



# Sustainability Stories Shaping the Pet Industry

Audience, Authenticity, and  
Collaboration

*Caitlyn Bolton: Executive Director  
Pet Industry Sustainability Coalition*

# Agenda



- PISC
- Sustainability Communication Trends
- Sustainability Audiences & Order
  - Why the audience matters
  - Success Stories
  - Tools & Resources
- Collaborative potential
  - Collaborative action
  - Next Steps



"I and love and you"



# What We DO



- Coordinate working groups to address industry wide environmental and social hotspots
  - 3<sup>rd</sup> party facilitation to bring all players to the table
  - Transform individuals into leveraging agents
  - Unify industry with common best-practices
- Develop shared tools and resources to guide improvement in company operations and products
  - Toolkit & live learning webinars
  - Consulting partnership

# Collaboration



Hunter Lovins- **“Green Business Icon”** by *Newsweek* and **“Hero of the Planet”** by *Time Magazine*.



*“As the Outdoor Industry Association Sustainability Working Group continues to advocate for convergence around tools, we are looking forward to providing the pet products industry with guidance around how it might utilize the Higg Index framework to benchmark and measure the sustainability of its products, brands, and manufacturing facilities.”*



# What is Sustainability?



Moral Imperative: Responsibility to future generations, planet, wildlife, ecosystems.

Business Case: Risk mitigation, costly supply issues, safety and transparency issues, efficiency improvements that save \$\$.

# How to talk about it



- Sustainability is a process not an end point
- Communicating about a process is not easy
- Audience matters
- Order of communications matters



# Audiences



Sustainability Strategy

Sustainability Story

Internal

Supply Chain

Industry

Customers

- Brand Ambassadors
- Innovator Engines
- Productivity
- Top Talent

- Footprint
- Total Potential
- Time and Process

- Expectations
- Standard
- Road Map
- Leverage

- Profit Drivers
- Feedback Loop
- Make or Break



# Trends in Communication



- **From Brand as Hero to Brand as Facilitator**
  - What does my audience care about?
  - What are our shared hopes, dreams and concerns?
  - How can we be an enabler to help them manifest shared values?
- **Elements of Good Story Telling**
  - Appeal to shared value, emotions and social desires
  - Build something positive together
- **Backing up your Story**
  - Start with the story not the telling
  - Authentically make good on your promises!

# Why communicate with Employees?



## Generation Y wants to be engaged

Millennials want to be an involved, engaged member of a workforce that makes a difference.

**92%**

Source: MonsterTRAK, Oct. 2007 Survey of Recent Graduates

of young professionals interested in a job would prefer to work for an environmentally friendly company.

# Why communicate with Employees?

- Engaged employees drive profitability
- They are more productive, and easier to retain
- They contribute creativity and make a company more effective
- They are the best salespeople



