

## Green Spot: Bell Incorporated: Win/Win/Win at the Triple Bottom Line

Paperboard and packaging manufacturer uses lean flow, product lifecycle analysis and supplier engagement to earn landmark Cradle to Cradle certification

By Brad Kenney

**Nov. 16, 2007** -- Bell Incorporated is a Sioux Falls, S.D.-based manufacturer of paperboard and packaging, with a robust environmental program, a Cradle to Cradle certification and an executive (Ben Graham, VP of finance, sales and supply chain) with the willingness to sit down and answer some pointed questions about it.

*IW: Have you evaluated renewable (i.e., solar and wind) energy production or purchase?*

**Graham:** Yes, we are in the process of purchasing Renewable Energy Certificates (REC) from wind power to offset energy used in our manufacturing processes. The purchase of these e-certificates goes into wind farms that produce not just energy, but clean energy.

*IW: How are you addressing facilities and equipment management?*

**Graham:** In the engineering and design of our new facility (a renovated millwork plant) we utilized lean design to reduce workflow and utilize energy-reduction materials.

We renovated one of our facilities to include KAL-WAL, a type of wall that allows natural light into the facility and decreases consumption of electricity for lighting and heating.

The heat from the drying units on our printing presses is recycled and used as a source for heating our manufacturing areas.

We utilize rail cars rather than trucks for bringing in much of our paperboard.

Our facility was designed using a linear flow for manufacturing; no product is handled more than once, lessening the use of fork trucks that burn gas.

*IW: How are you addressing waste reduction?*

**Graham:** Bell recognizes that waste directly impacts a manufacturer's bottom line and the prices we can offer our customers. We have developed a closed loop reclamation and reuse of our scrap paperboard and corrugated materials, which are re-pulped and re-used. The scrap paperboard generated from our operations is re-distributed back into the paper-making process to be de-inked and recycled.

*IW: How are you addressing pollution prevention?*

**Graham:** According to the EPA's National Pollution Discharge Elimination System, Bell is a "minor" user of water. Several years ago, concerned about the polluting quality of some inks, we switched to using mostly water-based inks that are safe enough to be washed down the drain. None of our processes emit harmful gases.

*IW: How are you addressing supply chain management?*

**Graham:** We are a large consumer of recycled paperboard, which is a renewable resource that can be recycled multiple times. We "reuse" by purchasing refurbished pallets. We capture our paperboard waste, bale it and send it back to a recovery site for recycling.

Earlier this year, we earned Cradle to Cradle certification for several of the large-volume items we produce for the U.S. Postal Service. Through that demanding and extensive process, involving and including all of our suppliers, we have gained an even greater awareness of the contents in many of our raw material components and

are sourcing raw materials that meet health and environmental standards per the Cradle to Cradle guidelines.

*IW: Have your programs received executive sponsorship from the C-suite?*

**Graham:** Absolutely. Years ago, Mark Graham, Bell's president and CEO, provided a sustainability vision that inspired the environmentally sound practices that are a habit at Bell. Our senior leaders know that sustainability is a win/win/win: good not only for Bell's bottom line, but for the customers we serve, and for the future of our planet.

*IW: Have you seen impetus for these types of initiatives from the shop floor?*

**Graham:** All of our employees participate in, and are supportive of, the operational efficiencies and environmentally sound practices of the company. These go beyond manufacturing to include recycling of office waste, and cans and newspapers in the locker and lunch room areas. These are habits that are built into our daily lives, and we hope and believe that, being a matter of habit, they carry over into all of our homes as well. In addition, many of our people were involved in and inspired by the process of achieving Cradle to Cradle certification this year.

*IW: How do you see sustainability fitting into core business strategy?*

**Graham:** Sustainability will be an essential strategy for any company that expects to achieve sustainable success -- and a future. A platform that supports recycle-reduce-reuse benefits supplier and consumer. The

“greening” of America, human health awareness, and the resultant bottom line savings are all goals that aware businesses are pursuing to everyone’s benefit.

*IW: How important is corporate branding in this day and age?*

**Graham:** Well, we know that a company’s brand image correlates to its bottom line, its ability to attract the best people, and everything else that makes the health and vitality of a business sustainable.

*IW: And how are you publicizing your efforts to reach out to value chain partners and consumers?*

**Graham:** We are a B2B company, and our value chain partners are already an integral part of our operations and practices; their partnership with us in achieving Cradle to Cradle certification a perfect example.

As far as consumers, of course we care about what our neighbors think of us in the community in which we work and live. When we have opportunities to share our efforts, we try to do so. For example, we invited TV stations to our premises at the start of a surprise audit by AIB International, a leading provider of independent food safety audits and inspections, in which every nook and cranny of our operations is inspected in an all-day process.

We let our community know that a) participating in these audits is voluntary and b) we have received the highest possible rating, “superior,” for 10 years straight (as we did once again at

the end of this audit).

We also explained that this is significant to the community since it ensures that local businesses such as ours aren’t polluting the water, using chemicals safely, and providing a clean and safe work environment for our 225 Sioux Falls employees.

*IW: What are you the most proud of that you’ve accomplished so far, and why?*

**Graham:** We are very proud of our partnership with the U.S. Postal Service and the two-year project culminating in the first-ever paperboard package to be certified Cradle to Cradle by the MDBC.

*IW: What’s the best piece of advice you can give to companies considering “getting with the program”?*

**Graham:** At Bell, we think that “making green” competitively has at least as much to do with who the company is, and has been for years, not just making a sudden decision to go green and expecting to turn on the proverbial dime. For us, for example in order to earn Cradle to Cradle certification for paperboard envelopes this past year, there were certain manufacturing practices, operating principles and aspects of our culture already in place that helped us become the first in our industry to achieve this particular milestone. These include:

***A certain attitude and vision*** -- Seeing early on what the trends are. Years ago, Bell’s leaders recognized early on that ISO certification would be essen-

tial to business survival, for example, and acted upon it. We saw sustainability emerging with the same urgency and, likewise, acted upon it.

***A habit of transparency*** -- Making certified-green envelopes meant exposing the details of our operations to Bell’s customer and the certifying agency. Such transparency was already a part of Bell’s culture. For example, in a 2006 lead-reduction initiative with GE involved opening for scrutiny every detail of Bell’s operations -- always a little scary, but essential to growth and improvement.

***The power of persuasion/strong supplier relationships*** -- All of Bell’s suppliers had to be just as transparent regarding every aspect of their manufacturing process from raw materials sources through shipping. Without having an already strong foundation of trust with our suppliers, it wouldn’t have been possible.

***Long-standing practices of efficient, economical, environmentally safe operations.*** Examples include achieving less than 1% waste as measured by an independent auditor assigned by one of Bell’s food-processor clients; implementing efficient water-usage systems; and switching to water-based inks years ago.

Reducing, reusing, and recycling have been habits at Bell for a long time. It won’t happen overnight but if you haven’t already, now is the best time to get started.