

# THE BOTTOM LINE

## *Traditional Medicinals Leading the way in Business and Environment*

Traditional Medicinals, founded in 1974, has grown to become the largest medicinal herb tea manufacturer in North America. In becoming one of the best known in the medicinal herb tea industry, Traditional Medicinals has continually been a socially responsible and environmental conscious company.

Traditional Medicinals has been the proud recipient of the WRAP (California's Waste Reduction Awards Program) every year since 1997. The application process is a thorough questionnaire exploring all environmental areas of business practices.

As a certified organic producer, Traditional Medicinals' facility uses no toxic or hazardous substances in their manufacturing op-

erations. Recycling stations are located throughout the company, separating plastic, aluminum, office papers, cardboard, and glass. Used pallets are purchased from a local company, thereby extending their usable life. Furthermore, herbal teas lend themselves well to recycling. Tea cartons and shipping cases are also made from recycled board. "We continue to search for business partners that share the same environmental philosophy," says Joe Kopriva, VP of operations at Traditional Medicinals, Inc.

The facility's water system is operated from a well system, and all landscaping is also watered from that well. Due to limits in access to municipal sewage treatment, Tradi-

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**Re-lamping project results in payback of \$1,500 per month.**

## *Study Shows Environmental Responsibility Can Be Profitable*

Source: Greenbiz.com

A new study by Winslow Management Company adds to the evidence that companies that are good to the environment are also good to their shareholders.

Since it was created four years ago, the Winslow Green Index (WGI), an equally weighted index of 100 "green-screened" companies, has had a cumulative increase in value of 98.5%. In comparison, the S&P 500 has had a cumulative decrease in value of -10.69%, while the Russell 2000 had a cumulative return of 32.77%. The annualized return for the period was 16.78% for the Winslow Green

Index, in spite of the bear market of 2000 through 2002, while the annual return for the S&P 500 was -2.53% and for the Russell 2000 was 6.62%.

These performance returns cover the period August 1999 through December 2003. As always, past performance is no guarantee of future results.

"Green stocks aren't likely to outperform their benchmark by a factor of more than three-to-one in all cases, but our study provides further evidence that green begets green," said Winslow President Jackson W. Robinson.

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A project developed by the  
Sonoma County Economic  
Development Board

## Northern California's First "Zero Energy" Commercial Complex

Source: SolarAccess.com

The big solar electric installations in California have kept on at a steady pace. Sharp Solar recently unveiled a new 200 kW photovoltaic (PV) system installation at a 50,000 sq. foot, multi-tenant office building in Santa Rosa, California. The building represents Northern California's first "Zero Energy" commercial real estate complex.

A Zero Energy property combines state-of-the-art, energy-efficient construction with renewable energy systems such as solar, resulting in "net zero" energy consumption from the utility provider.

Evaluated and designed by NorthBay Energy Services, and Atlas Pellizzari Electric, the Santa Rosa commercial solar installation



200 kW of solar on top the Pine Creek Properties.  
Image: Sharp Solar

features 1276, 185-watt solar panels on the roof of Pine Creek Properties located on Airway Drive. The one-story building houses a school, county administrative offices and a church.

"We designed a solar energy system that will produce at least 350,000 kilowatt hours and save Pine Creek Properties over \$70,000 annually - - a compelling reason for other businesses to consider clean energy alternatives," said Paul Rosen of NorthBay Energy Services, Inc.

Atlas Pellizzari Electric, of Redwood City, CA was a contractor and installed the new Sharp solar electric system, which will provide 98 percent of the building's power. Atlas has been servicing the electrical needs of customers throughout northern California for 94 years.

"Clean, reliable and efficient, solar energy is destined to become an increasingly important power source for commercial and residential properties," said Ron Kenedi, General Manager of Sharp Electronics Solar Systems Division. "Santa Rosa's Pine Creek Properties

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## BEA Sonoma SURE! Available Online

The BEA's Sonoma Sure! Conservation tips are now available on the web. The Business Environmental Alliance and Cisco Systems, in conjunction with Agilent Technologies and the Sonoma County Water Agency, have formed a public-private partnership designed to provide information on low or no-cost actions that individuals can take to improve the environment.