## Companies with Engaged Employees...

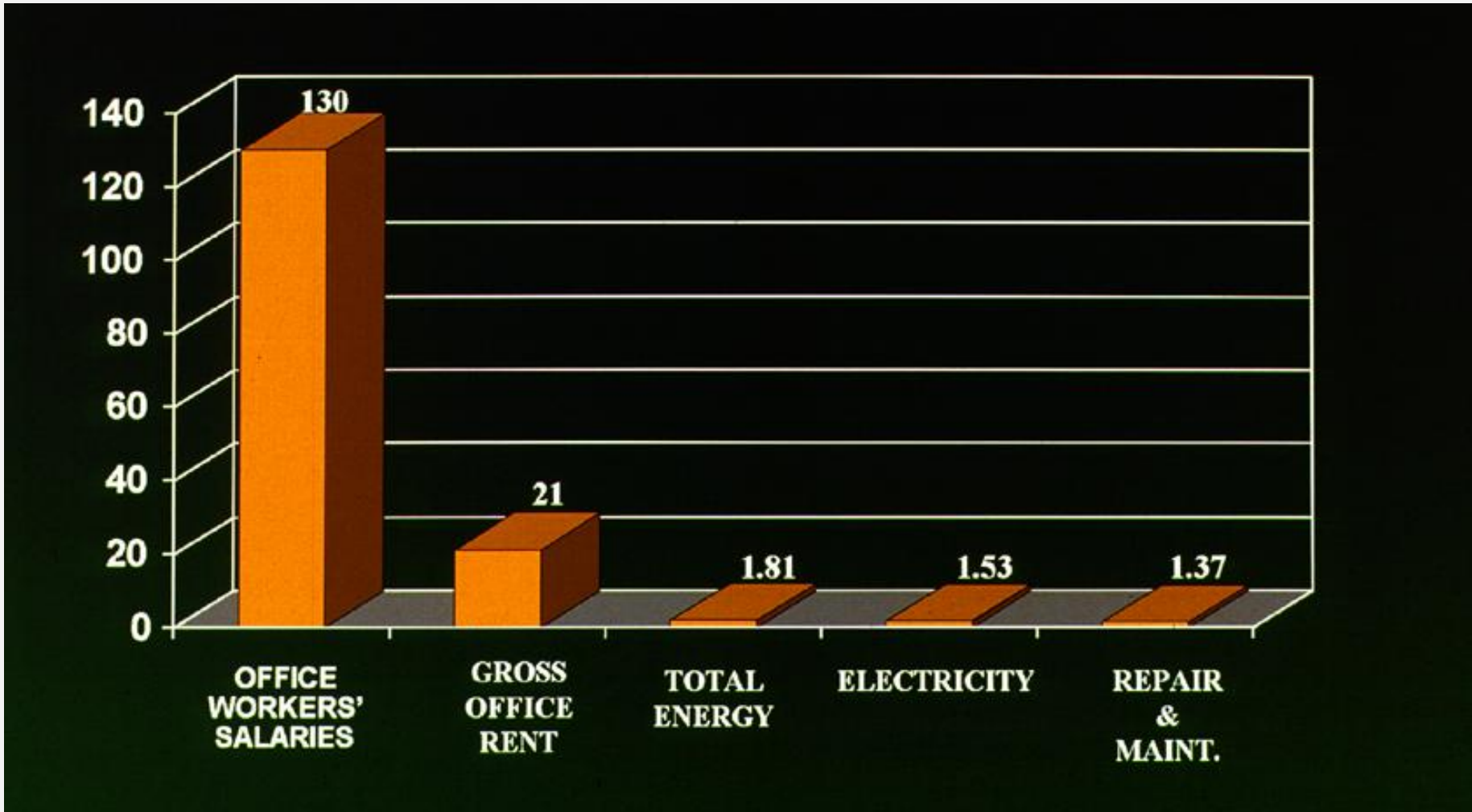
### Higher

- 16% Profitability
- 18% Productivity
- 12% Customer Loyalty

### Lower

- 25% Employee Turnover
- 49% Safety Incidents
- 37% Absenteeism

# Returns on Investment



# Kashi Case Study



Home page for Kashitopia, after users login.

# Kashi Case Study



The screenshot shows a web application interface with a green header. On the right side of the header, there are navigation links: 'FARM COMMUNITIES STATUS', 'HI NICK STERLING, YOU ARE LOGGED IN', and 'LOGOUT'. Below the header is a decorative banner with icons of a trash can, a globe, a house, and a dog. The main content area is titled 'FARM COMMUNITIES' and is divided into two columns. The left column is titled 'CHALLENGE' and contains three numbered questions with multiple-choice options. The right column contains an introductory paragraph, a section titled 'LAND USE OVERVIEW: AGRICULTURE 101' with a brief description and a 'Click me' link, and a section titled 'TRANSPARENCY: SUSTAINABLE AGRICULTURE RESEARCH' with a 'SLIDESHOW' link. On the far right, there is a vertical sidebar with icons for 'i', a speech bubble, and a 'KEY' section with icons for 'GROUP ACTIVITY', 'BOOK', 'INTERNET VIDEO', 'INTERNET READING', and 'FIELD TRIP'.

**FARM COMMUNITIES**

**CHALLENGE**

From the questions below, choose the most correct answer based on the learning material.

1. With an increasing population, the agricultural land under cultivation has \_\_\_\_\_.  
 declined  
 stayed the same  
 increased
2. According to Tom Trantham, one of the best ways to bring agriculture back to the community is by \_\_\_\_\_.  
 sharing the wealth in the community  
 creating larger farms  
 increasing production
3. Since the 1950s the average farm size in the United States has \_\_\_\_\_.  
 decreased  
 risen and fallen with agricultural

To grow your tree of knowledge, check out the 5 activities below and follow the links associated with each. When you're ready, take the challenge to the left. You can answer the questions at your own pace and in any order you wish. And remember, if you need to leave, don't worry, we'll save your answers.

