



Stephen Cipes, proprietor of Summerhill Pyramid: Canada's most visited winery, certified organic since 1987

Value & values

Profitability
no longer the
main motive,
but it helps

BY LORNE ECKERSLEY

Not so long ago, companies adopted sustainable practices if they promised economic payback. More and more, though, businesses are finding other reasons to value the planet's limited resources.

"I got a call out of the blue from a construction company. The guy said, 'We don't know much about sustainability – actually we don't know anything about it – but we think it's important. How do we get our arms around that?'" Erich Schwartz, president of Greenomics Corp., receives such calls with increasing regularity. The Vancouver-based business works with companies that want to lower their environmental impact.

"We sit down and establish baselines. Start off with a sustainability assessment – everything from greenhouse gasses to resources to energy use."

Greenomics looks at the client's culture and knowledge. "Then we make recommendations. Usually 80 per cent of the business is fine, and 20 per cent is where the culprits are. Some of it is behavioural, and some of it is physical or operational. And we say, 'Here's where the big scary things are, and here's what you can do to address them in a cost-effective manner, and here's the return on your investment.' Our company focuses on how to make it affordable."

The surprising part? "They nearly always think it's going to cost them money, but we usually figure out a way that they can become more profitable.

"Sustainability is fundamentally just good common business sense," Schwartz says. "Once companies understand that, they say, 'Well, that's obvious. Let's do that.'"

Schwartz wouldn't get an argument from Cenovus Energy Inc., an Alberta company formed early this year when natural-gas giant Encana Corp. divided.

"Traditionally, people ... thought that if you [did] good for the environment ... maybe it would cost you more," says Rhona DelFrari, media relations manager. "That's not what we find at all. We find that reducing the impact on the environment is also good for business."

A prime example, DelFrari says, is a drilling operation in the oilsands where Cenovus has made huge strides in reducing its use of water. Steam is injected deep into the ground to heat the heavy bitumen deposits. The heat makes the bitumen more liquid, allowing it to be pumped to the surface, where it can be refined.

Cenovus has reduced its steam-to-oil ratio to a level that is one of the industry's lowest. And it uses underground saline water, which is, in turn, used over and over.

"When we use less steam in our operations than the industry average, it reduces water use. But it also reduces our emissions, because we need less natural gas to heat the water because we are using less. It also reduces land use, because we need less infrastructure to house the heating facilities," explains DelFrari. "Reducing the amount of steam we use in our operations



Green tops hide the deep purple of the dragon carrots growing in Summerhill Pyramid Winery's organic garden

"I also knew a little bit about sparkling wine, which was my passion. And I knew that in sparkling wine you can taste the flaws more easily than in table wine. Growing organic would enhance the flavour; we've never not gotten a gold medal in 20 years of producing sparkling wine."

Is Cipes optimistic?

"I'm thinking I'm happy that the planet is finally waking up, but it's almost too little, too late. And what I would call disgusting [are] my fellow businesspeople of the world who are waving that green banner just to try to make green dollars. It's almost sickening."

Gear, gear

Sustainable business practices are even more challenging for companies that retail imported goods. Yet Mountain Equipment Co-op (MEC), a member-owned, 13-store chain that sells outdoor recreational equipment, meets the challenge head-on.

Media relations manager Tim Southam says that one approach is to establish partnerships with companies that ensure that suppliers abroad meet standards of sustainable practice. To that end, MEC has teamed up with the Swiss company Bluesign Technologies.

"Bluesign vets the manufacturers of textiles that go into MEC products to determine ... the most benign inputs possible. The idea is that if we can design sustainability into the products right from the get-go ... we will reduce [their footprints]. ... Twenty per cent of our manufacturers are now Bluesign partners, and our goal is to get up to 70 per cent."

Owned collectively by a well-heeled, environmentally conscious demographic, MEC strives to build sustainable practices into every aspect of its operations. A recent decision has resulted in the company's using more rail transport to distribute goods to its stores in Vancouver, North Vancouver, Victoria, Calgary, Edmonton and eight other Canadian locations.

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High-tech innovations like the steam-assisted gravity drainage system at Cenovus Energy's Foster Creek operation in the Alberta oilsands have helped reduce the surface footprint of well pads, water use and energy consumption

is good on land, air and water fronts."