For access to previous BEA Sonoma SURE! conservation tips, go to the Sonoma SURE! website at [www.sonoma-county.org/bea/conservation](http://www.sonoma-county.org/bea/conservation). If your company is interested in receiving new conservation tips each month, please contact the BEA at (707) 565-7257 or email [bea@sonoma-county.org](mailto:bea@sonoma-county.org).



*Workshop Alert***Commercial/Industrial Kitchen Operating Efficiency Workshop**

**Could low- or no-cost improvements save you money in your kitchen?**

Start with a free workshop on ways to improve the efficiency of your commercial or industrial kitchen.

Join the Food Service Technology Center and the Business Environmental Alliance for a free workshop Thursday May 20<sup>th</sup>, 2004 at Ramekins Sonoma Valley Culinary School.

Learn from the experts at the Food Service Technology Center on how to improve your commercial or industrial kitchen's energy and water efficiency, how to identify possible projects, and how to realize considerable savings. Using energy and water efficiently benefits your business and also benefits the environment.

The program will focus on low- or no-cost improvements that can improve your bottom line today. Attendees will also receive special water and energy efficiency giveaways to jumpstart your operating efficiency improvements!

**Date:** May 20, 2004  
**Time:** 8am-10am  
**Location:** Ramekins Sonoma Valley Culinary School  
 450 West Spain Street, Sonoma  
**Cost:** Free, includes complimentary breakfast

**Food Service  
 TECHNOLOGY  
 Center**



To reserve your space, please email your name, organization, and phone number to [ecarrill@sonoma-county.org](mailto:ecarrill@sonoma-county.org) or call (707) 565-7257. Reserve early!  
 All reservations must arrive by May 16th, 2004.

*Rules of Thumb on Plant Water Needs*

From the Water Wise Gardening CD (see page 5 for more details)

The following are rules of thumb on the watering needs of Mediterranean-type plants and California native plants.

1. "Drought-tolerant" plants can survive with 3 to 6 deep soakings during a dry summer.
2. Container-grown plants dry out more quickly than those in the ground. Some solutions to this are to transplant the plant into the ground, transplant into a larger pot, or trim the roots and repot with fresh soil.
3. An 800-square-foot lawn uses 2,000 to 4,000 gallons of water per month depending on the turf grass type and climate.
4. Try to locate water-loving plants near your facility, while those needing less water should be planted progressively further away. In the event of a water shortage, the water conserving plants in the far reaches of the garden can withstand less watering.
5. Knowing how much water the different plants need becomes crucial during hot summer months. Here are a few rules:
  - \* High water use plants, such as turf, need up to 6 inches of water. Turf is shallow rooted and fast growing, requiring frequent irrigation.
  - \* Moderate water use plants (everyday ornamentals) need up to 4 inches of water.
  - \* Low water use plants such as Mediterranean plant types and some California natives need up to 2 inches of water.

## BEA How-To Guides

The How-To Guide series, produced by Business Environmental Alliance staff, is designed to help local businesses of all sizes improve their bottom lines by improving their environmental performance. The How-To Guides take businesses through a series of simple steps to define their environmental priorities, identify the benefits of environmentally friendly business practices, and quickly locate the information and assistance required to make their environmental goals a reality. To view the BEA How-To Guides, visit [www.sonoma-county.org/bea/how\\_to\\_guide.htm](http://www.sonoma-county.org/bea/how_to_guide.htm).

