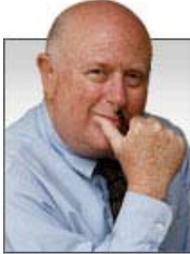




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Bill Roth: Going Green

It Pays to Go Green in a Down Economy

Learn why even in this economy you can't afford not to implement green practices in your business.
By Bill Roth | October 24, 2008

URL: <http://www.entrepreneur.com/management/greencolumnistbillroth/article198182.html>

As I write this column the stock market has fallen more than 30 percent in a year, the Dow below 9,000 points for the first time since 2003 and in Times Square, a sign that clocks the U.S. national debt ran out of digits when it passed the \$10 trillion mark Sept. 30. I'm getting e-mails from readers saying they're facing economic stress. Here's the potentially really bad news: In 1974 when we had a similar oil price shock, the stock market fell 40 percent, and it took about five years for our country to return to a healthy economy. And that crisis wasn't nearly as severe as the one we're in now.

Now for my optimistic take on this situation: America is the best in the world when dealing with a crisis. We cut our losses, throw the bums out and open the door to innovation. You can name the companies that emerged from the 1970s oil crisis that pioneered new, more efficient products. Microsoft and Intel are two that helped launch the information age, and The Home Depot and FedEx streamlined how products and services were delivered.

The same will happen in the U.S. today. Sustainability will emerge from this financial crisis as a global mega-trend offering business opportunities similar to those that arose during the information age. Your task right now as an entrepreneur is to immediately begin educating yourself and prepping for this coming opportunity.

Of course, that's easier said than done. Times are tough. People are losing their homes, and credit to run or start a business is a lot harder to come by. What is "sustainable" is still being defined, so its market also isn't clearly defined.

So here are some steps to help you hang on, get started and harvest the coming green opportunities:

1. **Conserve Cash:** If you're running your business or household right now on credit, you know exactly what I mean by conserving cash. During a recession, debt is an expense most can't afford. Businesses should try to operate within their cash flows, despite the fact that their cash flows will probably fall during a recession. So do what you have to do now to create cash. Sell assets, cut costs and access the best path for creating cash: become more efficient.
2. **Reach Out:** You're not in this boat alone. I speak at churches that host career planning for those in transition. Unfortunately, the attendance is growing along with individual pain. But the key point is that these people are not failures--but rather very talented people who've been caught up by this economy. Reach out and find meetings like these to network with talented people who can lend their first-hand experience and advice to you.

Following are some valuable green websites where you can begin networking:

[Co-op America](#)

Find networks and resources for environmentally responsible businesses in Co-op America's Green Business Program.

[Energy Star Small Business Program](#)

A federal program that acts as an energy-conservation guide to small businesses, providing resources, education and technical support.

[EPA Climate Change Site](#)

The Environmental Protection Agency's site has resources on going green for small businesses.

[Flex Your Power](#)

With its database that allows business owners to search for energy and money saving grants and loans in California, this site also offers a great section on its homepage with other green resources for small business owners.

[GreenBiz.com](#)

This online resource center provides tools, resources, educational information and lists of organizations, events and other green business websites.

[Green Drinks](#)

This is a fun, international networking group for those working in the environmental field or who run green businesses to meet up for informal sessions to share a "green" beer.

[Leadership in Energy and Environmental Design \(LEED\)](#)

Provides information the U.S. Green Building Rating System® that offers a rating for sustainable buildings.

[The Green Suppliers Network](#)

This is a site for manufacturers to learn how to be environmentally responsible.

3. Explore: There's an explosion of new, sustainable technologies. Get out there and find them, learn about them and build business relationships. A growing number of conferences are available where companies demonstrate their technology and products. Search the internet for sites like [Treehugger.com](#) or [RenewableEnergyWorld.com](#) and read about the companies and technologies that are gaining sales traction.

Here are some technologies your business can invest in:

- **Instantaneous Water Heaters.** I use one in my home, it works great and it really cuts my natural gas bill.
- **Low-Flow Toilets.** They work great, conserve water and save money.
- **Geothermal Heat Pumps.** These are costly, but can be 75 percent more efficient than a code-qualified heating and cooling system. Still, only a fraction of America's homes and offices have one.
- **Packaging.** I'm impressed with the supply chain management industry's results. They're increasing global sustainability and cutting costs that give a big boost to a business's bottom line.
- **Grey Water Irrigation.** Someday people are going to look back and wonder what the heck Americans were thinking using clean, processed tap water for irrigation and landscaping. The technology solutions range from simple to high tech. The key is to conserve a precious resource and save money as water becomes a commodity not dissimilar to oil.

The bottom line is that from tough times comes opportunity. Make sure you're protecting your cash so you'll have the means to invest in green, thereby positioning yourself to appeal to consumers who are demanding--and selectively patronizing--the very greenest of businesses.

Bill Roth is president of NCCT, a San Francisco-based consulting firm facilitating innovations in sustainability marketing and green business strategies. In addition to participating in the launch of the first hydrogen-fueled Prius, he has held executive leadership positions as senior vice president of marketing and sales with PG&E Energy Services, COO of Texaco Ovonics Hydrogen Solutions and president of Cleantech America, a developer of solar power plants. Roth's latest book, [On Empty \(Out of Time\)](#) details an emerging multi-trillion dollar green economy that is revolutionizing the business world.

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