SUSTAINABILITY AND CORPORATE EVOLUTION: INTEGRATING VISION AND TOOLS AT NORM THOMPSON OUTFITTERS

It’s not easy to run a successful mail-order business – and Norm Thompson Outfitters has voluntarily made it even more difficult. The company is determined to be not only profitable, but as environmentally responsible as possible. This latter goal has meant steep learning curves – in how to design and construct the company headquarters building, in how to make catalogs from recycled paper, and, most ambitiously, in how to work with suppliers toward products that have the least adverse environmental impact. And they are sharing that hard-won learning as they go, with whoever is willing to follow a path that minimizes environmental damage. © 2003 Wiley Periodicals, Inc.

Derek Smith and Michael S. Brown

Much is made in organizational development of the need to “translate” vision into action. Vision provides the organizing principle for members of an organization to understand why they exist. This is difficult enough in an organization where the vision is within the cognitive space occupied by conventional corporate thinking—customer focus, operational efficiency, Six Sigma quality—but tougher still where that vision embraces environmental values, and exceedingly difficult where the vision embraces principles of sustainability.

It would be no surprise to see an organization struggle with the notion of “becoming sustainable.” Because sustainability lacks a widely accepted definition, an organization with solid, if conventional, environmental efforts might well see its existing activities as sufficient for achieving this somewhat vague goal. Moreover, if the organization is profitable and growing, where is the imperative for “messing with success” by shifting the basis for those accomplishments?

But what if an organization decides to take the vision seriously, understand what it means for its business, and make it a core element of its corporate identity? How does it go about reorganizing itself when there are no models to follow, no consultants to provide guidance, no academics developing theories of change? What tools might such an organization use to establish sustainability both as a corporate organizing principle and a source of value? And how might those tools help integrate sustainability into day-to-day corporate practices such that it becomes a means to achieving financial goals?

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Beginning in 1993, Norm Thompson Outfitters (NTO), a consumer specialty retailer of high quality merchandise, did just that. The owners, whose long-standing dedication to environmentalism had been expressed primarily through support for a large number of nonprofit organizations and causes, articulated a commitment to sustainability for the company. This is the story of how this vision was translated into action, the tools and practices that were developed, and the changes that were made in the company.

NORM THOMPSON—ESCAPE FROM THE ORDINARY

Norm Thompson Outfitters has deep roots in the outdoors (no pun intended). The company was founded in 1949 by its namesake, Norm Thompson, a fishing enthusiast who sold hand-tied flies from his home in Portland, Oregon. In 1950, Thompson issued a catalog offering high quality gear and clothing for use in his favorite outdoor activities. His son-in-law, Peter Alport, soon joined him and led the company’s growth through the 1950s and 1960s, when consumers recognized it as a premiere outfitter for fly-fishing and hunting pursuits. Alport coined the company’s tag line and corporate mission by introducing products to the United States that escape from the ordinary®, such as the Irish Country hat, sheepskin coats, and sheepskin seat covers.

Since 1981, majority interest in Norm Thompson has been held by John and Jane Emrick. John joined the company in 1965 as a management trainee, one of nine employees, and worked his way to president in 1971. Currently, John serves as chairman and CEO, with Becky Jewett as president running day-to-day operations. Jane Emrick is often involved in several aspects of the company’s pursuit of sustainability. Norm Thompson Outfitters is still based in Portland, where most of its 675 year-round employees are located. Sales average more than $200 million annually, placing NTO among the top 40 consumer catalog companies in the United States.

Over the years, NTO has evolved into a broad catalog-oriented company with three catalog titles—Norm Thompson, Early Winters, and Solutions. While mail order continues to be the primary distribution channel, the company’s Internet presence continues to expand. The company also operates several retail stores in the Portland area. Similar to its peers in the catalog industry, the company mails catalogs throughout the year—e.g., multiple catalogs each spring, summer, fall, and winter, along with holiday and specialty issues.

