Green Suppliers Network

Lean, P2, and Greening the Supply Chain
NEWMOA Webinar
11-03-2009

Green Suppliers Network (GSN)

- Collaboration between EPA and DOC Commerce
- National Institute of Standard and Technology Manufacturing Extension Partnership (NIST/MEP)
- Provides low cost technical reviews to small and medium-sized manufacturers using Lean and Clean methodologies to increase productivity, reduce waste, and boost profitability
The Green Suppliers Network
Key Players and Roles

- **US EPA, OPPTS, Pollution Prevention Program**
  - Founded and piloted program in 2001
  - Coordinates, manages and funds Green Suppliers Network
- **NIST MEP**
  - Organized under the Department of Commerce, National Institute Of Standards And Technology, Manufacturing Extension Partnership (NIST MEP)
  - Certified MEP Centers conduct technical reviews
- **EPA Regions**
  - Uses Green Suppliers Network to support Regional priorities
- **State Pollution Prevention (P2) Technical Assistance Providers (TAPs)**
  - Partner with NIST MEP centers in reviews and provide environmental expertise
- **Large Manufacturers and Supply Chains**
- **Suppliers**

What is Unique About the Green Suppliers Network?

- Aligns environmental and economic interests throughout the supply chain
- Brings together two national systems – State P2 TAPs and MEP centers
- Intended to support not replace existing State and Regional programs
- Meeting industry needs to work with and support its suppliers
- Industry drives supplier participation, not EPA
- Brings cost savings to suppliers
- Collects aggregate data through review process
The Green Suppliers Network
How It Works

**Step 1.** EPA engages large manufacturer supply chain.
**Step 2.** Large manufacturer solicits supplier participation, or supplier self-nominates.
**Step 3.** Green Suppliers Network review team (NIST MEP and State environmental experts) to provide Lean and Clean technical assistance to suppliers.
**Step 4.** The Team works with supplier facility to identify, prioritize and implement solutions that achieve business and environmental results.
**Step 5.** NIST MEP completes final report including a cost benefit analysis of all identified opportunities with input from the State practitioners.
**Step 6.** The Team works with facility to act on opportunities and can identify regional/state implementation support
**Step 7.** NIST MEP conducts follow-up survey with supplier one year later.

Participation Benefits for States

- Leverages successful model
- Delivery mechanism for other state programs
- GSN Review Team becomes point of contact for company
- Measurable positive impact on the state economy
- Standardized metrics
- Additional formal training/tools from national resources such as new On-Line Training available at https://www.greensuppliers.gov
Green Suppliers Network Results

Potential savings for 125 Green Suppliers Network Reviews:

<table>
<thead>
<tr>
<th>Cost Savings from Environmental Impact Opportunities</th>
<th>$24,621,055</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy Conservation (MM BTUs)</td>
<td>2,940,082</td>
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<tr>
<td>Water Conservation (Gallons)</td>
<td>92,239,037</td>
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<tr>
<td>Air Emission Reduction (lbs)</td>
<td>1,825,721</td>
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<tr>
<td>Solid Waste Reduction (lbs)</td>
<td>8,133,044</td>
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<td>Cost Savings from Lean Opportunities</td>
<td>$36,214,040</td>
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<tr>
<td>Cost Savings from Other Opportunities</td>
<td>$1,146,947</td>
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<tr>
<td>Total Potential Cost Savings</td>
<td>$61,982,042</td>
</tr>
<tr>
<td>Cost Savings from One-time Lean Opportunities</td>
<td>$38,355,551</td>
</tr>
</tbody>
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Review Specifics

- Cost
  - $7,500 Cost of review
  - $1,000 U.S. EPA program discount*
  - $6,500 Total cost to supplier for Green Suppliers review

- Supplier benefits often exceed 3:1 ROI
- Reviews offered first come, first served
- Reviews focus on single process
- On-site reviews take 2-3 days
- Reports generated in 4-6 weeks
- Technical assistance providers disclosed before review

*Suppliers must qualify under SBA’s definition of a small business as having 500 employees or less per facility.
Regions 1 and 2 Participation in GSN

- 40 Reviews completed to date
- 2 Reviews in progress
- 5 Leads (identifying the review team)

Funding Opportunities for States

- P2 Grants
- Source Reduction Assistance Grants
- Grants should line up with Regional priorities
- Several states (TX, MI, MO) have used these grants to support their participation in the GSN
GSN Special Projects

• Utility Alliance – looking at same product suppliers for opportunities to green through GSN assessments
• Baxter Healthcare – GSN assessments aligned with suppliers of specific product/process
• Sector approaches to suppliers

Contact Information

For more information about the Green Suppliers Network visit www.greensuppliers.gov or contact:

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