



THE GREEN SUPPLIERS NETWORK- MICHIGAN

Presented for:
The Great Lakes Regional Pollution Prevention
Roundtable Winter Meeting
March 8-9, 2005, McCormick Place, Chicago, Illinois



Green Suppliers Network



Supply Chain Environmental Management: Can we see the forest for the trees?



Summary

- **GSN in a Nutshell**
- **Key Players & Roles**
- **The Lean & Clean Approach**
- **The Review Process/Specifics**
- **Benefits of Partnership**
- **The National Picture**
- **The State Picture**

“Eight Deadly Wastes “ of Lean

Defects
Overproduction
Waiting
Non-utilized Talent
Transportation
Inventory
Motion
Extra Processing

In a Nutshell GSN:

- **Provides Lean and Clean technical assistance to small and mid-sized manufacturers yielding improved competitiveness through environmental and economic benefits**
- **Expands the traditional lean definition of waste to include environmental wastes (materials, energy, emissions)**
- **Is a dual approach to align original equipment manufacturer (OEM) supplier and government interests**

Key Players & Roles

- **U.S. EPA**, operates and funds GSN Program
- **360vu National Accounts Network**, provides National Coordination thru MEP Centers
- **State Pollution Prevention Technical Assistance Providers**, assist in reviews and provide environmental expertise/programs
- **OEMs**, facilitate supplier engagement, review product specifications as needed
- **Suppliers**, voluntarily participate and implement

The Clean & Lean Approach

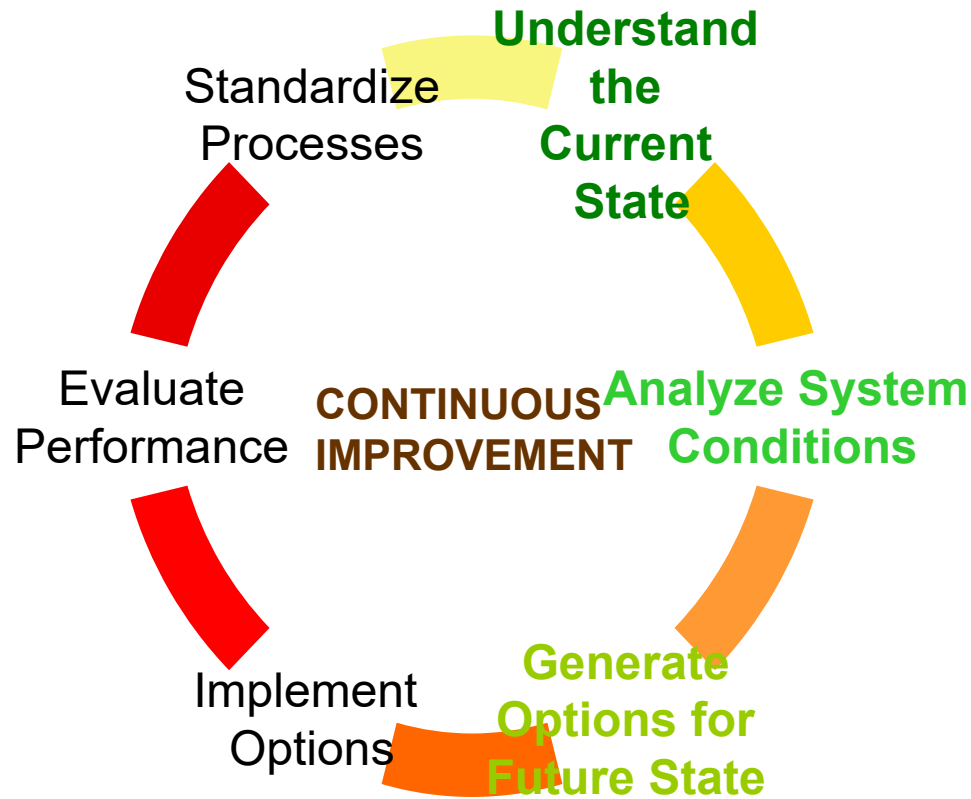
Clean Strives For...

- Nature-friendly Substitutes
- Optimized Material and Energy Efficiency
- Waste Elimination
- Air/Water Emission Reductions
- Solid/Hazardous Waste Reductions
- Toxic Material Reduction or Substitution
- Efficient Packaging

Lean Eliminates...