**LAND USE OVERVIEW: AGRICULTURE 101**

An article from the Environmental Protection Agency (EPA) describes how agricultural and urban land use has decreased U.S. farm acreage over the past decades, but increased the average farm size.

Read the 3 paragraphs, being sure to note the 2 charts.

**Total Time: 10 minutes**  
[Click me](#)

**TRANSPARENCY: SUSTAINABLE AGRICULTURE RESEARCH**

[SLIDESHOW](#)

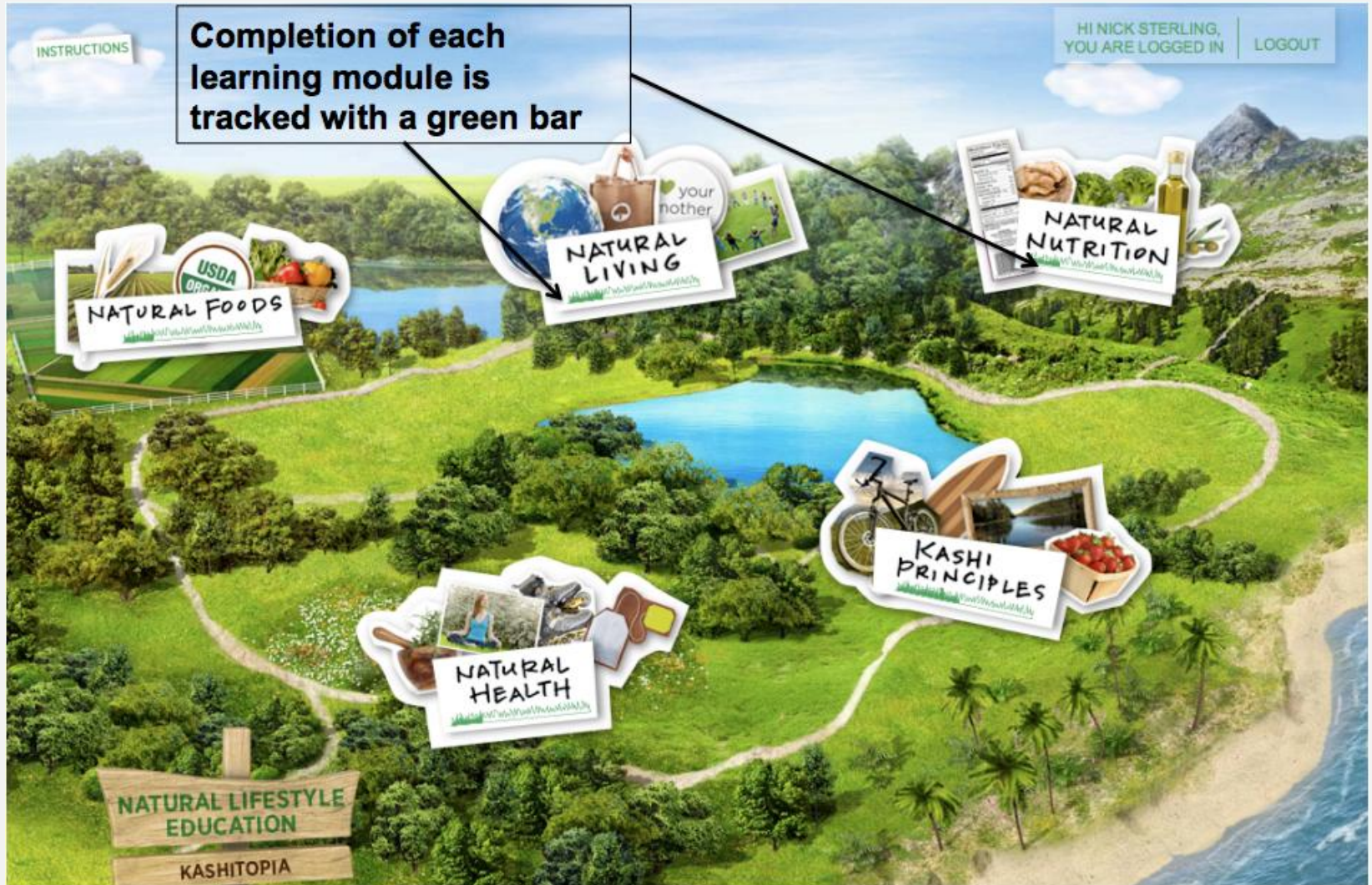
**KEY**

- GROUP ACTIVITY
- BOOK
- INTERNET VIDEO
- INTERNET READING
- FIELD TRIP

## Notes:

After the warm-up, each module then presents a series activities based around customized learning objectives. Each activity helps to answer the “Challenge” questions presented on the left. Learning activities are a mixture of slides with print/images, video, group activities and field trips.

