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# EASY TO BE GREEN

BY KENDRA STANTON LEE

## YOU CAN SLEEP TIGHT TONIGHT.

Tomorrow's coffee is both Rainforest Certified and Bird Friendly. You can also feel good about the smaller labels on your eco-friendly shaped water bottle and that your toothbrushes and razors were once organic smoothie containers. You can pat yourselves on your collective backs for selecting a fruit juice that is not only organic and all natural, but also seasonal and local and not tested on baby bunnies.

**G**osh, it's easy to be green, especially now that green products are no longer sequestered to the so-called crunchy aisle.

In 2007, beverage makers released 772 new organic and natural beverages, according to Mintel International's Global New Product Database. All of this greening of the shelves is certainly not a bad thing. Conscientious consumers make informed choices, for themselves, their families, the earth. But when beverage makers are getting so hysterical over carbon footprints that it's their primary – or even their only – selling point, there's cause to question whether the industry runs the risk of straying from its chief purpose: producing quality beverages. In other words, as great as it is to be environmentally sound, are some products just getting to be a bit too lopsided in their crunchiness?

#### ECO-TAGGING

Today, juices, sodas, and even whiskey have to go through a vetting process to be tagged with the conspicuous USDA Organic label. The term "natural," on the other hand, may not be government regulated (beyond the regulations that apply to all foods and beverages), but it is prevalent. Hansen's, Maine Root, and Naked, whose products are generally free of artificial preservatives, sweeteners, colors, flavors, as well as free of growth hormones, use the "all natural" label. It is also used by Crayons, Bolthouse Farms, and Jag – just to name a few – to describe their beverage lines.

These tags were not always so commonplace. Just ask Seth Goldman, who started Honest Tea in his kitchen in 1997, a few years before organic tea was even on the consumer radar. Goldman's mission was to develop a less sweet, but still flavorful tea using all-natural ingredients. A few years later, half of Honest Tea's beverages were organic, including Community Green tea, created in partnership with do-gooder program City Year. Sales that year were \$3.2 million. Perhaps Honest Tea was not a pioneer in the greening of beverages, but its combination of organics and social activism are what many companies today have just begun to adopt en masse.

But Goldman says companies cannot major in crunchiness if it is only a minor emphasis. "Several other companies have launched organic teas, but it is not enough to have organic ingredients. It has to be a consistent proposition."

So it's really not enough to sell organic juice and save the whales – you have to in-

corporate both ideas across your brand? Goldman says yes, both in the name of dollars and do-gooding.

"It's important to have an authentic connection. Consumers seek it out," said Goldman who considers crunchiness a lifestyle, not an afterthought. "Connect your product to the brand, connect your company's behavior to the brand. That's the way we market, and the way we support sustainability," he said.

But maybe that's just what works for a brand whose first name is Honest. Does every Tom, Dick, and Cherry Coke have to protect an endangered species concurrent with bottling their beverages? Maybe not, but it can help... for a while.

Laurie DeMerritt is the president a research firm called The Hartman Group, which recently conducted a study exploring organics in the mind of the consumer.

"The brands that have a lot of equity in the minds of consumers are those that relate not just what a brand does to them, but what it means to them," she said. She also said brands that tell narratives about the origin of a product, much like the experience of buying produce from a farmer at a farmer's market, are what resonate with consumers today.

But as beverage companies incorporate these narratives across their brands, they should carefully consider the points of their message.

"Beverage makers have built up a following on being green, but just being green is not enough when people are seeing prices for fuel going up while their salaries are going down," says Brian Morgan, senior analyst in the U.S. beverage industry for Euromonitor. "They need to present a number of compelling reasons, not just one for people to pay extra cents. Part of [the message] is health, part of it is the environment," he said.

The intersection where environmental concerns meet health concerns is where the crunchy party takes place. But even there, the balance is shifting.

"Fifteen years ago, people were buying organic because they wanted to save the earth. They didn't want certain chemicals going into the earth," said Goldman, "Nowadays, people just want to save themselves."

So is 'Save the Rainforest' obsolete? No, but it's taking a back seat to personal health concerns, according to DeMerritt. For example, she points to the dairy industry, where consumers are attracted to organic milk because it is void of growth hormones and not necessarily for environmental reasons.

"The aggregate usage of organics is pla-

teauing. Consumers are making tradeoffs. But with milk, they refuse to not buy organic, regardless of price," Demerritt said.

Nevertheless, with the right crowd, environmental considerations still reign supreme. Take organic beer, which one can successfully argue is no health drink. Consumers aren't exactly slamming a six pack for healthy skin and bones. And yet, the crunchy police leave no hops unturned. Max Oswald, Director of Sales and Marketing for Otter Creek Brewing, which produces Wolaver's organic ale, said, "We use the USDA organic seal but we don't go to 100 percent organic, because not all the hops we need are organic. People can be critical, but we only have four ingredients. The hops are such a small percentage of overall volume of it."