In each of its catalogs, the company seeks to offer unique products that it can introduce to the market. All products are sourced through vendors. While a small number of product ideas are developed internally, vendors are responsible for design and manufacture. The mix of product offerings, which varies in each catalog, includes

- Manufacturer exclusives limited to distribution through one or more of the company’s catalogs
- Private label products for the Norm Thompson and Early Winters catalogs (designed by vendors to NTO specifications)
- “Off-the-shelf” products (e.g., branded merchandise available from multiple retailers)

Buyers are responsible for identifying the appropriate mix of products within their catalog responsibilities and working with vendors to bring the products to market. NTO’s Product Quality group works closely with buyers and vendors to establish specifications and evaluate product quality. The Quality function is critical as the company’s You be the Judge™ guarantee is straightforward: If customers are ever disappointed, they are invited to return any item at any time for an exchange or refund.

Growth in the business and the size of the catalogs has resulted in a typical annual offering of between two and three thousand products. With a full size range for apparel and shoes and multiple colorways for many products, the total number of SKUs is close to 10,000 units. The company operates a call center in Portland and distribution
center in West Virginia, with a commitment to rapid shipping to each customer.

LEADERS’ VISION

John and Jane Emrick had been interested and involved in environmental causes dating back to the first Earth Day in 1970. In addition, they had been steady supporters of social services such as hospice care, education, and youth at risk. John became a well-known figure in Portland's nonprofit community as a board member or advisor for several organizations.

Branching out from their civic involvement, they decided in the early 1990s to act on their concern about the environmental and societal impacts of their company’s operations. Through this new thinking filter, they formed a definition of sustainability as the intersection of a healthy economy, healthy environment, and healthy society. Their ultimate objective is to prove the business case that sustainability is the appropriate course for business, and thereby encourage other corporate leaders to follow suit. The Emricks set out to make NTO a model for any company that seeks to minimize the harm of its environmental footprint.

ENVIRONMENTAL IMPACTS OF CATALOGERS

A major difficulty facing the Emricks was clearly understanding the impacts associated with the company’s operations and physical presence. Thus, the initial steps taken by the company were to identify the activities and facilities that were likely to be significant contributors to the corporate environmental footprint.

Although most catalog companies do not manufacture any products, they are not free of responsibility for an array of environmental impacts associated with company operations and the life cycle of their product offerings. Corporate offices, call centers, distribution centers, and, most significantly, sales and marketing activities—printing and mailing the catalogs themselves—all involve the use of energy and resources, with the consequent generation of wastes and pollution. Indirectly, catalogers are responsible for the life cycle impacts of the products they sell, impacts that result from

- Extraction of natural resources
- Processing of raw materials
- Manufacturing and shipping of the retail-ready product
- Their customers’ use of the products
- Disposition of the products at the end of their useful life

Besides consuming energy and resources, the wide range of products sold by catalogers involves—directly or indirectly—the use of toxic substances, the destruction of habitat, and the release of pollutants that threaten air and water quality, contribute to global climate change, and add to the load of persistent hazardous chemicals in the environment.

The catalogs sent by direct marketing organizations, including NTO, represent a significant environmental burden. The Alliance for Environmental Innovation has cited an estimate by Resource Information Systems Inc. that the 19.5 billion catalogs mailed in the United States in 2000 used nearly 3.6 million tons of paper. Analysts noted in a special issue of the Journal of Industrial Ecology that the making of paper, production of catalogs, distribution to potential customers, and disposal all contribute to environmental burdens through the use and release of toxic materials, waste generation, habitat destruction, and greenhouse gas emissions. The pulp and paper industry

- Is the second largest industrial user of forest wood products
- Is the third most energy-intensive of all manufacturing industries
- Ranks in the top five industries for releases of toxic chemicals to air and surface water
- Makes products that constitute the largest portion of municipal solid waste

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In addition, the mailing of millions of tons of catalogs requires a significant level of energy use.
Although catalogers may not generate large environmental impacts in a factory, they are certainly associated with a range of environmental burdens.

**NTO’S INITIAL EFFORTS**

The Emricks’ first attempt to integrate sustainability into the company’s operations was in 1994–1995 as they oversaw the design of NTO’s new corporate headquarters. Committed to creating a “green building,” the Emricks sought to embed sustainability considerations in the decision making by asking the question, Which product or system would have the least impact on the environment? Few construction professionals had expertise in this emerging area. With the Emricks’ initial research, all parties experienced a steep learning curve, which resulted in designs and equipment that would significantly reduce the building’s environmental impact. Their success is evident: the headquarters building, located adjacent to a protected wetland, was the first commercial build-

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**The Emricks realized that neither they nor their employees had a basis for incorporating sustainability into decision making.**