- Defects
- Overproduction
- Waiting
- Non-utilized People
- Transportation
- Inventory
- Motion
- Extra Processing

The Review Process



REVIEW SPECIFICS

- **Cost \$7,000 - \$2,500 (EPA Program Discount)=\$4,500 Total Cost to Supplier**
- **Supplier Benefits Often Exceed 3:1 ROI**
- **Focus on Single Process**
- **Technical Assistance Providers & Supplier Representatives Disclosed Before Review**
- **An additional \$1,000 credit for implementation assistance**

Benefits of Partnership

- Providing Technical Assistance to Resource-Strapped Manufacturers
- Increasing Competitiveness of Local Manufacturing in the Global Market Place
- LEVERAGING Federal Funds for Local Economic and Environmental Improvements
- Identifying Opportunities to Improve Industry's Environmental Stewardship
- SERVING as a Delivery Mechanism for State Programs
- Providing Local Businesses Opportunities for National Recognition

National Status with Estimated Environmental Benefit

Project Activity Update (9/27/04)		
15 Reviews Completed		26 Leads Being Finaled
11 Reviews Underway		95 Suppliers ID'd by OEMS
Impact of Opportunities		
Estimated Environmental Cost Savings (Associated with CLEAN implementation)		\$1,259,571/year
Energy Conservation (MM BTUs) (Associated with LEAN implementation)		\$53,561
Water Conservation (Gallons) (Associated with LEAN implementation)		\$3,329,459

GSN-Michigan

- FY2004 Source Reduction Assistance Grant, EPA, Region 5 awarded a 2 year grant to support “Creating a Model for Pollution Prevention Diffusion in the Office Furniture Industry”
- 3 OEMs in West Michigan, 25 Michigan based suppliers
- MMTC-Right Place Inc., Grand Rapids
- Business and Institutional Furniture Association (BIFMA)
- Michigan Department of Environmental Quality (MDEQ)

Project Goals

- **Improve the manufacturing practices and environmental performance of small to medium sized businesses through a pilot lean and clean approach.**
- **Model and facilitate the collaborative network capacity of federal and state P2 technical assistance providers with a Manufacturing Technology Center (MTC)**
- **Provide coordinated P2 assistance to suppliers of the Office Furniture Industry.**
- **Provide technical assistance, public recognition and long-term, follow-up support for P2 implementation within the supply chain.**
- **Identify strategic supply chain opportunities within the industry to support environmental improvements and increased competitive advantage.**
- **Develop, demonstrate and implement the use of environmental metrics to improve performance measures and the economic bottom line.**

Michigan Pollution Prevention(P2) & Incentive Programs

- **Retired Engineer Technical Assistance Program (RETAP)**
- **RETAP Internship Program**
- **Small Business P2 Loan Program**
- **RETAP P2 Technical Demonstration Grant**
- **Michigan Business Pollution Prevention Partnership (MBP3)**
- **Clean Corporate Citizen (C3)**
- **Environmental Management Systems (EMS)**
- **On-line Recycling Services**

The West Michigan Office

Furniture Status - March, 2005

- 4 GSN assessments performed with suppliers, confidential reports provided
- 2 included RETAP engineers
- 1 RETAP Intern placed Summer, 2004 to implement select assessment recommendations
- 1 RETAP Intern placed Summer, 2005
- 2 OEM and 1 Supplier awarded Clean Corporate Citizen (C3) status in 2004
 - Herman Miller
 - Hayward
- 1 Supplier working on EMS, joins the Michigan Business Pollution Prevention Program (MBP3) and is setting goal of gaining C3 status by the end of 2005
- 1 Supplier agrees to an Investment Grade Audit with RETAP participation and the Delta Institute.
- 2 GSN assessments scheduled

Plans for the Future

- Collaborative GSN presentation at the 2nd Annual Midwest Supply Chain Management Conference & Expo, March 23, 2005, Grand Rapids, MI - Steelcase Inc.
- Collaborative GSN panel discussion, 2005 National Environmental Partnership Summit, April 11-14, 2005, Chicago, IL
- Supplier Environmental Inventory Assessment Workshop, West Michigan
- Supplier User Group Development
- Environmental metrics collection & tracking with GLRPPR



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