

# Saving the Earth, And Saving Money

## Environmental Defense's Director of Corporate Partnerships speaks with The New York Times

Posted on: 09/06/2006

Gwen Ruta has helped many American companies embrace practices that help the environment and their bottom line.

By William J. Holstein  
Originally published August 13, 2006 in [The New York Times](#)

High energy costs are helping to persuade American companies that they need to embrace environmentally friendly practices, says **Gwen Ruta**, who is in charge of creating and managing corporate partnerships for Environmental Defense, a nonprofit group based in New York. Here are excerpts from a conversation:



### **Q. Why should companies care about their environmental impact?**

A. They need to care because if they don't, their stakeholders do and they're going to hear about it. On the other side of the coin, there are all kinds of opportunities. Pollution is by definition waste, and waste by definition is costly. Finding a way to lessen your environmental impact is finding a way of running your business more efficiently.

### **Q. What has Wal-Mart done to improve its practices?**

A. It's very standard in the industry to have these big trucks, these big 18-wheelers, idling when they are loading and off-loading, sometimes even overnight, to keep their air-conditioning running. **Wal-Mart** said no to that and said they were going to turn off the engine. They have installed some auxiliary power systems so the trucks can still be refrigerated. By doing that, they're reducing greenhouse gases by 100,000 tons a year, which is like taking 20,000 cars off the road. They're also saving themselves \$25 million in the fuel it takes to keep those trucks idling. That's a good example of a win-win.

Secondly, they've announced to their suppliers that within the next five years, all the wild-caught fish that Wal-Mart sells will come from sustainability-certified fisheries. That's a very aggressive goal, and it sends a huge signal to the fishing supply community around the world.

### **Q. Are these just public relations moves?**

A. It may have started for P.R. reasons, but the more they've done, the more they've convinced themselves of the business benefits. They've seen the synergy between environmental innovation and business. A lot of it is about efficiency, and that's a hallmark of Wal-Mart.

### **Q. How do you put pressure on managements or boards to cooperate with you?**

A. We certainly work with individuals all the way up to the top of a company. For example, we have a partnership with **FedEx** to help develop and deploy the first hybrid delivery trucks. We

met with Fred Smith [the company's founder and chief executive] and Dave Bronczek, who is president of FedEx Express, and brought them along as allies.

**Q. Don't you try to embarrass companies?**

A. No. Maybe that's why companies will work with us.

**Q. So how did you cooperate with FedEx?**

A. We approached FedEx with the idea of creating the next generation of delivery trucks. The goal was simple but revolutionary: we wanted to change truck technology in America. We knew we needed a demand signal to do that, meaning we needed a big truck buyer to say to the manufacturers, "We want you to do better." FedEx has amazing clout in the truck market so they were a great partner. Together we developed a set of performance goals for a new truck: it had to improve fuel efficiency by 50 percent, it had to reduce emissions of soot, or particulates, by 90 percent, and it had to deliver as many packages and carry as much weight as a regular FedEx truck. Then we challenged their suppliers to meet our specs. Now we have trucks on the road that are reducing soot by 90 percent and are going 50 percent farther on a gallon of fuel.

**Q. What was the key technology?**

A. It's not dissimilar from a Toyota Prius or the system that's in a hybrid car. It's a hybrid diesel-electric system.

**Q. What will be the annual impact?**

A. For every 10,000 hybrid trucks that replace conventional trucks on the road, we're looking at reducing carbon dioxide emissions by about 80,000 tons, which is equivalent to planting two million trees. It would reduce diesel fuel usage by over seven million gallons and reduce nitrogen oxide, which causes smog, by about 1,700 tons. That would have the same effect as if you stopped traffic in New York City for a month.

**Q. What will it take to change American automakers' thinking on fuel efficiency?**

A. Two things have to happen. One is that we need to have a better national policy. We had the opportunity recently to increase fuel economy standards for American fleets, and we didn't do much with that. The other thing is that these corporate fleets are a good example of where we can use corporate purchasing power to make change up the supply chain.

**Q. Are you optimistic that companies suddenly are more environmentally conscious?**

A. I wouldn't say "suddenly." It's like when a Hollywood star makes a breakout movie and people say he is an overnight success, but it's really taken 15 years to get to that point. The first partnership we had started in 1989 with **McDonald's**. We went to them and said, "Hey, you've got way too much packaging here." Remember those Styrofoam clamshells? They were paying to buy them and paying to throw them away. We worked with them on a project that had 35 or 40 different recommendations. Eliminating the Styrofoam clamshells was the most visible outcome. That was 17 years ago and we've been working toward these goals ever since. I see the momentum building in the past few years. But it takes leadership on the part of these companies to make it happen.

*Copyright © 2006 by The New York Times Co. Reprinted with permission.*