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The building

- Protects existing habitat by preserving mature trees and a natural wetland
- Conserves water with native landscaping, drip irrigation, and a bioswale that captures storm water runoff and channels it back to the existing wetland
- Promotes high air quality through operable windows, low VOC paints and glues, and formaldehyde-free underlayment
- Incorporates recycled and sustainably harvested building materials
- Maximizes the use of natural light through southern exposure and careful design features
- Features a computerized, efficient energy system that reduces energy use by 35 percent

**CHANGING NTO’S CULTURE**

Staff moved into the new corporate headquarters building in 1996. Although the Emricks were pleased with the outcome of the design and construction process, they began to ask themselves a series of questions about the business activities taking place within the building:

- Are the decisions employees make informed by ecological and social performance concerns?
- Is sustainability being factored into their daily work processes?
- What are their opportunities to integrate sustainability into product selection, paper usage, and other key aspects of the business?

The Emricks realized that neither they nor their employees had a basis for incorporating sustainability into decision making. They lacked a set of sustainability principles as well as an understanding of the broader natural systems upon which commerce rests. This led to a search for a method of education that could be applied to business operations at Norm Thompson. As a result of an encounter with some of the leading thinkers on sustainability, the Emricks engaged the help of The Natural Step—a nonprofit international organization that conducts research and provides services and education to help organizations implement principles of sustainability.

As stated on its web site at http://www.naturalstep.org/learn/principles.php, the Natural Step framework promotes four broad ways to employ principles of sustainability:

1. Eliminate our contribution to systematic increases in concentrations of substances from the Earth’s crust.
2. Eliminate our contribution to systematic increases in concentrations of substances
Momentum for sustainability would be increased by the clear vision of the CEO, a trained and enthusiastic workforce, and concentrating accountability for sustainability in one person.

The advisory board created a Cultural Integration Plan, which contained the following recommendations:

1. Set departmental sustainability goals and integrate objectives into departmental fiscal year plans.
2. Promote evidence that sustainability can be viable and profitable.
3. Develop a strategic action plan and share its vision through clear communication.
4. Refine the corporate sustainability manager’s position to be an internal advocate and consultant. (Employees were initially worried that the position would be that of an “environmental cop” rather than a partner.)
5. Maintain an open and honest dialogue among senior managers to ensure an understanding of what sustainability will look like in its application to the company’s products and operations. (This recommendation was meant to ensure ongoing clarification of how to achieve both short-term financial goals and long-term social and environmental objectives.)
6. Ensure that sustainability is factored into major business decisions.

INTEGRATING SUSTAINABILITY INTO BUSINESS PLANS AND GOALS

In December 1999, the company began to work on its Sustainability Action Plan (SAP), which
identifies global warming, toxics, habitat destruction, and waste as Norm Thompson’s top environmental issues. These were drawn from the U.S. Environmental Protection Agency’s list of emerging environmental issues, but they also parallel the four system conditions in The Natural Step’s framework. These issues were then tied to five areas where Norm Thompson believes it can have the greatest positive impact: products, packaging, publishing, transportation, and influence of other business organizations. The SAP sets goals and deadlines in these areas for each and every department. Exhibit 1 shows examples of the long-term sustainability goals for the company.

A final version of the SAP was jointly approved by John Emrick and Becky Jewett in February 2000. The goals and deadlines in the SAP were then integrated by Becky and the division vice presidents into the company’s business plan. To underscore that the SAP is a critical part of the company’s overall strategy, the CEO and president jointly introduced the SAP to the staff, and the specifics were explained by all of the company’s vice presidents at an off-site meeting.

The Sustainability Action Plan remains a central part of corporate planning efforts. Annual goals are negotiated by the corporate sustainability manager and the vice presidents during each fiscal year’s planning and budgeting processes. The VPs are held accountable for specific components of the SAP; for example, the vice president of Marketing is responsible for increasing the recycled content in catalog paper, in addition to improving customer response rates to catalog mailings.

The company recognizes individual efforts at monthly employee meetings. In addition, employees are given positive marks on their performance evaluations for contributing to sustainability efforts. The company is currently working on a more formal process for linking individual performance to annual sustainability objectives.