Honest Tea's Community Green Tea was created in partnership with City Year, a do-gooder program giving young people a chance to make a difference in schools and neighborhoods around the globe.

Hold up. The crunchy police are out there and, yeah, they want to know – what about the non-organic hops? "We are in the process of working with a number of farmers in US to get organic hops," admits Oswald.

#### SHOW ME THE CRUNCHY

Just say organic hops can't be procured, though. Does this lower the quality of the product? Should brewers continue to pursue a goal of 100 percent organic, or is it worth it to settle for organic enough? This is the too crunchy conundrum. At what point do efforts to satisfy an environmental goal – or a marketing one – begin to divert energies from the business of making good products?

Ben Lewis, for one, has an answer to that question. Lewis, CEO of Pur Blu which donates \$.10 from every "Give Love" water bottle sold to an environmental cause, says, "I've gotten some flack from people saying,

'I think it's kind of ironic that you're giving to the environment by selling water in bottles which is bad for the environment,' and I welcome that. Let's face it, it's certainly not the most rational thing. But people are going to buy [bottled water] anyway. It's a trend that can't really be reversed," he said.

Or can it? The crunchy police might be quick to remind the young entrepreneur about the hazards of polycarbonate plastics leaching and contaminating liquids and foods, and about packaging alternatives.

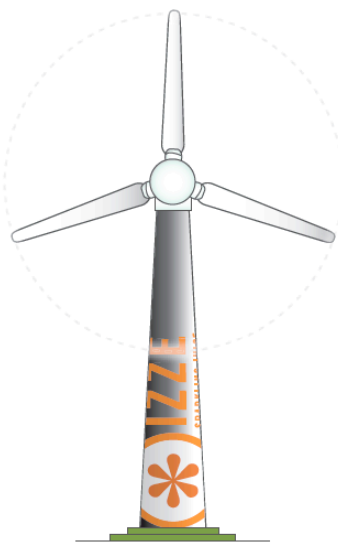
Still, says Lewis, "We don't have any plans to go with glass bottles. We've certainly thought about it. But because [glass] is heavier and costs more in fuel to transport, I don't really see us going with glass. Until there's a biodegradable packaging, I think plastic is the preference," said Lewis.

Still, the battle is for quality first. For the beverage maker under increasing pressure to go green, it might be worth it to remember Lewis' words, as well as these, from Jim Cannell, whose Jim's Organic Coffee has to be mindful to be Jim's Really, Really Good Organic Coffee – particularly given the number of other eco-friendly coffees that are out there.

"None of the other certifications matter if the quality is not above and beyond," Cannell said. "People are always willing to pay more for a finer product. Having that fine product be organic is an added benefit."

#### GREEN GOES BOTH WAYS

As for when those green-tinted lenses will be traded for new specs, Euromonitor's Morgan said, "No one is going to forget about the environment. Companies should be mindful of the shift in younger consumers who are looking for these products. When they go to the cash register, though, what are they actually



**“It may cost more to produce than other beverages, but it is important to us to deliver a better-for-you beverage option to consumers.”**

Kelli McCusker on using wind turbines to produce IZZE beverages.

going to pick up? It's a risk for the coming year to keep their interest," he said.

Thus, the trade-offs in the greenscape of beverages are as applicable to consumers as they are for beverage makers. Where consumers are often selectively crunchy in their purchases, beverage makers and manufacturers have to wonder: Will consumers continue to support the green on the shelves with the green in their wallets?

Kelli McCusker, CMO of IZZE Beverage Company, said her company will remain green despite any added green on the investment side. IZZE uses power provided by wind turbines to produce its all natural sparkling fruit beverages. "It may cost more to produce than other beverages, but it is important to us to deliver a better-for-you beverage option to consumers."

IZZE, founded in 2003 is joined by other fresh faces like Pur Blu and Dry Soda that appear to be holding the interest of the consumer, at least for now.

Goldman of Honest Tea agreed, "There is an ethic of green living today, more so than we saw five years ago."

But if everyone is on this green bandwagon together – for now – it may be safe to assume it's going to get a little crowded with them all aboard. Honest and Izze have proven their mass appeal, and other environmentally friendly brands have, as well; but the question remains, is the included crunchiness the added bonus or the raison d'être?

So, again, how crunchy is too crunchy? Based on today's market, it's all right to be as crunchy as the next guy, and maybe even a little crunchier. But remember, there's nothing less environmentally friendly than littering – so keep things tasty enough so that your stuff doesn't end up on the side of the road. ●

The term "natural" may not be regulated, but it is prevalent. Here are a few of the products using it for market leverage.

**ALL  
NATURAL**

WOLAVER'S



NAKED JUICE



BOLTHOUSE FARMS



CRAYONS



MAINE ROOT