# Kashi Case Study



# Pet Industry Sustainability Toolkit



[Do](#) > Employee Engagement



## Employee Engagement

How do you plan on involving your employees, your most valuable assets? We suggest informing them of your intentions to become sustainable right from the beginning so that they can be involved, interested, and assist in every aspect. For a sustainability program to be successful it will require employees to be continually involved, inspired and engaged.

In the fall of 2014 the Pet Industry Sustainability Coalition will launch a wide range of resources to help you engage with your employees and get the most out of your sustainability program. However, for now if you haven't done so it is important that you do the following:

### 1) Internal Launch

[Send an email](#) introducing your sustainability program to your employees.

### 2) Create a Team

Create A Team Create to help implement throughout the business.



## WHO & DO



**Who:**  
All Employees

**Do:**  
Internal Launch  
[Create a Team](#)



Founding Members:

"I and love and you"



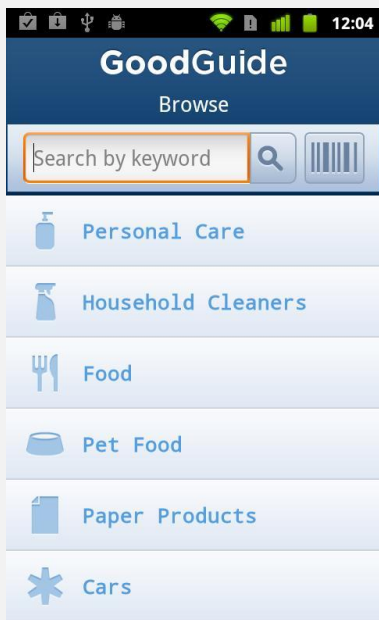
KONG



[Feedback](#) | [Roadmap](#) | [PISC Home](#)



# Why communicate with Retail?



**Q:** *Do you think your respective companies will develop sustainability criteria for the products it chooses to carry similar to the Walmart Sustainability Index and others?*

**A:** Yes, within 5 years I believe that sustainability information will be routinely available for all products. Good Guide is one of the first examples of this. Customers are going to demand more transparency and traceability. Arguably if you want sustainable products you have to ask suppliers questions in order to determine what to buy. At the end of the day we may not see sustainability as the #1 purchasing criteria but it will surely rise into consideration along with price, quality, and customer service.



Community **I** INTERVIEW

## Sustainability Top Priority at Petco

Reducing waste, using less energy are among retail giant's goals.

BY CAITLYN BOLTON  
SPECIAL TO PET AGE

**T**he Pet Industry Sustainability Coalition Interviews Jim Thomas, vice president sustainability, safety & environmental health at Petco. PISC is the collaborative playground for accelerating the rate of sustainability throughout the pet industry and is now over 50 members strong. To learn more about PISC or to become a member visit [www.petsustainability.org](http://www.petsustainability.org).

**Q:** *What inspired Petco to join the Pet Industry Sustainability Coalition?*

At Petco is pleased to be the first retailer to join the Pet Industry Sustainability Coalition. We believe PISC is ideally positioned to bring together industry stakeholders to focus on shared sustainability goals.

At Petco, our Vision is Healthier Pets. Happier People. Better World. We believe the "Better World" element of our vision can be fulfilled by working together with like-minded companies interested in reducing energy use, decreasing waste and conserving precious natural resources. In addition, we are familiar with the success of other industrywide coalitions such as the Sustainable Apparel Coalition (SAC) and believe PISC is the equivalent platform for the pet industry."

**Q:** *What are the driving forces behind pursuing sustainability as a retailer?*

At Petco we believe that reducing waste, using less energy and recycling materials saves money, is good for business and benefits the environment. Pet parents really care about the environment, and our job is to provide them with products that are aligned with their values.