**PARTNERSHIP AS A TOOL FOR ENVIRONMENTAL CHANGE**

Partnership is a key part of Norm Thompson’s strategy in pursuit of sustainability. The company seeks to partner with suppliers that share its corporate values and with nonprofit organizations that understand the needs of businesses and are interested in advancing the state of the art. An excellent example of partnership that brings value to both participants is the company’s relationship with the Alliance for Environmental Innovation, a division of Environmental Defense, a non-governmental advocacy organization (NGO). In late 1999, as Norm Thompson executives were trying to assess their initial actions towards implementing the SAP, the Alliance was completing its report, *Greener Catalogs*, about improving the environmental profile of mail order catalogs. Norm Thompson was featured in the publication as a cataloger that was beginning to use paper with recycled content. Based on this initiative, the Alliance offered the company free technical assistance if it committed to identifying and implementing more far-reaching improvements. The timing could not have been better since publishing was one of NTO’s five business areas of immediate sustainability focus, and a business-NGO partnership was born.

Norm Thompson management agreed to work with the Alliance because the organization was credible, well respected, and an expert on the environmental impacts of paper. Since NTO is a major paper purchaser, management understood that this partnership presented an opportunity to use the company’s buying power to reduce the overall environmental footprint of the firm as well as generate positive change in the catalog industry.

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**Exhibit 1. Example Goals from NTO’s Sustainability Action Plan**

<table>
<thead>
<tr>
<th>Year 2005 Company Goals</th>
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</thead>
<tbody>
<tr>
<td><strong>Global Warming:</strong></td>
</tr>
<tr>
<td>- Zero net greenhouse gas impact</td>
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<tr>
<td><strong>Toxics:</strong></td>
</tr>
<tr>
<td>- Elimination of identified toxins from products and processes</td>
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<tr>
<td><strong>Habitat Destruction:</strong></td>
</tr>
<tr>
<td>- Zero negative forestry impact</td>
</tr>
<tr>
<td><strong>Waste:</strong></td>
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<tr>
<td>- Zero waste in facilities</td>
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</tbody>
</table>
The company’s marketing department facilitated the effort and was staffed and equipped with the resources for the project.

Over the course of a year-and-a-half partnership with the Alliance, Norm Thompson built relationships with key suppliers that helped to manage costs and provide appropriate recycled content products. As NTO’s marketing staff developed an understanding of the dynamics of the coated paper market, they increased their ability to manage fluctuating paper prices. They also worked with suppliers to conduct studies that compared customer responses to recycled paper catalogs versus the standard catalogs printed on virgin paper. The company compared response rates and revenue-per-book variances between virgin and recycled content paper using nine test scenarios—with statistically significant sample sizes as large as 700,000—and factored and isolated such variables as:

- Printers
- Printing methods
- Seasons
- House and prospect customer files
- Different catalogs with distinct merchandise categories that typically necessitate varying degrees of reproduction quality

In all but one case, the variance between recycled and virgin content catalogs was statistically insignificant (at a 95 percent confidence level). The results demonstrated that 10 percent postconsumer recycled content paper could be used—something that no other major mainstream cataloger was doing—without negatively impacting customer response rate or costs.

Even though it viewed the environmental savings as the primary benefit, the company began to appreciate important “first mover advantages” to the use of recycled paper in its catalogs. Local and national press coverage followed the announcement of the change in paper content, and Norm Thompson received recognition as a leader on environmental issues in the catalog industry. Capitalizing on this reputation, Norm Thompson actively solicited other catalogers to convert to recycled paper.

Organizational benefits accrued through internal reinforcement of the catalog change. The marketing department became an enthusiastic advocate of recycled content in the catalogs, gave extensive presentations at company meetings, and reinforced employee pride in the company. The catalog change was an important demonstration to employees that the company could successfully implement its vision to create an organization that promotes genuine environmental change. This organizational dividend reinforced employee confidence in the company’s leadership and the corporate mission. This in turn helped to institutionalize behaviors consistent with the company’s effort to simultaneously pursue profitability and environmental sustainability.