### #1: Developing an Environmental Policy Statement

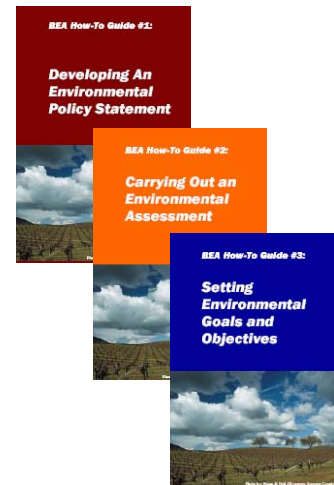
This guide will help you review the key elements of managing your company's environmental concerns, develop an environmental policy statement, and determine the scope of your business goals. If you have never before considered developing an environmental policy statement, now could be a good time to start.

### #2: Carrying Out an Environmental Assessment

This guide is designed to help structure an environmental assessment that will assist you in evaluating environmental management performance. If you have not yet established environmental policies that fit your company's overall mission, use the BEA's How-To Guide #1: Developing an Environmental Policy Statement.

### #3: Setting Environmental Goals and Objectives

This guide will help you put your company's environmental policies into practice by setting achievable goals and objectives. If you have not yet considered your company's environmental practices through an environmental assessment, use the BEA's How-To Guide #2: Carrying Out an Environmental Assessment.



### #4 Accessing Environmental Resources (Part I): Resource Use Efficiency

This guide lists resources to help you increase your profitability by using environmental resources more efficiently.

### #4 Accessing Environmental Resources (Part II): Planning and Implementation

This guide lists resources to assist you in meeting your environmental planning and management goals.

#### Future guides in the BEA How-To Guide series include:

- #5: Educating Your Employees About Sound Environmental Practices
- #6: Evaluating Profitable Environmental Opportunities
- #7: Measuring Performance
- #8: Developing Continual Action Plans

#### *continued from page 2*

is a fine example of energy-efficiency, which can be achieved with today's advanced solar power technology. And, we're proud it's one among a wide range of installations using solar modules that were produced at Sharp's U.S. solar panel manufacturing plant in Memphis, TN."

The team of NorthBay Energy Services and Atlas Pellizzari Electric is in its second year of working with cus-

tomers to engineer financially viable energy solutions and state-of-the-art commercial solar installations.

The project was made possible by an incentive offered by Pacific Gas & Electric, which enabled Pine Creek Properties to offset the initial cost of the solar system installation. Receiving a 50 percent rebate on the total cost of the system, Pine Creek Properties estimates it will be able to recover its investment

in less than five years.

"Our new solar electric system will help to reduce peak power demand and conserve finite resources. We're proud to serve as an example for other facilities that are seeking ways to reduce energy consumption, while supporting clean air and renewable energies," said Ken Martin, owner and general partner of Pine Creek Properties.

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*Money Saving Tips for Landscape Irrigation*

As the rains stop falling and sprinkler systems across the area are turned on, the landscapes at commercial sites will rely on expensive watering and maintenance to create a comfortable business environment.

Several water agencies in Sonoma and Marin counties have created a tool for residents and businesses that could save 20 to 80 percent of the water (and money) that is poured onto landscapes each year.

The Water Wise Gardening tips focus on simple changes that can reduce the amount of water used without diminishing the beauty or health of the landscape. Share these tips with your

maintenance staff, ask your landscape contractor to incorporate them into your site, or contact the agencies listed below for more information.

Many business could save substantial amounts of money by following some simple landscape guidelines. Is your business one of them?



The Water Wise Gardening CD, excerpted here, includes lists of drought-resistant plants and detailed information about irrigation techniques, and is available from the following water agencies: Marin Municipal Water District, Town of Windsor, City of Cotati, Forestville Water District, City of Petaluma, City of Rohnert Park, City of Santa Rosa, City of Sonoma, Valley of the Moon Water District, and Sonoma County Water Agency.

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*Hydrozones*

Organize your garden into hydrozones (watering zones), which is grouping plants with similar water needs. Grouping plants with similar water needs will simplify your irrigation system while giving each plant the right amount of moisture.