**Q:** *As one of the biggest retailers in the pet industry you have budgets*

*and dedicated staff that can focus on sustainability. Can you talk about the importance of vendors in helping you to pursue your sustainability goals?*

At Sustainability at Petco requires us to engage our internal teams and work with all of our suppliers to improve the products that reach our shelves. If we look at Petco's total "environmental paw print" it is clear that major envi-

ronmental impacts reside in our supply chain. So, working with suppliers is the only way to impact our larger footprint.

from the purchasing agent working with buyers to the administrative assistant who makes sure that reports are printed double sided. From the vendor perspective - there wouldn't be a single supplier that couldn't benefit and shouldn't be paying attention to sustainability. All companies generate waste, use materials, water and resources and there are potential ways to do it better.



**Q:** *Do you think your respective companies will develop sustainability criteria for the products it chooses to carry similar to the Walmart Sustainability Index and others?*

At Yes, within 5 years I believe that sustainability information will be routinely available for all products. Good Guide is one of the first examples of this. Customers are going to demand more transparency and traceability. Arguably if you want sustainable products you have to ask suppliers questions in order to determine what to buy. At the end of the day we may not see sustainability as the #1 purchasing criteria but it will surely rise into consideration along with price, quality, and customer service.

**Q:** *If you had to set a goal for how many of your vendors will join PISC by our 1-year anniversary at Global Pet Expo in 2014 what would it be?*

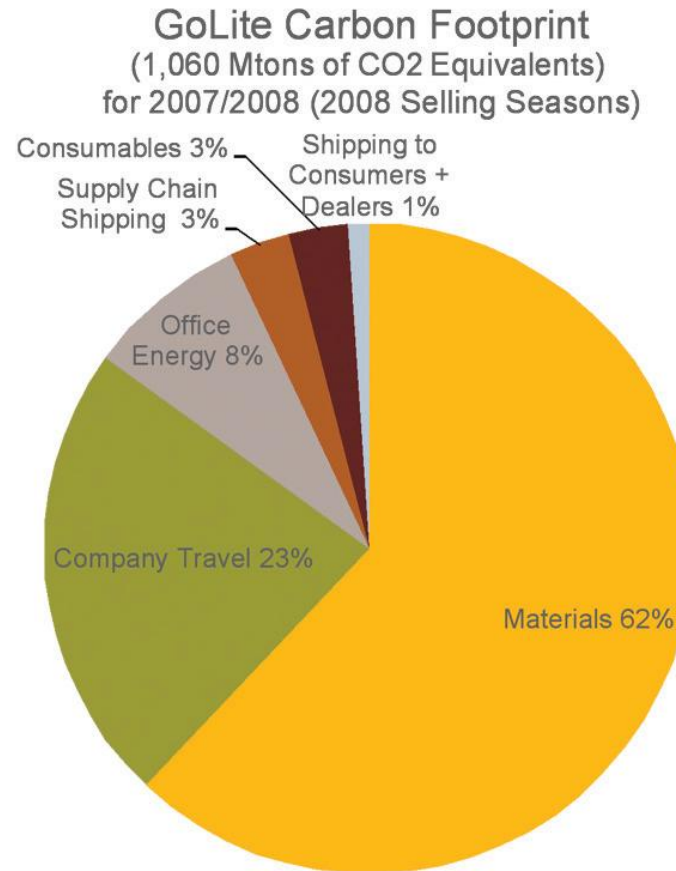
At We certainly hope that ALL of our suppliers will join because it creates a bridge for us to communicate with them around sustainability.



Caitlyn Bolton is the executive director of the Pet Industry Sustainability Coalition, which strives to be the leading organization for sustainable advancement in the pet industry.



# Retail questions = Supply Chain Questions



# P.I.S.C. Toolkit



## SUPPLIER SELF-ASSESSMENT QUESTIONNAIRE (SAQ) BUILDING THE FOUNDATION FOR SUSTAINABLE SUPPLY CHAINS

There have been a growing number of initiatives aimed at assessing and improving supply chain sustainability performance, some of which you as a supplier may have experienced. The majority of these initiatives focus exclusively on one aspect of sustainability or another, which leads to suppliers having to complete a myriad of self-assessment questionnaires (SAQs).

The intent with this questionnaire is to offer a holistic approach, allowing one SAQ to demonstrate the important steps you as a supplier are taking to effectively identify and manage sustainability risks and opportunities. In order to ensure relevancy to the pet industry we included questions that retailers are asking and incorporated some of the best practices created by other industry groups and coalitions.

