



The Color GREEN Coming To Your Shop?

**You can't ignore
the movement.
Here's how to make
it work for you.**

By Tom Duke, Contributing Editor

Anyone who has been around since the 1960s remembers the beginnings of the environmental movement, our first recycling efforts and the green-colored peace sign that was adopted as the pro-ecology logo.

Since those first baby steps, we've seen the birth of CAFÉ standards, broader recycling programs, strict EPA regulations and greater environmental education.

Over the last decade, the environment has been pushed to the forefront thanks to growing concern and controversy over global warming and its possible implications.

While the debate on global warming continues, most countries and governments are aggressively addressing the issue. Former vice president Al

Gore and the Catholic Church are on the same side of the issue, Gore through his book and Oscar-winning movie *An Inconvenient Truth* and the Vatican through a pronouncement that causing environmental blight is a sin. On the other side are those who don't believe air pollution is causing long-term harm, and don't accept that average temperatures around the globe have been steadily rising.

Regardless, the Green issue is a hot one right now, with company after company promoting their "green initiatives" and "green products," all targeting a growing consumer base that wants a healthy environment. Even retailers are getting in on the action, touting the greenness of their stores and the products they carry. So where does this greening leave today's tire dealer?

What Is the Problem?

The litter problem alone is a huge drain on our resources, costing billions of dollars a year in the U.S. The megatons of solid waste that must be collected, contained and disposed of, including scrap tires, is a top problem. The pollution of our air and water – air pollution is the key element in the global warming debate – is even more taxing on our natural resources.

Pollution appears everywhere, and cleaning up these problems will, naturally, cost consumers more money in the forms of taxes and fees. In the face of growing public interest, company after company has jumped

in to chase these more social-conscious consumers. And these consumers are not tree-hugging hippies as they have been stereotyped in the past; they are, by and large, young middle-class post-Boomer moms and dads concerned about their families and the future.

Consumers seem willing to do their part – to a point. A recent survey by PR firm Edleman showed that 78% of consumers worldwide preferred to buy “green” brands.

But consumers may not want to pay extra for products designed to help make our world greener. J.D. Power and Associates learned in a recent study that only 11% of Americans were “very willing” to pay more for Green vehicles, such as the Toyota Prius and the Honda Civic hybrid. “Despite heavy media attention on hybrid vehicles and the emergence of a greener auto industry, the hybrid market is still in its infancy,” said Jon Osborn, research director at J.D. Power.

Think tank The Rocky Mountain Institute, however, feels that by “going green,” companies can increase profits while helping to save the planet. And most companies – manufacturers and retailers alike – are buying that premise. Carmakers, office supply stores, food markets, soda bottlers, retail chains, chemical companies, even tax preparers have some sort of Green initiatives, some quite logical and effective and some that, well, defy belief.

Some companies have been accused of engaging in “greenwashing,” or whitewashing a product or a company with exaggerated or misleading environmental claims. Food and energy companies are often singled out as greenwashers, though the term has come to encompass any questionable environmental claim, like touting the use of recycled paper as being a “green initiative.” The key is whether the company’s environmental actions result in a sustainable improvement.

Kevin Tuerff, president and principal of EnvironMedia Social Marketing in Austin, Texas, says, “We are not talking

about a few crazy environmentalists here. These people are educated and smart. Any company who thinks they can go out there and exaggerate their claims should think twice. These consumers will find out and punish those brands.” The name of the game is putting words into action, and those that try to fake it will pay the price.

Tire Companies Go Green

Nearly every tiremaker is tackling the Green issue with products designed to deliver greater fuel efficiency and/or tread life or with tires produced using fewer petroleum-based components. Many have attacked their energy use, working to reduce their carbon footprint.

Some have taken an even stronger approach, such as Yokohama Rubber Corp. and Groupe Michelin, two tiremakers that have made the environment a major part of their strategic planning.

According to Yokohama President Tadanobu Nagumo, the company’s “Grand Design 100” focuses on improving the current condition of the environment. “Our vision is to assert world-class strengths in technologies for protecting the environment,” he says. That includes research and development to help resource recycling, the prevention of global warming, reducing energy consumption and improving product safety and comfort.

Michelin was among the first with longer wearing tires, it developed the first family of “green” tires with lower rolling resistance for greater fuel efficiency, and it brought the first fuel efficient super wide radials to the North American medium truck tire market.

