

BEACONS OF CHANGE

Retailers continue efforts to carry the torch of the green design movement.

By Kaileigh Peyton, Associate Editor

WHEN THE UNITED STATES PULLED out of the United Nations' near-unanimous Paris Climate Agreement earlier this year, city and state leaders weren't the only ones speaking out against the move and pledging their support to reduce greenhouse gas emissions at a local level.

Retailers including VF Corp., REI Co-Op, Walmart Stores Inc., Starbucks Coffee Co., Patagonia Inc., Nike Inc., along with thousands of others – in all representing 127 million Americans and \$6.2 trillion of the U.S. economy – have declared their stance on the bipartisan We Are Still In declaration (wearestillin.com), coordinated by a handful of organizations, such as The American Sustainable Business Council, the Environmental Defense Fund and the World Wildlife Fund (WWF), among others.

IN THE KNOW

Even if some retailers don't feel passionate about sustainability – or are hesitant to jump into overhauling stubborn legacy systems – today's consumers demand transparent practices from brands, ones that represent their personal views.

According to Nielsen's 2015 "The Sustainability Imperative" report, of the 66 percent of consumers who are willing to pay more for sustainable goods, purchasing products from a company "known for being environmentally friendly" and purchasing products from a company "known for its commitment to social value" were



driving factors for paying more, at 58 percent and 56 percent agreement, respectively. (Sales and coupons didn't even crack the top five.)

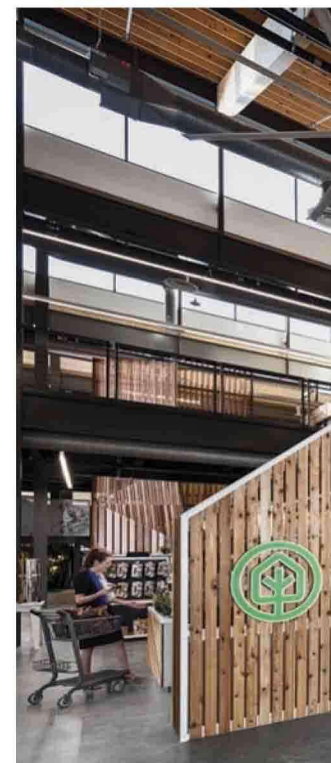
Retailers have an opportunity to communicate their commitments to eco-conscious causes through the in-store experience. "If a brand is going to claim that they are taking actions to be a responsible business, those actions need to take place in every facet of the company's business, not just at a corporate level," says Colleen Vien, director, sustainability, Timberland (Stratham, N.H.). "Our retail stores are the face of [our] brand, our first opportunity to demonstrate to customers that we ... can be trusted to operate responsibly."

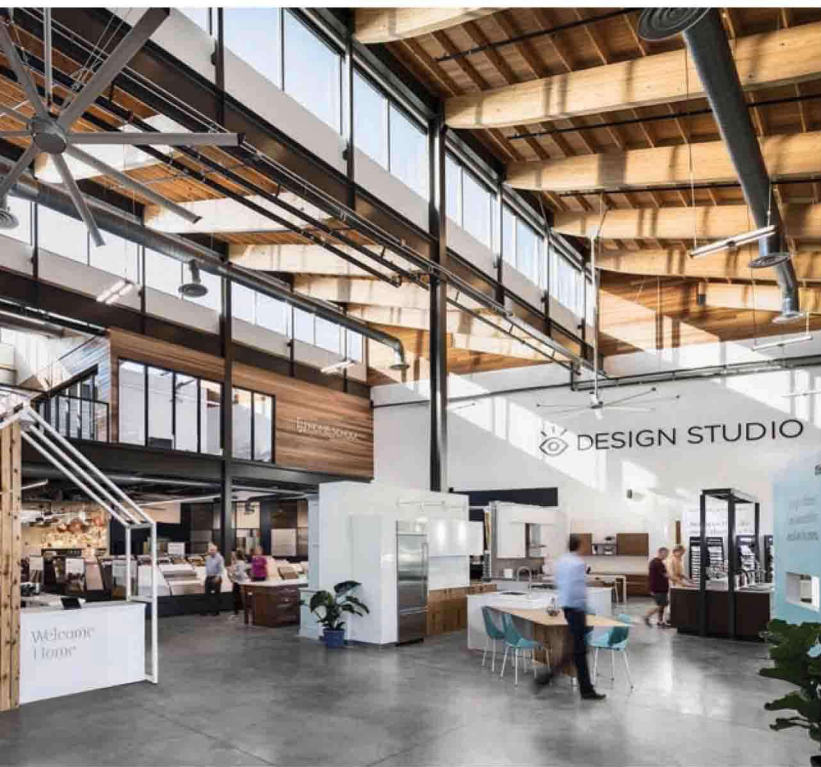
She adds, "In walking the talk, retailers have the opportunity to engage consumers in a dialogue that raises their awareness of the environmental and social impacts of our industry. With

ABOVE Yeti's first flagship uses locally sourced materials and products from area craftsmen to contribute to the city's economy and reduce impact.