### Retailers:



### Sustainability Coalitions/Groups:



## ENVIRONMENTAL PURCHASING GUIDE

### How to Use This Guide

This guide was created to help your organization purchase more sustainable materials while preserving key financial and performance standards. This guide will present key environmental considerations for several key materials, provide materials to source from and evaluate vendors, and educate employees on key sustainability concepts.

The purchasing policies presented are broken into seven key material categories, based on the most commonly used materials. The purchasing policies present key criteria to assist your organization in sourcing more environmentally beneficial products. The criteria are presented in order of impact, with the most environmentally beneficial presented first and then decreasing in importance. The environmental benefits of these purchasing policies are presented in charts to the right of purchasing policies to show the range of environmental benefits. Since not all environmentally preferable products are available at lower or similar costs, exceptions have been made where products may not meet acceptable price controls. You can [download an Word version of this document here](#).

# 1

## Pet Industry Sustainability Coalition Case Study

Company: “I and love and you”

Issue: packaging and working with vendors



Purchasing Policy  
Materials  
Hierarchy  
Vendor Letter

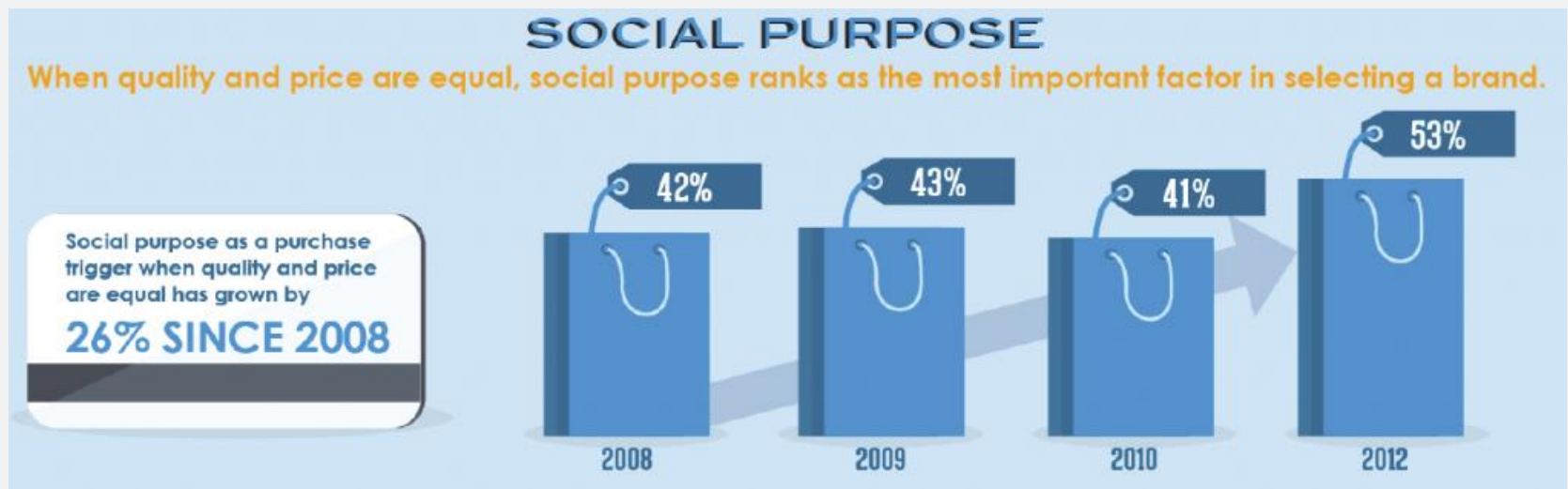
### *opportunity outline:*

1. meets our increased durability standards
2. remains affordable
3. meets design specifications for unique branding choices
4. minimizes environmental impact

### *Solution Outline:*

1. Clearly Identify Limitations
2. Identify Potential Vendors
3. Inform Packaging Team
4. Develop Vendor Questionnaire
5. Provide Recommendations
6. Targeted Follow-up
7. Final Recommendations

# Why communicate with Consumers?



Good Purpose Study 2012

- 71% of consumers would help a brand promote their products or services if there is a good cause behind them
- 72% of consumers would recommend a brand that supports a good cause over one that doesn't
- 73% of consumers would switch brands if a different brand of similar quality supported a good cause



## how it works



“We’re on to something but how can we be sure”?

