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Go green or stay in the black?

Business leaders say sustainability movement will weather economic downturn

Birmingham Business Journal - by [Cindy Riley](#) Special

The new year may be starting with a gloomy economic forecast, but local experts say the economy won't put a stop to the green business movement that gained so much momentum in 2008.

James Smith, president and CEO of Green Building Focus, said that while staying in the black in 2009 will be a primary goal for many companies, he said there is little choice but to go green because of public opinion and increasing regulation.

"People want to do business with companies that share their environmental concerns and employees want to work for organizations that embrace these issues," he said. "The real concern is how to balance these pressing issues."

Although Smith notes that energy efficiency, which is one of the main tenets of green business, will result in cost savings and tax incentives, he said that the perception benefits of being a leader in green business can be worth even more to a company.

In 2008, many companies across the country and in Birmingham, ranging from energy providers and contractors to electrical supply distributors and teleconferencing companies, positioned themselves and their products as green.

"The opportunity exists for organizations now to differentiate themselves in the market, gain a competitive advantage and capture more customers by identifying themselves as thought leaders in this area," Smith said. "These are the organizations that will prosper and become the market leaders of the future."

Roald Hazelhoff, director of the Southern Environmental Center at Birmingham-Southern College, said that one positive effect of the recession is that people are starting to reflect more about living a sustainable lifestyle and decreasing the enormous carbon footprints created by "yesterday's 'I want it now' mentality."

Because of that trend, Hazelhoff said he expects to see growth from companies marketing energy conservation.

"People are becoming more conscious of staying within their budgets, and while gas prices have dropped, electricity and water prices are increasing," he said.

Hazelhoff said the incoming administration, set to take office this month, will likely also produce tax incentives for green businesses.

Chris Lewis, president of L&S Enterprises, which sells environment-friendly products, said he believes the recession will force businesses to look for easy ways to save money, which will result in more demand for green products and services.

His company, which sells products such as waterless bathroom fixtures and energy efficient building panels, stands to benefit from that mindset, Lewis said.

"Actually, 2009 can be a benchmark year for our business – our clients can embrace savings that will turn into ongoing awareness and new opportunities for us," he said.

Scott Walton, president of the Green Resource Center for Alabama, said his organization was approached by approximately 7,000 people in 2008 who were looking for education and information on a number of green

topics.

Despite the recession, he said he expects green education to be popular in the new year.

He said there is more to green business than economics.

“Green means saving money and being sensitive socially,” he said.

Chris Miller, co-owner of Piedmont Green Building Solutions Inc., said the misconception is out there that going green is expensive.

He said overcoming that mindset is a challenge the business has to face – regardless of the condition of the economy.

“Owners should be interested in building green once they see the potential savings,” he said. “You can reduce the overall operation cost and potentially increase the level of productivity.”

Smith, of Green Building Focus, said he believes the perception of companies engaging in green business will change significantly over the next few years.

“Within a couple of years it will not be a competitive advantage to (be) a green company – it will be expected,” he said. “It will, however, be a major disadvantage to be seen as environmentally irresponsible.”

Cindy Riley is a freelance writer based in Birmingham.

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