



Cause & Effect

THE GREEN ISSUE

A Note From Rick

"It's not easy being green ..."

Or so sang Kermit the Frog as he bemoaned his green-hued skin on *The Muppets Show* back in the '70s. Little did he know that, just 35 years later, being green would be so in vogue.

For all of us in the direct marketing business, it's hard to avoid the topic of "going green." Besides being good for the planet, many organizations recognize the value their members and donors place on green direct mail practices. But getting a grasp on all of the green terminology and understanding the options available can often be the biggest obstacle to change.

Here at PMG, our take on being green is a lot more positive than poor Kermit's. We've helped a number of clients perform a green analysis of their direct mail programs and identify affordable opportunities to use more environmentally conscious production methods and materials. Often we have been able to find greener component options that have minimal or no impact on their budgets. And we always give our honest opinion when a particular green option simply isn't cost effective.

In this issue of *Cause & Effect*, we've put together our thoughts on what being green really means for direct marketers today and some simple ways that you may be able to "green-ify" your program with minimal pain and cost.

You may just find that being green isn't so hard after all.

Rick Powell
PMG President & CEO

P.S. For all you Muppets fans out there, you can hear Kermit sing it in his own words at <http://www.youtube.com/watch?v=DbCl68eSNsA&feature=related>.

About Cause & Effect

Cause & Effect is a periodic communication from PMG highlighting timely industry issues and news.

We invite you to forward *Cause & Effect* to anyone you know who shares an interest in these issues.

To be added to the *Cause & Effect* distribution list, simply e-mail PMG at info@pmgdirect.net.

About PMG

PMG is a leading production management firm serving the direct marketing needs of top nonprofit fundraising professionals and their agencies. Clients value our seasoned expertise, dependability, bottom-line savings, and "Spirit of Good" philosophy ...

Cultivate trusting and meaningful relationships with good clients, good supplier partners and good staff ... and extraordinarily good outcomes will follow.

Committed to your cause and our effect!

www.pmgdirect.net





Going Green

Frequently Asked Questions

“We are committed to minimizing the environmental impact of our direct marketing programs because it’s the right thing to do – and also because it’s what our donors insist on. By addressing these issues within our own organization, we help our supporters fulfill their personal commitment to being responsible environmental citizens.”

Lee Freedman

Director of Production for World Wildlife Fund

Here at PMG, we field a lot of questions about green best practices and how organizations can make their direct mail programs more environmentally sensitive without breaking the bank. Below we share our response to three of the most frequently asked questions.

Q: What does “going green” really mean?

From our direct mail and print production perspective, going green encompasses two key elements: selecting green materials and finding green suppliers.

SELECTING GREEN MATERIALS

The first key element of going green consists of selecting materials that contain a meaningful amount of recycled materials or are sourced from renewable forest resources.

Within recycled materials, there is a whole range of definitions starting with paper that is labeled “Recycled”—which means paper derived from any re-usable waste, pre- or post-consumer. This is the most common and inexpensive form of recycled paper. There are then various grades of recycled paper. For example, recycled paper may incorporate a percentage of post-consumer waste (PCW), which is material discarded after consumer use (think old magazines and phone books). In general, the greater the percentage of PCW in the paper, the higher the price tag. And that’s simply because demand for PCW paper is still relatively low, so producers haven’t started making it in significant volume (yet).

Another way to be green is to use materials derived from forests that are grown and managed following sustainable forestry practices, specifically for the purpose of producing paper products. The Forest Stewardship Council (FSC), an independent not-for-profit organization, is widely recognized as the leading authority on renewable forest resource best practices.

Printers who follow the Council’s rigorous guidelines can apply to become FSC certified—and more than 850 have done so and been credentialed.

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Using FSC-certified materials can raise the price tag considerably, but for some organizations the benefits of doing so outweigh the costs. In many cases, organizations will be selective about which components are printed on the more expensive FSC-certified stock, perhaps using it only for the carrier envelope but not the whole package.

FINDING GREEN SUPPLIERS

The second key element of “going green” involves identifying and selecting suppliers who embrace and follow green practices. This can range from suppliers who incorporate recycling and sustainable forestry best practices into their business to suppliers who use alternative energy sources to power their operations (see “Print Suppliers ‘Greening’ the Way” article on reverse).

GOING GREEN—BEYOND PRINT AND PAPER

Although paper and printing is a primary focus for PMG, there are other ways that organizations can improve the “green-ness” of their direct marketing programs. A big one is reducing overage and waste through more efficient mail list management and print inventory management. Another is integrating green considerations into your testing strategies and downsizing components where possible.

The Direct Marketing Association (DMA) outlines a number of such green practices in its “Green 15” guidelines (see “Taking the Cue from DMA’s ‘Green 15’” article on reverse).

YOU SAY CELADON, I SAY CHARTREUSE

We know from Crayola that green comes in numerous shades. Similarly, every organization’s green standards and requirements are going to vary based on organizational priorities and goals. PMG helps organizations translate their own unique green goals into concrete production solutions that make sense not just from an environmental perspective—but from a cost-conscious business perspective.

Q: How much does “going green” cost.? (Answer: a lot less than you may think!)

The print and paper industry has come a long way in the past 15 years to make green options more available and affordable. But the fact remains that organizations can still pay a premium to be green. But just how big that premium is can vary significantly by printed piece – and how well you know your suppliers and the production process.