ABOVE RIGHT Housed in the University of Washington's Suzzallo Library, Starbucks preserved many of the site's historic details, including stained glass, original doors and ornate iron scrollwork.

RIGHT Dallas' TreeHouse is fully operational on solar power, storing excess energy with a large battery system which is then released back onto the grid for public use.





CLOCKWISE FROM LEFT: CASEY DUNN, AUSTIN, TEXAS; COURTESY OF STARBUCKS COFFEE CO., SEATTLE; ANDREA CALO, AUSTIN, TEXAS.



FAST FACTS

6+ billion

The number of LEED-certified commercial square feet

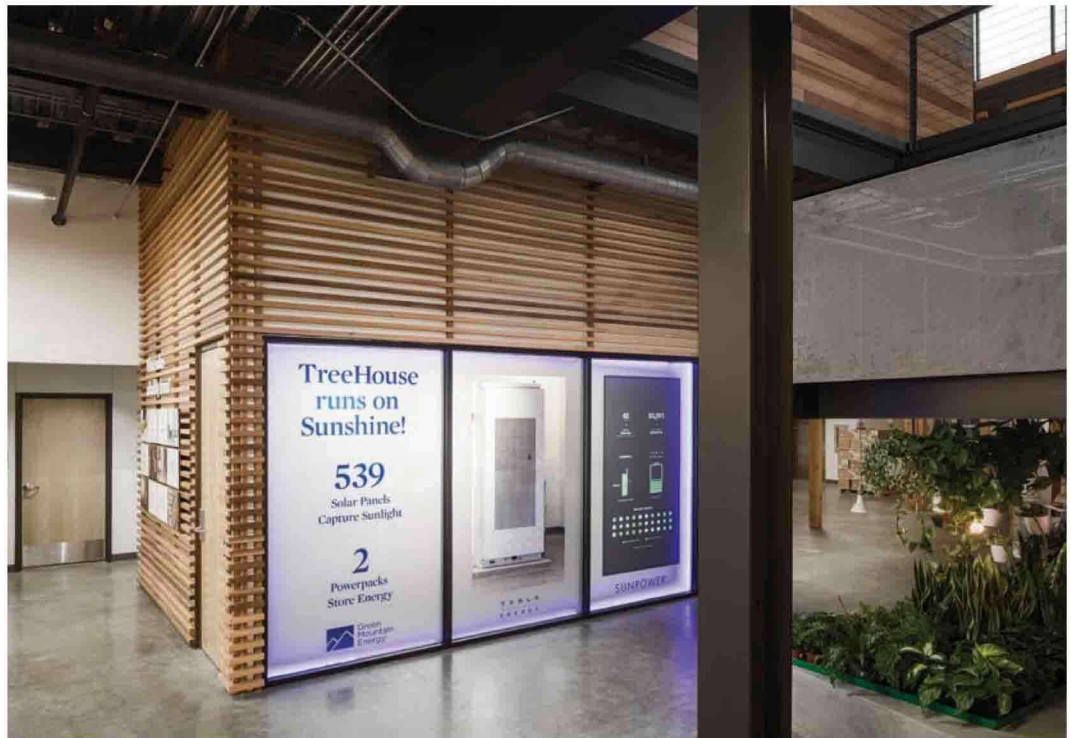
167

The number of countries and territories with LEED projects

38,600+

Total number of LEED-certified commercial projects

GLOBAL STATISTICS, AS OF JULY 2017 / SOURCE: U.S. GREEN BUILDING COUNCIL



awareness, [they] will then desire to know more, and only then will they be in a position to vote with their dollars and support those businesses [that] demonstrate a true commitment to operate responsibly.”

SOLEIL FOR DAYS

Retail represents 20 percent of all buildings in the U.S., according to the U.S. Green Building Council, and retailers have been ramping up efforts over the past several years to implement LEED-certified building standards. Many stores have turned to solar panels, including Kohl’s, IKEA and The Home Depot, which recently announced it would be rolling out mini-rooftop solar farms to 50 of its stores.

TreeHouse (Austin, Texas), a startup home improvement brand that helps homeowners reduce their carbon footprint, took the concept further in its 35,000-square-foot Dallas store this past June, opening reportedly the world’s first net-positive energy store. Equipped with rooftop solar panels, a large battery system and finely tuned utility configurations, the store provides more energy than it consumes, pushing the excess back onto the electrical grid for local use.

In co-founding his company and the brand’s two locations, TreeHouse CEO Jason Ballard credits his upbringing in Texas, and the juxtaposition of the state’s breathtaking landscapes with its abundance of petroleum refineries, for instilling in him a passion for

protecting the Earth.

“We had ambitions to be examples of the things we hoped for in the world,” says Ballard.

Working with Tesla (Palo Alto, Calif.) and Lake Flato Architects (San Antonio, Texas), the process involved quite a bit of trial and error, explains Ballard: “[We were] plowing new fields ... we didn’t have any other great model to look at. It took a lot of energy modeling and value engineering until we got to a place where we needed to be.”