### Solution Outline

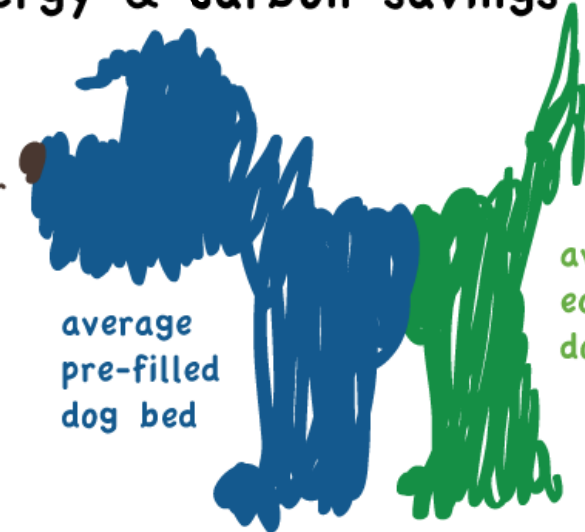
- Conduct basic environmental assessment
- Target recommendation areas
- Deliver quantifiable results

filling free  
energy & carbon savings

molly mutt  
duvet cover

average  
pre-filled  
dog bed

average  
eco-friendly  
dog bed



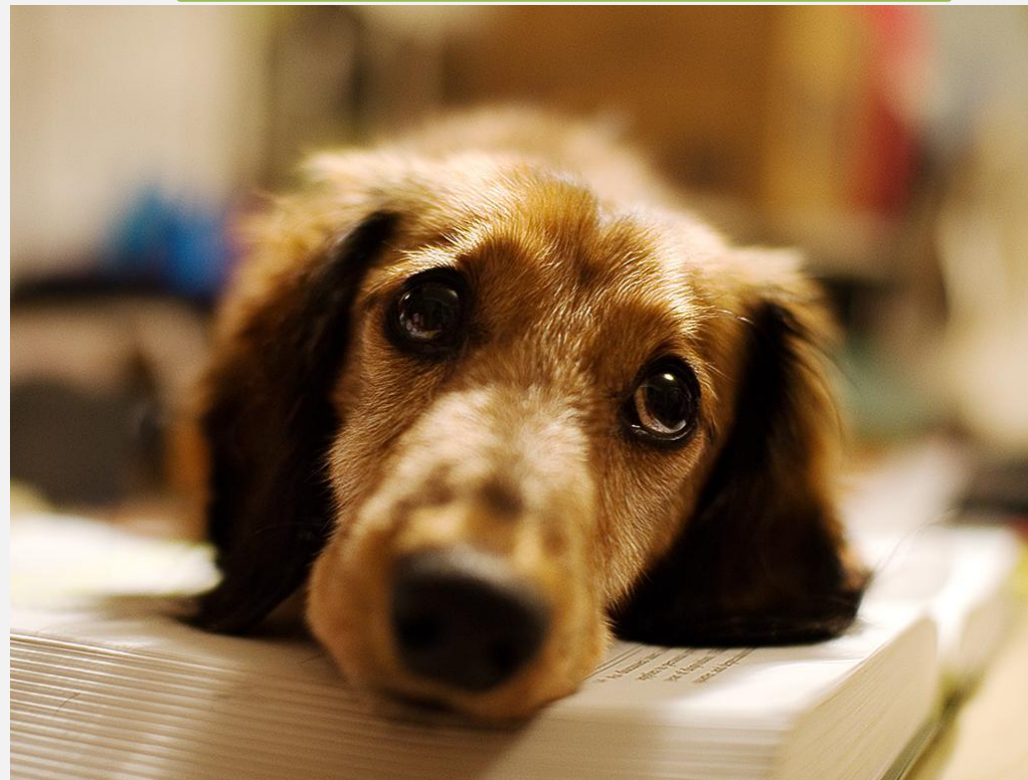
# Authenticity



The problems we are trying to address:

- Global Climate Change
- Water Issues
- Waste Issues
- Labor Issues
- Poverty
- Animal Cruelty

ALL BY MYSELF?