TOOLS FOR CHANGE

The successful introduction of recycled content paper led to an effort to develop a system that would improve the environmental attributes of products featured in the company’s catalogs. Re-
Thus, for most of its products, the company has little leverage to control how products are made. Into this mix, the company decided to introduce a system for incorporating improved environmental attributes into its products. Dialogue with the buyers and feedback from them on prototype approaches yielded a list of requirements for successful implementation of such a system. The system had to

- Respect buyers’ autonomy and need for flexibility
- Recognize the nature of the relationship between buyers and suppliers
- Accept that buyers had limited time to make decisions about individual products
- Most importantly, provide clear incentives and metrics for incorporating environmental value into buyer’s product choices

With these requirements in mind, the company created a *Sustainability Toolkit* and *Sustainability Scorecards*, a practical resource and a mechanism to help buyers improve the environmental performance in their products. Central to the creation of the Toolkit and the Scorecards was a belief that buyers needed to become environmentally literate but not necessarily environmental experts.

**Sustainability Toolkit.** The Toolkit is a resource guide for buyers, product quality staff, and suppliers on the environmental issues associated with the products in the catalogs. Organized by major product categories (textiles, wood, metal, plastics, electronics, etc.), it includes the following components:

- **Sourcing Preferences**, a listing of the material choices available in each category, grouped as “good,” “acceptable,” and “poor” (see Exhibit 2 for an example)
- **Resource List** of Internet sites that provide additional information on the materials in each category (also in Exhibit 2)
- **Life Cycle Issues and Impacts**, a brief explanation of the major environmental issues associated with the material choices in each product category (see Exhibit 3 for an example)
- **Glossary** of environmental terms to give buyers an easy way to understand technical jargon
- **Sustainability Scorecards** (discussed below)

The Toolkit is updated regularly and made available both on the company’s computer network and in a loose-leaf hard-copy version. Thus,

| Plastics * |
|---|---|
| **Goal:** Eliminate PVC by Spring 2006 |
| **Sourcing Preferences:** |
| **Good** — (Generally relates to 3 & 2 on scorecard) |
| • Recycled |
| • Bio-based (certified organic sourcing), PLA (polylactic acid) |
| **Adequate** — (Generally relates to 1, 0 & −1 on scorecard) |
| • Bio-based (nonorganic sourcing) |
| • Polypropylene (PP) |
| • Polyethylene (HDPE, LDPE, LLDPE) |
| • Delrin®, other acetal materials |
| • Acrylic |
| **Poor** — (Generally relates to −2 & −3 on scorecard) |
| • Polycarbonate (Lexan®) |
| • Polytetrafluoroethylene (PTFE, Teflon®) |
| • Polyurethane (PU, Lycra®) |
| • Polystyrene |
| • ABS (acrylonitrile butadiene styrene) |
| • PVC and PVC copolymers |
| • Epoxy |

**Resources:**
- Greenpeace hierarchy of plastics:
  http://www.greenpeaceusa.com/media/publications/pvc_alternates/appendixb.htm
- Plastics 101 from an industry perspective:
- Summary of bioplastics:
  http://www.greenplastics.com/new.html
- Bioplastics manufacturers and resources:
  http://www.greenplastics.com/resources.html

*Does not include polyester, nylon, or plastic foams. See specific toolkit pages for these materials.


*Exhibit 2. Sourcing Preferences from the NTO Sustainability Toolkit*
buyers have access to current information in a form that is appropriate to their needs and working style. Buyers can also provide pages from the Toolkit electronically or in hard copy to suppliers who request information about or clarification of Norm Thompson’s direction.

**Sustainability Scorecards.** In addition to being a resource guide, the Toolkit contains a series of Sustainability Scorecards for each major product category. The Scorecards rank primary materials in each product category on a seven-point scale from +3 to −3, with the largest positive number representing the greatest consistency with sustainability principles and the largest negative number representing the least consistency. Each point on the scale has an associated set of criteria that captures the most significant environmental aspects of the materials assigned that ranking in that product category. These rankings are also used to assign materials to the broader groupings of good, acceptable, and poor material choices on the Toolkit’s Sourcing Preferences pages. Buyers, along with suppliers, can quickly see where specific materials fall on the Scorecard and evaluate the potential environmental benefits (or problems) of alternative materials. Exhibit 4 shows an example of a Scorecard from the Toolkit.

**Product and Buyer Scores.** The Scorecards provide the basis for a quantitative ranking of the material(s) in each product within a buyer’s responsibility. In turn, each product receives a Sustainability Score based on the primary materials it contains. The scoring is performed by a consultant (coauthor Michael Brown) to avoid internal bias in interpreting materials or the scorecard. Individual product scores are averaged across each buyer’s product line to yield an overall average score for the buyer. (Because the process is being phased in, not all products within a buyer’s line may be scored in a particular season.) In addition, the buyers receive a summary of the distribution of scores (the number of 3s, 2s, 1s, etc.), suggestions

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**Exhibit 3. Material Issues and Impacts from the NTO Sustainability Toolkit**
for alternative materials—with a brief discussion of cost and technical considerations—and a theoretical overall average score based on the use of the alternative materials.