Lighting and air conditioning were the two greatest energy hogs that required careful tweaking: Increasing natural lighting to reduce the use of artificial lighting increased indoor temperatures, creating a need for alternative cooling methods. By utilizing dehumidifiers and installing oversized industrial fans, the air conditioning only kicks in when the building is above a comfortable temperature, which has been greatly limited. TreeHouse projects that its initial investment on the system will pay for itself within three years.

As for the longevity of solar energy? “I don’t see an end in sight,” says Ballard. “The writing is on the wall that the primary energy source in the future will be solar.”

WALK THE TALK

With recent innovations in lighting and materials, the built environment has more opportunities to be designed with ecological impact in mind than ever

before. So what's holding back retailers who haven't yet taken the leap? There are still many misconceptions about cost as well as a lack of direction in defining corporate sustainability goals.

"Some retailers are [still] trying to get their heads wrapped around it ... some of the biggest barriers are when they may not have the infrastructure internally," says Elaine Aye, principal, Green Building Services Inc. (Portland, Ore.), and U.S. Green Building Council LEED fellow.

In all, today's green interiors are more thoughtful about how materials and resources are expended, and specifying recycled materials in conjunction with quality products that endure is a major consideration, explains Bevan Bloemendaal, vp, global environments, creative services, Timberland. "When you combine this focus on premium and durable materiality with the use of recycled or repurposed fixtures, recyclable and renewable materials and low-impact lighting, you can really start to make a difference."

He adds that the perceived higher cost of green products – or that they have a "cheap" aesthetic – simply isn't always the case.

Whole Foods Market (Austin, Texas) has a holistic approach, says Tristram Coffin, the brand's director of sustainability and facilities. "It is about looking at ... how our refrigeration, HVAC, lighting, building envelope, etc., all interact with one another," he says, citing the company's effort to adopt refrigeration systems with natural refrigerants as one that's pushing the envelope to reduce its total equivalent warming impact (TEWI).

Another efficiency method growing in popularity (for better or worse) is the downsizing of store footprints, says Michael Horton, senior associate, Lauckgroup (Dallas), as demonstrated by Yeti's recent



Austin, Texas, flagship by its limitation of back-room warehousing and overabundant on-the-floor merchandising. "I think consumers are becoming okay [with] coming to a store and [having] their product delivered to them later at their home because they're aligning with that kind of experience."

For Patagonia (Ventura, Calif.), its unique store locations lend to its sustainable sensibilities, providing an outlet to tell clever reuse stories. "We typically install a display, called 'Where We Stand,' that includes the building and neighborhood history and sustainable features of the buildout," says Chris Beasley, director of global visual design, Patagonia. He cites

OPPOSITE PAGE

TreeHouse spotlights its solar-powered energy system with an in-store display which visualizes its energy production versus usage and total power generated to date.

ABOVE Yeti's façade opens and closes using a mechanical system that works in conjunction with the site's temperature regulation controls.



GOING GREEN

IS YOUR *organization ready to adopt sustainable strategies, but doesn't know where to begin? We asked Green Building Services' Elaine Aye for her advice for companies just getting started:*

1. SET A BASELINE:

Assess how your organization is currently performing.

Track energy use, water use and material flows. Look at reference standards and start to apply those to your company's design specifications.

2. SET PERFORMANCE GOALS:

Determine measurable objectives surrounding energy usage, waste reduction and design practices.

3. DEVELOP A PROGRAM: Create the infrastructure – including design specifications – to adopt and apply the new policies in a pilot program.

4. APPLICATION AND IMPLEMENTATION:

In your pilot program, apply the determined standards and processes. Create a feed-

back loop to measure efforts along the way.

5. QUANTIFY AND QUALIFY:

Evaluate the program, and perform a quality control measure to determine which elements are and are not working. Adapt and adopt the successful practices for future store designs.



Between 2015 and 2018, LEED-certified buildings in the U.S. are estimated to save \$1.2 billion in energy and \$54.2 million in waste.

SOURCE: BOOZ ALLEN HAMILTON AND THE U.S. GREEN BUILDING COUNCIL, 2015

its SoHo, New York, store's cashwrap, made from marble steps originally found in the Museum of Modern Art's (MoMA) sculpture garden, as a favorite recycled design element.

TAKING ACTION

While "green" might have taken a temporary break from the spotlight amid a shift in concerns during the frantic race to achieve omnichannel seamlessness, this year's headlines – including a wave of devastating natural disasters – have brought its importance back into focus.

"It's definitely more on people's minds than I think it was even five or 10 years ago," says Horton.

Aye says retailers are by and large practicing what they preach: "Retailers have been very progressive in this area and have adopted it, and [initial investment] has not been a big barrier for many."

Not only do these initiatives contribute to the greater good, they make good business sense, says Aye. "There is a definite return on investment."

Aside from the all-important ROI, Ballard hopes more companies will use their resources for the betterment of the world: "Governments have historically been the most powerful actors on the stage, so to speak, but corporations are increasingly wielding both economic and political power, and certain kinds of brands have an ability to shape public opinion," he says.

"I think companies have a responsibility to recognize their unique place in society and their moment in history ... All people of power, whether its governments, nonprofits or [for-profit] companies, have a responsibility to use their influence for the common good." ▴