*Controlled Irrigation*

A controlled irrigation system that delivers moisture on a regular schedule according to your garden's needs is the most effective, timesaving, and water saving method. There are three main types of irrigation: drip, overhead sprinkler, and soaker hose. Drip irrigation is good for most parts of the garden except lawns, beds, and bedding plants. Overhead sprinkler is best for lawns, some shrubs, and perennials. A soaker hose is good for beds and vegetable gardens.

*Sprinkler System*

Evaluate your lawn irrigation sprinkler system. Old and poorly designed systems can be very inefficient. Upgrade your existing system. Consider investing in an ET Controller, the newest irrigation technology that will save you time and money.

*Efficient Scheduling*

The right controller, when properly scheduled, can result in significant water savings and lower water bills. The goal of an efficient watering schedule is to irrigate only the amount of water that is needed by the plant. Most landscapes are over-watered by as much as 50 percent more water than what the plants need.

### WRAP Awards Application Period Now Open

The 2004 Waste Reduction Awards Program (WRAP) application period is now open. The 2004 WRAP cycle opened April 1 and continues through June 30, 2004. WRAP provides an opportunity for California businesses to gain public recognition for their outstanding efforts to reduce waste.

WRAP is administered by the California Integrated Waste Management Board (CIWMB). Each business or nonprofit organization is judged

individually, based upon its own accomplishments. In addition to the 2004 WRAP application, a Resource Guide is also available on-line, offering a variety of ideas and resources to help businesses become more resource efficient. The WRAP Talk newsletter, an annual overview of WRAP program activities, is also available on the web. For more information about the WRAP program, please visit the WRAP website at [www.ciwmb.ca.gov/WRAP/](http://www.ciwmb.ca.gov/WRAP/).



### ***Congratulations to all Sonoma County 2003 WRAP Recipients***

Agilent Technologies  
Albertsons  
Auric Blends  
Cagwin & Dorward Landscape  
Contractors  
Computers & Education and  
Computer Recycling Center  
F. Korbel & Bros., Inc.  
Flex Products, Inc.  
MLB Homes  
Petaluma Poultry  
Safeway, Inc.  
Save Mart Supermarkets  
Shurter, Inc.  
State Farm Insurance Companies—Rohnert Park Operations Center  
Target Corporation and  
Mervyn's Stores  
The Middle Way, Inc.  
Traditional Medicinals  
Whole Foods Market  
Sebastopol

*Successful applicants receive an award from the State of California's Waste Reduction Awards Program (WRAP), along with authorization to use the WRAP WINNER logo.*

### *continued from page 1*

"That is, we believe companies that care about the environment are well positioned to produce better returns than companies that don't."

"We believe companies that take advantage of environmental opportunities can gain a competitive advantage over their peers through cost reductions, quality improvements, increased profitability, and access to new and growing markets," Robinson added. "Environmentally responsible companies also have less risk of environmental liability, which could have a major impact on future stock prices." Robinson's conclusions are not only supported by Winslow Management's latest study, but also by previous studies that evaluate the connection between environmental and financial performance:

#### **Support by Previous Studies**

"The Emerging Relationship Between Environmental Performance and Shareholder Wealth", by Ralph Earle, Assabet Group (2000). Perhaps the most comprehensive study to date, this study researched more than 70 articles, research papers and books discussing the link between companies,

**"We believe companies that take advantage of environmental opportunities can gain a competitive advantage over their peers..."**

environmental behavior and its financial performance, as well as the performance of nine green funds. Based on the total body of evidence, author Ralph Earle III says that, "the direction of the results paints a potentially compelling picture of a marriage between environmental excellence and investment performance." Assabet also found no evidence concluding that environmental performance had a negative impact on stock performance.

"New Alpha Source for Asset Managers: Environmentally-Enhanced Investment Portfolios," by Innovest Strategic Value Advisors (April 2003). This study investigates the effects of incorporating environmental and social analysis as part of the investment decision-making process. The study is based on live, real time simulations for six investment portfolios of a major pension fund

during 2002. In five of the six portfolios, the results indicated that Innovest's social and environmental ratings had a positive impact on performance. The study provides further evidence that positive environmental performance can add value to a portfolio.