But besides its products, Michelin has sponsored the quasi-annual Challenge Bibendum event, a global gathering of auto engineers and scientists to showcase the latest in alternative energy vehicles and discuss environmental and sustainability issues.

Goodyear, Bridgestone, Sumitomo, Toyo and Continental have also embarked on Green product development and global initiatives to cut waste, reduce the use of petroleum-based products and enhance their own energy efficiency.

One technology many tiremakers have been working on involves using recycled tire rubber in the production of new tires. The technology has been proven, according to some, and now the focus is on raising the amount of recycled rubber that can be utilized, with some looking to a tire produced with 25% recycled rubber that does not sacrifice durability or driving performance.

The key here is that not only are tiremakers developing green tires, they are giving tire dealers a good “green story” they can relate to interested consumers.

What Dealers Can Do

Although tire manufacturers are deeply involved in the Green movement, there are virtually no prescribed Green programs for tire dealers, leaving each shop owner to develop his own answers.

Jacquelyn Ottman, president of J. Ottman Consulting Inc., a New York City-based marketing consultant, advises on strategies for Green marketing and formulated five basic rules:

- Know your customer
- Empower consumers
- Be transparent
- Reassure the buyer
- Consider your pricing



Certainly, tire dealers and their employees must know the wants and needs of customers before they can effectively sell their products. That goes without saying. But now dealers need to understand the Green concerns of their customers, and relate how their stores and product offering meets those concerns.

Tire buyers can be empowered by offering them complete information about tire lines. Tiremakers can be counted on to toot their Green horns online and in advertisements, but dealers should follow through with in-store displays of Green tires and by training staff to know the performance and environmental benefits of the tires they sell. They should also feature Green tires in at least a portion of their advertising and promotion materials.

Transparency is a key word in today's business, but what does it mean to tire dealers? Operate with complete openness regarding policies and communicating to customers the benefits of Green tires. Sometimes Green tires aren't the best answer for a particular consumer's needs, so dealers must be prepared to help customers make the best tire choice, regardless of their Green status.

When Green is the customer's best option, they must be assured and reassured about the complete performance characteristics of the environmentally friendly tires. Therefore, salespeople and technicians must take advantage of any training programs or briefings offered by tire manufacturers.

Pricing has always been a factor in tire sales, and Green tires are certainly likely to cost a bit more. Tire dealers must be able to explain to prospective tire buyers why a more expensive Green tire is right for them, including information about the lifecycle cost of the tire, and the potential fuel savings advantage

Toward Perfectly Green

So what else can a tire dealer do to be Green? The possibilities are almost endless and can be chosen based on an indi-

vidual dealer's capabilities and situation.

First, start with a simple premise: You have a lot of room for improvement. If you go into this process with a closed mind or convinced your dealership is clean and Green, you won't make any headway. Let's look at some areas every dealer should review.

Energy Use

- Reconsider, if possible, your current power source. Can you use it more effectively and efficiently? Is it possible to substitute alternative power sources, like solar power?
- Take advantage of programmable thermostats to control temperatures during off hours.
- Look closely at upgrading your insulation. A simple thing such as insulating bay doors can save energy – and money.
- There are highly efficient gas and electric water heaters on the market that will reduce energy use.
- Alternative light sources can save a bundle. Compact fluorescent lamps (CFL) are designed to replace incandescent lamps and can fit in the existing light fixtures. Although they are two to three times as expensive, CFLs last 10 times longer than incandescent bulbs and use one-fourth of the energy. Some retailers have even installed LED lights, which reduce energy consumption by 80%.

More Exotic Methods

The use of clean energy sources, if available, is an excellent way for tire dealers to help their communities. Alternative energy sources include solar power, hydro power, geothermal, wind and biomass. These forms of power production create practically no CO₂ and other pollutants, such as sulfur dioxide and lead. There are even newer power sources that might be investigated in some areas.

There are small companies that use solar panels on their roofs to supply inexpensive sustainable power that is also pollution-free. Dealers with new

locations or who are in the process of reworking an existing store or warehouse could consider this option.

A few manufacturers in the U.S. use methane gas as their power source. Although this is not currently practical for tire dealers, it could be in the future. At the very least, dealers could suggest to their power suppliers that they investigate the use of methane as a fuel to generate power.

Wind turbines are being used in a limited fashion in some states to generate power. Most dealers would be surprised to know that there are companies, such as leading producer Bergey Windpower, that produce wind turbines for use by small businesses or homes.