An even more radical shift is taking place in the company's operations near Weyburn, Saskatchewan. There, hot carbon dioxide (CO₂) is piped from a coal-gasification plant, then pumped underground to help release more oil from the reserve.

"That CO₂ will stay underground," DelFrari says. "We've sequestered more than 15 million tonnes of CO₂ under the ground there. That's not only good for the environment, but it increases the amount of oil that we can get out of the reserve: oil that would have stayed underground otherwise."

A grape one

In Kelowna, one prominent and very successful business owner says that just being sustainable isn't enough. Stephen Cipes, proprietor of Summerhill Pyramid Winery, converted to certified organic practices in 1987.

"My first experience on the tractor," he recalls, "was to put on a helmet and goggles and [a] breathing device" so as to

spray pesticide. "And I suddenly thought, 'This stuff will kill the weeds for five years! What will it do to us humans?'"

With four little boys who liked to play in the vineyard, Cipes decided to use organic practices, and he's never looked back. Today, Summerhill Pyramid Winery is Canada's most visited winery. In 2009, it was named Canada's wine producer of the year at the prestigious International Wine & Spirit Competition in London, United Kingdom.

"We are leaders in the movement to not only be sustainable but to give back to the earth," says Cipes. "This is a step that I think is imperative if we're going to save our planet."

"I investigated going organic right away, and sure enough, it wasn't that difficult," he says. "Especially here in the north where we have, I would say, the lowest [number] of pests of any fruit-growing region. It was a natural progression, and I immediately stopped use of all the chemicals and applied to go organic."



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A state-of-the-art retail outlet opened recently in Burlington, Ontario, is so energy-efficient that it generates surplus power from solar panels on its roof. The surplus gets sold into the Ontario power grid.

Mill power

Companies developed solely to generate sustainable energy still don't have an easy time. Alberta Wind Energy Corp. (AWEC) has taken five years to near completion of a wind-energy project in southern Alberta's Oldman River area.

Chief executive officer Stuart Duncan says that AWEC made the Oldman application in 2005 "with the expectation [of having] approvals and transmission capacity built by 2007. It's now 2010, and the transmission capacity will probably be completed some time toward the end of this year. We put up better than \$6 million in deposit in 2005 to secure that transmission capacity."

Once an appropriate location for wind turbines is identified and land leases are secured, it takes two years to get adequate meteorological data from on-site towers, according to Duncan. Then the usual regulatory processes kick in.

"We've been pushing and shoving and trying to move things along as quickly as



Headquartered in Vancouver, Mountain Equipment Co-op has a new store in Burlington, Ontario, that's notable in retail for environmentally friendly construction and low energy consumption

possible, but when you get several different bureaucracies involved, it takes a long time," he says.

Even with the necessary approvals in place, there's no way to predict accurately when transmission lines for a project will be constructed. Two corporations are responsible for the construction of all such lines in the province.

"There is a queue in Alberta of about 90 projects," Duncan says. With several other projects in the works less far along than

Oldman, he remains committed to wind energy, knowing the market demands it as businesses clamour to purchase green credits from suppliers like AWEC.

"It's a long process," Duncan admits. "It's been kind of a difficult situation because power prices and the venture-capital market were considerably different in 2007. We're seeing some recovery in power prices in Alberta, and as far as capital is concerned, it is improving, so we are hoping that will continue." ■

Palms of our lands

Natural, fully compostable dinnerware

Saakori Lifestyle Inc., a Burnaby-based business, helps reduce landfill by providing affordable alternatives to disposable plates, bowls and serving platters. Using only heat and steam, the company transforms naturally fallen palm leaves into attractive, sturdy dinnerware. The products biodegrade naturally in about two months and can be safely added to home compost.

Tanuja Dabir, founder and director, says that Saakori's "plates come in different sizes and shapes and are ideal for social events, corporate lunch meetings, barbecues, weddings ... camping and hiking." They're also microwave- and freezer-safe.

The palm-leaf dinnerware line is available at Vancouver's Cookworks stores (downtown and Broadway locations) and at www.saakori.com. For wholesale and volume packs, email sales@saakori.com.