When the Toolkit was initially implemented in the spring of 2002, management set a goal for buyers to achieve a 10 percent improvement in their overall average score; buyers would receive credit for taking well-considered risks in seeking environmental improvements for products that for unforeseen reasons might not pan out. Buyers had total flexibility to achieve the improvement as they saw fit. They could seek incremental improvements across a large portion of their lines or go for significant improvements in a small group of products—whatever made sense given available

### Softgoods—Textiles Products/Materials

<table>
<thead>
<tr>
<th>Score</th>
<th>Examples of Materials</th>
<th>Natural source</th>
<th>Criteria</th>
</tr>
</thead>
</table>
| 3     | • Certified organic cotton, silk, wool, ramie, hemp, linen, and leather (hide and tanning)  
• 100% PCR polyester, wool, cotton | Organic or certified sustainable | Extraction: N/A | Recycled content (PCR): >90% |
|       |                        | Biosphere health & safety: Materials without known or suspected hazards; non-flammable; IARC Group 4; tested and no evidence of endocrine disrupters | End-of-life: Composting or closed loop systems with minor "leakage" |
| 2     | • 85% PCR/15% virgin polyester, wool, cotton  
• Latex, hemp and linen (natural retting), Tussah and other wild silk, straw, rattan  
• Blends of organic cotton and PCR polyester, organic wool and PCR polyester, organic cotton and Tencel | Functionally organic, noncertified, GMO-free; wild collected with sustainable practices, but not certified | Extraction: N/A | Recycled content (PCR): 50%–90% |
|       |                        | Biosphere health & safety: Possible hazards; but no conclusive evidence; no evidence of carcinogens, endocrine disrupters | End-of-life: Biodegradable inputs/materials, moderate or better levels of recycling |
| 1     | • Tencel, conventional silk, hemp and linen (chemical retting), ramie  
• 20% PCR wool/80% conventional virgin wool  
• Blends of silk and cashmere, organic cotton and virgin polyester, organic cotton and wool, PCR polyester and Tencel | Integrated pest management (IPM)/GMO-free, actively managed to preserve biodiversity | Extraction: Artisan production | Recycled content (PCR): 3%–49% |
|       |                        | Biosphere health & safety: Minor inflammation or skin response; no evidence of carcinogens, endocrine disrupters | End-of-life: Biodegradable or technically recyclable, but low levels of composting/recycling |
| 0     | • Vegetable-tanned leather, conventional wool, polypropylene, down  
• Blends of silk and wool, Tencel and acetate, acrylic and PCR polyester | Integrated pest management (IPM)/genetically modified organisms; managed harvest/collection for short-term benefit | Extraction: "Low Impact" production; local petroleum/gas sourcing; quarry operations for mineral and stone products | Recycled content (PCR): No recycled content |
|       |                        | Biosphere health & safety: Irritants; sensitization; combustible Class III; IARC Group 3; no evidence of endocrine disrupters | End-of-life: Not compostable; not recyclable; does not release Scorecard category “–1”, “–2” or “–3” chemicals into environment |
| −1    | • Conventional cotton, polyester, nylon, acrylic, acetate  
• Blends of Tencel and cotton, cotton and silk, cotton and linen, cotton and polyester, cotton and ramie | Conventional agricultural practices; minimal controls on harvest or collection, no management for long-term sustainability | Extraction: Conventional oil and gas production; conventional underground mining | Recycled content (PCR): No recycled content |
|       |                        | Biosphere health & safety: Sensitizers and corrosives; hepatotoxins, nephrotoxins, neurotoxins, etc. that do not involve permanent damage; combustible Class II and unstable materials; IARC Group 2B; suspected endocrine disrupters | End-of-life: Moderate end-of-life issues (release or formation of any Scorecard category “–1” chemicals) |
| −2    | • Chrome III (Cr³⁺)–tanned leather, rayon, viscose, neoprene, spandex  
• Blends of viscose and cotton, poly and rayon, rayon and acetate, polyester and rayon and nylon, viscose and polyester, and all spandex (>3%) blends | No controls on harvest/collection with limited replacement | Extraction: Biologically significant source (e.g., ANWR); conventional strip mining | Recycled content (PCR): No recycled content |
|       |                        | Biosphere health & safety: Toxic; permanent debilitating disease; flammable Class I; IARC Group 2A; probable endocrine disrupters | End-of-life: Significant end-of-life issues (release or formation of any Scorecard category “–2” chemicals) |
| −3    | • PVC, chrome VI (Cr³⁺)–tanned leather | No management, no monitoring | Extraction: Biological and culturally destructive production; mountain top removal; stream fill | Recycled content (PCR): No recycled content |
|       |                        | Biosphere health & safety: Highly toxic; irreversible disease resulting in death (e.g., silicosis, asbestosis); IARC Group 1; known endocrine disrupters | End-of-life: Dire end-of-life issues (release or formation of any Scorecard category “–3” chemicals) |