Dealers in Colorado may be able to buy wind-generated electricity from their provider at just \$2.50 extra per 100 kwh block. Buying just one 100 kwh block has the same environmental benefits as not driving your car for 2,400 miles or planting a half-acre of trees, according to Campaign Earth.

Geothermal heat pumps are available, also. They work by burying pipes that circulate liquid (water or a glycol solution) which absorbs heat from the ground. A compressor then transfers heat into the tire dealer's building. This could cut a heating bill in half. While such systems can be retrofit to an existing structure, they would be a more practical option during construction of a new building.

Curtailing Pollution

Another way to be Green is to do everything practical to curb pollution, including disposing of waste materials – metal, plastic, liquids – through channels that will ensure their handling in a non-polluting fashion. Most trash collectors offer a way to dispose of polluting materials. While it may be a little more trouble to do this, it's worth it in the long run.

What about using cleaning products that are environmentally friendly? These are defined as products that have a “lesser or reduced effect on human health and the environment when compared with competing products or services.” Tire dealers that use a cleaning service should ask them to use environmentally sound cleaning products.

When Green cleaning products are used, studies show, occupants, customers and cleaning staff have fewer incidents of skin, eye and respiratory irritation, fewer multiple chemical sensitivities, less severe allergies and decreased headaches and nausea. Consider, too, that cleaning products end up going back into the system – either to landfills or into the sanitary sewer system – creating other levels of pollution. If you start Green, the end result stays Green.

Consideration should also be given to use of either air dryers in restrooms or using paper towels made of recycled materials.

If you have a car wash bay, be aware that the runoff water can cause water pollution. Some communities – including King County, Wash.; Santa Monica, Calif. and Fairfax, Calif. – are considering fines and possible imprisonment for companies that pollute through storm or sanitary sewers. Dealers need to switch to organic soaps or other ingredients that can be buffed off, not rinsed.

Tire dealers should also consider recycling all solvents and looking for alternative methods of disposing used parts and waste fluids that could pollute the water table.

Transportation Options

Dealers with courtesy cars might consider hybrids. Although there are a number of Green cars on the market or in development in addition to hybrids – E85 ethanol versions, stop-start technology, hydrogen-powered cars, small cars, diesel vehicles, plug-

A good Green formula:

- Know the wants and needs of your customers
- Supply complete information and be transparent
- Explain the long-term values of Green tires that go beyond initial price
- Maximize energy use – lights, water heater, HVAC
- Investigate alternative power sources
- Curb pollution from your facility
- Use eco-friendly cleaning solutions
- Recycle all solvents and use water-based cleaners
- Become a community leader in environmental activities



in hybrid cars and electric vehicles – hybrids are quite practical and widely available now.

Bob Lutz of General Motors says that, “Ultimately, by 2020, we figure that 80% of vehicles will require some sort of hybridization,” because of the new U.S. fuel-economy standards.

Dealers have a lot to choose from; besides the aforementioned Prius and Civic hybrids, there are a lot of 30 mpg-plus vehicles like the Nissan Altima Hybrid (34 mpg), Toyota Camry Hybrid (33), Ford Escape Hybrid (32), Mercury Mariner Hybrid (32) and Mazda Tribute Hybrid (32). That’s not to mention diesel and alt-fuel options like E85 ethanol.

The national average for a gallon of unleaded was \$3.30 during the week of Mar. 24, a 26% increase from the year prior. Experts say we’ll see \$4 per gallon by summer. So a dealer adding alternative fuel vehicles will not only look good in the eyes of their customers, they stand to save a ton of money.

Extended Influence

On a local level, tire dealers can help their communities become greener through a number of programs. Local Chambers of Commerce, merchant associations and school groups quite often

serve as a focal point for community cleanup campaigns. Dealers can join this effort to help solve the all-too-present litter problem.

Advertising and promoting fuel-efficient tires is an up-front way to get your Green message out, but use the opportunity to help educate your customers and the community about things they can do (besides buying your Green tires) to help the environment. Print, broadcast and in-store displays can reach a wide audience, not just active tire buyers, and can help make you the local leader when it comes to being Green.

What’s the Bottom Line?

There is good evidence to show that dealers who become Green will also earn more green. While the real ROI in dollars and cents is still hard to quantify, the ROI in your standing with customers will certainly improve.

And as the world moves more and more to products and programs that protect the Earth, dealers have a tremendous opportunity to be on the leading edge.

Green is good. Make it your color. *TR*



Have a comment about this article? Contact Tom at tandjduke@roadrunner.com