



SUSTAINABLE MANUFACTURING INITIATIVE (SMI) AND PUBLIC-PRIVATE DIALOGUE U.S. DEPARTMENT OF COMMERCE

TENTATIVE 2010 NEXT STEPS

The U.S. Department of Commerce (DOC) received a great deal of constructive individual feedback from U.S. firms, industry associations, academia, NGOs and federal agencies at its October 8th *Sustainability and U.S. Competitiveness Summit*. Participants indicated that the U.S. government must remain engaged in the area of sustainable business in order to help increase American competitiveness through implementation of manufacturing and services practices that are cost-effective and environmentally sound. DOC will formulate a response and “next steps” based in part on the individual feedback received at the Summit and feedback from public and private sector stakeholders that the agency continues to receive. As DOC moves forward in this arena in collaboration with other relevant federal government agencies, it will keep in mind several over-arching issues voiced at the Summit:

- In these tough economic times, U.S. companies need easy access to federal programs and resources that can help them stay in business and maintain profitability;
- There is a need for constant evaluation and engagement with stakeholders on what constitutes the most appropriate role for the federal government in addressing U.S. industry’s sustainability needs and challenges (e.g., facilitation vs. direct action);
- Stakeholders face general uncertainty, unease, and in some cases confusion regarding all of the competing sustainability-related product and process information, data, metrics and standards (domestic and international); and,
- There is a desire for a common sustainability “language” and framework to increase interoperability between firms and industries.

Taking into account individual feedback received at the Summit, the input DOC continues to receive, and being mindful of the over-arching issues above, the Sustainable Manufacturing Initiative (SMI) team proposes the following tentative “next steps” to address U.S. industry’s sustainability needs:

Expanding Outreach of Commerce and U.S. Government Resources That Support Sustainable Business

Phase 1 of DOC’s *Sustainable Business Program and Resource Clearinghouse* design and operability is complete and currently contains links to all major federal government programs that support sustainable business.

Next Steps: DOC will implement Phase 2 which involves inclusion of state-level information in the Clearinghouse, coupled with a more aggressive industry outreach plan aimed at widely advertising both the Clearinghouse and its many programs to U.S. firms across the country.

Utilizing the Sustainable Manufacturing American Regional Tours (SMART) Model to Achieve Greater Industry Specificity

The SMART program has been effective at closing the familiarity gap among U.S. manufacturers on the benefits of sustainable manufacturing and business practices. To date, five SMARTs have been held across the country (St. Louis, MO; Grand Rapids, MI; Rochester, NY; Seattle, WA; and Columbus, OH) in which over 100 companies have learned first-hand about the cost-effectiveness of greater natural resource efficiency and waste minimization. The SMI team proposes to utilize this model to accomplish greater industry specificity.

Next Steps: DOC will hold industry-specific SMARTs and facilitate industry discussions via SMART-like events that identify specific sustainability challenges in a selected sector as well as ways to address these challenges.

The Creation of Metrics for Sustainable Manufacturing

The SMI team's primary effort on metrics for sustainable manufacturing is focusing on a DOC-initiated study in the Organization for Economic Cooperation and Development (OECD) that will result in a "toolkit" of metrics for companies to use to help them assess and then measure the benefits of implementing sustainable manufacturing practices. This study has entered its final phase and the U.S. government is optimistic that the toolkit will be ready for use sometime in 2010.

Next Steps: DOC will successfully guide completion of the OECD study which will result in a toolkit that is useful to both large and small U.S. companies and facilitate greater engagement with the private sector to determine the appropriate role of the federal government in establishing useful, comparable sustainable manufacturing metrics for industry.

Information and Analysis of Legislation/Regulations Related to Environment and Health

At the October 8 Summit, private sector representatives were particularly concerned about the potential impacts of environment and health-related legislation and regulations on U.S. firms' bottom line, but few have time to follow the legislative or regulatory process, or know where to find or access information or analysis of pending legislation or new regulations.

Next Step: DOC work within DOC and with relevant federal government agencies to publicize legislative and regulatory information and analyses that would enhance private-sector understanding of potential industry and economic impacts on business operations.

Sustainable Manufacturing 101

Summit participants stated that many small-to-medium sized U.S. companies are interested in, or are induced to produce, environmentally sound, healthy products in resource-efficient ways, but are unfamiliar with sustainable manufacturing practices and the potential scope of these practices. Currently, there is a lack of resources that provide basic information on sustainable manufacturing in a way that is easy to understand.

Next Step: DOC will work with its interagency group on sustainable manufacturing to develop an easy-to-follow Sustainable Manufacturing 101 training module that companies can use to begin the process of considering sustainable manufacturing practices in their own facilities. The online training could be a companion piece to the Clearinghouse, helping to teach basic concepts and terminology and tying concepts to programs and resources available through the Clearinghouse.

Addressing Increased Industry Demand for “Green” Skills

Summit participants expressed an ongoing and growing need for “green” skills, in a variety of capacities, at the workplace. Whether it be providing educational opportunities to our future engineers in the field of clean technology development or training opportunities to U.S. manufacturers in the area of remanufacturing, arming the U.S. workforce with sustainability-related skills sets will be key to maintaining our innovation-based competitive advantage in world markets.

Next Step: DOC will advise the Department of Labor and Department of Education in identifying the sustainability-related skill demands of U.S. industry and provide input on the various “green” skill-focused workforce development and educational initiatives launched by these agencies.

Conducting Sector-Specific Analyses of U.S. Industry Sustainability Challenges and Opportunities

To comprehensively address the myriad challenges U.S. firms face in their efforts to enhance natural resource efficiency, minimize waste, and compete in world markets, public and private sector stakeholders require a better collective understanding of these challenges and ways these can be addressed. Thus, there is a need for more in-depth analyses that can educate these stakeholders on where significant challenges and opportunities for enhanced profitability lie.

Next Step: DOC will launch a “Sustainable Manufacturing Sector Focus Study” series aimed at informing public and private sector stakeholders about the specific

sustainability-related challenges, ongoing efforts, and unrealized opportunities that exist in specific U.S. manufacturing sectors. These studies would be designed to provide clarity on the specific hurdles U.S. firms are facing in their efforts to become more resource efficient, what firms are doing to overcome these hurdles, potential cost-saving and value-adding opportunities that exist in a selected sector, and would identify unexplored areas of public-private collaboration.