Union of Concerned Scientists

Three Companies Find Efficiency a Profitable Business Strategy

Solutions in Action from the Climate 2030 Blueprint

Regardless of size, location, or product, all companies agree: reducing global warming emissions must be a profitable business strategy. Here is how three companies accomplished that task.

DuPont
Inspired by scientific consensus on the urgency and magnitude of the threat from global warming, chemical manufacturing company DuPont cut its worldwide heat-trapping emissions 72 percent below 1990 levels in just 10 years (Hoffman 2006). The company achieved those drastic reductions first by capturing and destroying its most abundant global warming emissions (DuPont 2008).

The company then turned its attention to making its industrial processes and instrumentation more efficient, and to installing combined-heat-and-power systems (CHP) at a number of sites (Hoffman 2006). These energy-saving techniques paid off: DuPont's energy use fell 7 percent from 1990 to 2006, even while production expanded 30 percent, saving the company $2 billion (Hoffman 2006).

SC Johnson and Son
As a charter member of the EPA's Climate Leader's Initiative, SC Johnson and Son set an initial goal of reducing its domestic global warming emissions by 8 percent. Far surpassing that goal, the company achieved a 17 percent reduction (EPA 2009), and now reports that it has already met its 2011 goals (SC Johnson & Son 2008).

The company credits its success to changes in the way it obtains its energy. Starting in Racine, Wisconsin, with its largest manufacturing facility—and largest carbon emitter—the company now uses landfill methane and natural gas to power a CHP plant that provides all the facility's electricity, and more than half the steam for its processes (EPA 2009). Saving the company millions of dollars annually on energy bills, the CHP plant will pay for itself in less than seven years

(EPA 2009). The plant has also reduced the facility's global warming emissions by 52,000 tons per year (CSR 2007).

Harbec Plastics

Near the shores of Lake Ontario in upstate New York, Harbec Plastics, a small, local company, is using a similar business strategy to achieve the same success. Facing rising energy costs and frequent power outages, president and CEO Bob Bechtold decided to invest in new systems that would reduce his company's dependence on an unreliable electricity grid while cutting carbon emissions.

Bechtold first replaced the equipment at the core of his business with newer, more efficient machines. To provide reliable power for this equipment, Bechtold next installed a CHP system that more than handles the plant's electricity demand, and supplies heat and air conditioning at no extra cost (Bechtold 2008a). Both the energy-efficient machines and the CHP system required an up-front investment that the company recouped in two to three years through substantially lower energy bills (Bechtold 2008a).

Finally, Bechtold erected a wind turbine onsite to harness the steady wind blowing off the lake. Producing 10 percent of the plant's total electricity needs, the turbine saves the company $40,000 a year, and allows Bechtold to forecast a substantial portion of his energy bill far into the future (Bechtold 2008a).

These efforts have reduced Harbec's global warming emissions by more than 3,077 tons per year, and put the company on track to be carbon neutral by 2016 (Bechtold 2008b). The cuts in energy use have also improved the company's bottom line: Harbec Plastics has exceeded its profit projections for the past three years despite failing to meet its sales projections (Bechtold 2008b).

These success stories show that up-front investments in energy-saving and energy-producing technologies not only provide significant cost benefits but also reduce heat-trapping emissions. Harbec Plastics, SC Johnson and Son, and DuPont are but three examples of the many companies that have found cutting such emissions compatible with a sound and profitable business strategy.

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