In a number of cases, PMG has helped clients substitute green package components with absolutely no impact on their bottom line! For example, we recently priced out a Kraft #10 package upgrading to 30% post-consumer waste recycled paper for the
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Going Green

Frequently Asked Questions

carrier envelope and a canary hot sheet inside. There was no additional cost to upgrade these components, and upgrading the remaining package components only increased total costs by about 5 percent.

In another instance, an entire renewal mailing—letter/reply, carrier and return envelope—were all ordered using 30% post-consumer waste stock for no additional charge. Upgrading to FSC-certified paper added 4 percent to the cost of that same package (with a premium as high as 20 percent for any components printed on coated stock). It's also important to remember that the industry continues to evolve rapidly to meet increased demand for affordable green options. What may be cost prohibitive today may become cost effective in just one or two years. PMG is constantly tracking industry developments and helping our clients update their programs as new and improved green options emerge.

Q: My organization is ready to “go green.” How do we get started?

First of all, “going green” doesn't have to happen in a day. There are some relatively easy, incremental steps organizations can take to minimize the environmental impact of their direct marketing programs. Here are just a few to consider.

- Get to know your suppliers and the green business practices they've already implemented. You may be surprised to learn that many printers and paper suppliers are pretty far along the environmental stewardship curve. You may already be using recycled stock and not even know it!
- If you discover your suppliers are not being environmentally responsible, consider making a change. You've got options—lots of them.
- Tighten up your print inventory management. You may find you're printing more than you really need.
- Identify the package components you print in the greatest volume—these are likely your best candidates for achieving economies of scale and minimizing the cost of using recycled materials.
- Identify your highest visibility package components (e.g., carrier envelopes) as potential candidates for recycled materials. You'll get the most bang for your buck, in terms of generating awareness, when members/donors see the recycling logo printed on them.
- If you're already using recycled paper, make sure you label it as such with a recycling logo. Your donors and members will appreciate and recognize your efforts.

Taking the Cue from DMA's "Green 15"

In May 2007, the Direct Marketing Association (DMA) issued a resolution calling on members to implement and benchmark 15 baseline business practices—the "Green 15"—for reducing the environmental footprint of direct marketing programs.

The "Green 15" covers five key areas of green management:

- Paper Procurement & Use
- List Hygiene & Data Management
- Mail Design & Production
- Packaging
- Recycling & Pollution Reduction

Last month, the DMA published target goals for direct marketers in each of these areas.

PMG supports the DMA's efforts and has integrated "Green 15" principles into how we support and manage direct mail production for our clients—as well as for our own business. We invite you to do the same.

The DMA's "Green 15" toolkit is available online to DMA members (non-members can order for \$15). Visit www.the-dma.org for more information.

Print Suppliers "Greening" the Way

Printers often take the heat for the volume of paper they consume as part of doing business. But in many ways, printers are helping set the standard for what is evolving to become one of the most pro-actively green industries.

Currently, more than 850 printers have applied for and been granted FSC certification. And if you've seen an FSC application, you understand that this credentialing process is no joke. Printers must provide detailed documentation about their paper control system and how they track and maintain the integrity of FSC-approved inputs throughout their production system.

PMG is proud to be working with seven FSC-certified printer partners (with several others in the process of applying for certification). In addition to meeting the FSC's rigorous requirements for sustainable forestry practices, our partners are setting the standards for responsible recycling practices. All have switched to direct to plate and a soft proofing process, which means they no longer use film or silver products. And they apply energy conservation practices wherever possible.

We've also had a number of clients approach us about suppliers who operate "off the grid" using alternative energy sources. Our research has identified a handful of viable wind-powered printers and paper producers, and we expect these numbers to grow in the coming years.

Green suppliers are out there. They don't always cost more. And PMG can help you find them.



Green Glossary

Below we've compiled some of the most common green terms and definitions.

Forest Stewardship Council (FSC) – An independent, non-governmental and not-for-profit organization established to promote the responsible management of the world's forests. The FSC certifies paper made from trees harvested according to guidelines meant to ensure good forestry practices. Visit www.fscus.org.

Mill Broke – Paper trimmings and other paper scrap from the manufacture of paper that is recycled internally by paper mills.

Post-Consumer Waste – Material discarded after consumer use, including old magazines, old telephone directories, and residential mixed paper.

Pre-Consumer Waste – Material that was discarded as part of the manufacturing process before it was ready for consumer use. For example, paperboard trimmed away when making cartons.

Recycled Content – The portion of a paper product that contains materials recovered from the solid waste stream—either during manufacturing or after consumer use.

100% Recycled – Paper that is made entirely of waste materials recovered during the manufacturing process and/or paper recovered after consumer use.

Scrap – Any material suitable for recycling.

Sustainable Forestry Initiative (SFI) – A certification program, similar to that of the Forest Stewardship Council, aimed at recognizing companies and organizations that practice sustainable forestry on the lands they manage. Visit www.aboutsfi.org.

Sustainable Green Printing Partnership (SGP) – An independent recognition organization formed in 2007 to provide a credible source of information about sustainable printing business practices. SGP is in the process of developing and implementing its own partner credentialing process. Visit www.sgppartnership.org.

Sustainable Forestry – A land stewardship ethic that integrates the concept of growing and harvesting trees for useful products with responsible conservation practices.



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