alternatives, cost implications, and financial goals. An initial baseline scoring was done in 2002, with buyers being held accountable for improvements in 2003.

In the same spirit as the company’s efforts to promote the use of recycled content paper in the mail order industry, Norm Thompson has made the Toolkit with the Scorecards freely available. Introduced publicly at the 2002 Businesses for Social Responsibility Conference, the Sustainability Toolkit can be downloaded from the Businesses for Social Responsibility web site at http://www.bsr.org/BSRResources/ResourcesDocs/NormThompson_Sustainability_Toolkit.pdf.

GAUGING PROGRESS AND ASSESSING CHALLENGES

By spring 2003, the infrastructure and tools that NTO developed to implement its environmental vision had produced measurable progress on several fronts, which suggests a sound foundation is in place:

- The company’s catalogs contained between 10 percent and 70 percent postconsumer recycled content, as well as some content certified to the Forest Stewardship Council standard for sustainable forestry
- Several of the company’s cotton apparel products have been converted to organic cotton, with more conversions on the way
- PVC has been eliminated from most uses in plastic products
- Items such as solar lights, nontoxic cleaners, and recycled rubber doormats have replaced others with less favorable environmental attributes
- Using the Sustainability Scorecard system, buyers have identified a number of high volume products that they plan to convert to preferred materials such as vegetable-tanned leather

NTO attributes the corporatwide progress in implementing the owners’ sustainability vision to several factors. First, the owners recognized the need for a full-time position that would be both a resource and a driver towards sustainability. Second, a combination of planning and goal setting provided targets and the means for achieving them. Third, the company was able to preserve and leverage its desirable culture of autonomy to engender the new organizational behaviors necessary to implement the vision.

Norm Thompson has been most successful when it mixed short- and longer-term goals, while giving staff a great deal of flexibility in how they would meet these targets. Staff were also provided resources that allowed them to test and evaluate alternatives—whether in the recycled paper project or in the effort to improve product materials. This combination gave those responsible for implementing the vision a significant sense of control over the process at the same time that it reinforced a company culture of considerable individual autonomy in the execution of job responsibilities. Had management taken a more directive approach, it is doubtful that as much progress would have been made.

The company still faces significant challenges in its own operations and in promoting sustainability in the broader business community. For example, tracking, prioritizing, and eliminating toxic substances in products are proving to be extremely resource-intensive. Developing sufficiently large markets for paper sourced from sustainably managed forests is also shaping up to be a tremendous task.

The company’s success has been built on its flexibility and efficiency in merchandising, strengths that are achieved by limiting the internal development of new and revised products and relying on long-term relationships with suppliers and their product development expertise. On the other hand, improving the environmental performance of individual products tests that approach by asking more of suppliers than had ever been asked previously. The company seeks to achieve a delicate balance and remains vigilant in monitoring goals for both profitability and environmental improvement.
Even in this period of a challenging economic climate, Norm Thompson is committed to sustaining the momentum of its efforts to achieve its goals. The Sustainability Action Plan continues to serve as strategic guidance in implementing the company’s vision: an organization that pursues sustainability in a profitable manner and serves as a model for others. The company will continue that implementation by following the practices and pursuing the strategies that have been successful thus far—good planning, thorough testing and evaluation, and a respect for a culture of individual autonomy and responsibility.

**ADDITIONAL RESOURCES**