it. "The last thing I want to be guilty of is to be seen wrapping myself in greenwash, to cover myself in the cloak of holier-than-thou in environmental terms," he says.

Anderson has read books that label as alarmist the views of Hawken and other ecologists. Many claim that the proposed raft of environmental threats, from acid rain to deforestation, are either overblown or manageable and that the world's supply of oil will last 650 years, not 50.

Anderson is debating these ideas with a friend who has taken issue with Hawken's position. So far, Anderson is sticking with the sustainability camp.

"I know I'm preaching to the choir," Anderson told the ecological conference last month, "but we're part of the continuum of humanity and life in general. We will have lived our brief span, and either helped or hurt that continuum and the earth that sustains all life. It's that simple. Which will it be?" □

Georgia business

Continued from Page 14A

Scientific-Atlanta will do China work

Scientific-Atlanta Inc. has signed a \$9.9 million deal to build a voice and data satellite communications network for the Chinese government.

The system is for the Ministry of Foreign Trade and Economic Cooperation. The network proposes to establish voice and data communications between the ministry's regional facilities and provincial foreign-trade bureaus. According to the ministry, the network will allow it to collect import and export statistics and strengthen the government's ability to administer quotas and licensing, to supply tax refunds to exporting companies and to monitor currency exchange rates.



Scientific Atlanta

Separately, Norcross-based Scientific-Atlanta has received a \$7.6 million contract to provide equipment for Space Imaging Inc. Space Imaging provides commercial users with images of the Earth taken from space.

APCO aligns with two insurers

Atlanta-based Automobile Protection Corp. (APCO) has entered five-year administration agreements with Greenwich Insurance Co. and Indian Harbor Insurance Co., both wholly owned subsidiaries of NAC Reinsurance Corp., which has more than \$2 billion in assets. APCO, which markets car insurance contracts through dealerships and administers their claims, will use the contracts to

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