### City of Santa Rosa Green Building Program Initiative

The City of Santa Rosa has been chosen by Frontier Associates/Austin Energy to take part in a Pacific Gas & Electric (PG&E)—funded program called the Green Building Technical Support Services Program, assisting cities and counties in the Bay Area to develop new green building programs. The City of Santa Rosa was awarded a grant from the California Public Utilities Commission to conduct technical consultations for developing and improving local and regional green building programs and practices.

Green building promotes a holistic view of the design and construction process and seeks to integrate the

work of the various professionals and systems to create a building which conserves energy and water, has good



indoor air quality, uses resource-efficient materials, is durable and easily maintained, and is built with respect to the site and local surroundings. Green building incorporates sensible practices into the design and construction of buildings and homes with the

goal of making a structure more comfortable and healthy for the inhabitants and reducing negative environmental effects.

Frontier Associates is a leading energy efficiency consultant experienced with utilities and local governments in California and Texas. The Austin Energy Green Program, the largest and oldest of its kind, is internationally known for expertise in “green” residential and commercial construction. For more information on Santa Rosa’s Green Building Program please visit the website [http://ci.santa-rosa.ca.us/pworks/climate/cli\\_gr\\_build.asp](http://ci.santa-rosa.ca.us/pworks/climate/cli_gr_build.asp).

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tional Medicinals constructed a state of the art waste disposal pressure distribution system incorporated into the extensive landscape areas.

Motion sensors for lighting in all bathrooms have also been installed for energy conservation practices. Additionally, Traditional Medicinals has just completed a re-lamping of the entire facility with energy saving high-output motion activated fluorescent fixtures, replacing inefficient constant burning halogens located throughout the warehouse. This re-lamping project will save approximately 150,000 kwh p/yr, or the equivalent of 114,000 lbs of carbon dioxide from

**“Our annual contribution equates to the elimination of 759,000 pounds of greenhouse gases, or the equivalent of taking 66 cars off the road.” Joe Kopriva, VP of Operations**

the atmosphere, resulting in a payback of \$1,500 per month. Skylights have also been introduced to reduce the use of electricity across the warehouse.

In January 2003, Traditional Medicinals began purchasing “green tags” from the Bonneville Environmental Foundation. These green tag funds are based upon annual conventional energy usage. The funds are directed on behalf of Traditional Medicinals through alternative power supply sources such as wind farms, thereby reducing impact on the environment and replacing fossil fuel en-

ergy production with clean renewable energy. “Our annual contribution equates to the elimination of 759,000 pounds of greenhouse gases, or the equivalent of taking 66 cars off the road,” adds Kopriva.

In addition to the implementation of environmentally friendly practices, Traditional Medicinals’ company philosophy encourages a positive and healthy environment for its employees through employee programs. Traditional Medicinals also actively donates time, products and profits to charitable, environmental and educational organizations.





Spring 2004

*“profitability through sound  
environmental practices”*

# THE BOTTOM LINE

**\$1,500**

Amount saved each month by Traditional Medicinals by replacing inefficient lighting with more energy-efficient options (story on page 1).

**98.5%**

Cumulative increase in value of the Winslow Green Index of environmentally friendly companies (story on page 1).

**\$70,000**

Amount saved annually by Pine Creek Properties by installing a solar energy system (story on page 2).

**\$0**

Cost of the BEA's Commercial/Industrial Kitchen Operating Efficiency Workshop (story on page 3).

**20-80%**

Amount of water (and money) that could be saved by improving the efficiency of landscape irrigation at local businesses (story on page 5).

**18**

Number of Sonoma County companies receiving WRAP awards from the California Integrated Waste Management Board (story on page 6).



**Business Environmental Alliance**

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