# 2014 PISC Goals



- Prioritize environmental target areas and member led working groups
- Bring expertise from leading sustainability NGO's like WWF, Social Database Hotspot, Sustainable Apparel Coalition, and Sustainable Packaging Coalition
- Continue to provide learning opportunities for member companies and expand Toolkit
- Double consulting success stories to build tangible business evidence



# Collaborative Pet Food Sustainability Issues



## 1. Sustainable Sourcing

1. Byproducts
2. Hotspot Evaluation

## 2. Standard Evaluation Metrics


## 3. Packaging

1. Design for increased sustainability
2. Store take back programs



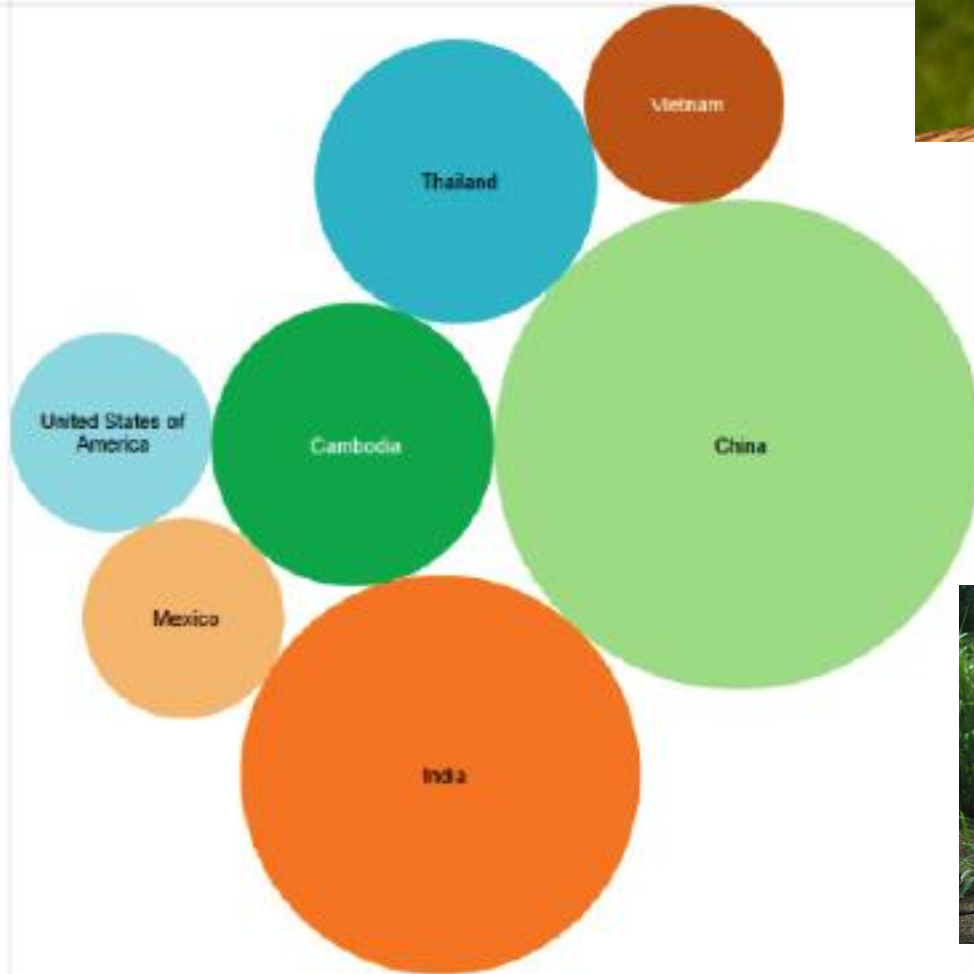
# Why does WWF care?



 <p>palm oil</p>	 <p>cotton</p>	 <p>biofuels</p>	 <p>sugarcane</p>
 <p>pulp &amp; paper</p>	 <p>timber</p>	 <p>dairy</p>	 <p>corn</p>
 <p>soy</p>	 <p>beef</p>	 <p>low trophic species</p>	 <p>whitefish</p>
 <p>farmed salmon</p>	 <p>tuna</p>	 <p>farmed shrimp</p>	 <p>tropical shrimp</p>

Priority commodities

# Pet food Country Hotspots



Tradeoffs hit close to home

# Next Steps in the Story



## Sit.

- Visit our Website
- Sign up for the e-newsletter

## Stay.

- Join
- Sign up for a webinar

## Play.

- Get a customized Toolkit Roadmap for your company
- Participate in a working group





*“We are called upon to be the architects of the future, not its victims”*

Buckminster Fuller

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