

Guide to Sustainable Promotional Products



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Foreword

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* This document was designed to be viewed on a screen. We recommend only printing the checklist on pages 14 and 15.



Definition

For the purposes of this guide, a **promotional item** is an object – given as a gift or sold as a fundraiser – that bears the name or logo of the distributing organization.

This guide also addresses corporate gifts, i.e., objects given to thank employees, customers or suppliers.

The term **promotional product** has a broader definition: it can refer to either an object or a service.

What your gifts say about you

Promotional items are probably not one of your organization's biggest expenses. But it's still important to choose them carefully. They send a message about who you are and what you believe in. They are a chance for you to promote responsible consumer choices, while meeting your business goals: visibility, employee recognition, branding, etc.

Why you should read this guide

Have you ever left a sporting event with an ill-fitting T-shirt? Or a logo-blazoned baseball cap? At the office, you may have promotional pens, mugs and business card holders. The purpose of these items is to remind you of the company whose name or logo they bear.

But do you actually use these things? Probably not. On average, we get rid of most promotional products within six months, even the ones that we find interesting at first.¹ When you consider the social and environmental costs associated with manufacturing and disposal, this is quite a short life.

Right now, with so many organizations embracing sustainability as a core value, it is time to rethink this promotional tool. After all, consumers are becoming more demanding. There is a trend towards consuming less and better.

This guide will:

- stimulate debate on the environmental and social impacts of promotional products
- help you assess your readiness to switch to sustainable products

It also includes:

- a list of resources
- examples of good practices



équiterre | Consumer profile

Advertising under increasing scrutiny

Today's consumers clearly cast a critical eye towards advertising, particularly unsolicited advertising, including promotional products. Just think about how popular "no junk mail" stickers are on mailboxes. For organizations, promotional products may seem like an inexpensive way to reach a target market. But be careful! It's common to hear these kinds of objects being referred to in such unflattering terms as "stuff," "junk" or even worse – words, in any case, that you wouldn't want associated with your organization.

The typical promotional object is trendy... short-lived... forgettable.

Consumers are changing

It's human nature to be attracted to freebies. But too much free stuff can lead to overconsumption. For example, it is common to change cellphones when a contract is up, even though the old one still works. Or to accept a free USB stick, even though you already have five. But when a price is attached to such things, we change the way we consume them. For example, demand for plastic bags at Metro grocery stores in Quebec has fallen by 80% since the chain started charging \$0.05 per bag in June 2009.²

This tendency towards overconsumption calls for a paradigm shift away from impulse buys towards purchases that favour quality over quantity. An increasing number of studies indicate that consumers are ready to make this change – and that some already have.

Indeed, a Quebec survey on responsible consumption revealed that 64.4% of respondents reported that they had stopped buying products or services that they didn't strictly need in 2010, for reasons going beyond the economic recession.³ In fact, over 80% of Quebecers believe that the environment is the responsibility of everyone, including citizens, governments and businesses.⁴ According to a survey conducted by Statistics Canada, 37% of Canadians frequently buy green products.⁵

This quest for better quality products suggests a shift away from rampant consumerism.

Towards virtual or experiential gifts

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In the promotional products industry, there is a budding transition away from material gifts. Virtual or experiential gifts are gaining popularity. Witness holiday e-cards or show tickets for corporate clients. Consumers are increasingly attracted to interactive, social experiences such as skits, games and exchanges. The value of nonmaterial satisfaction is an important aspect to consider when migrating towards more sustainable promotional products.⁶

2 www.radio-canada.ca/nouvelles/environnement/2011/01/03/001-sacs-plastique-canada-epiceries.shtml

3 www.protegez-vous.ca/maison-et-environnement/le-barometre-de-la-consommation-responsable/trois-grandes-tendances.html

- 5 <u>www.statcan.gc.ca/pub/11-526-x/11-526-x2009001-eng.pdf</u>
- 6 <u>http://caitlineoconnor.wordpress.com</u>

⁴ www.sondagemontreal.com/content/view/173/60/lang,fr/

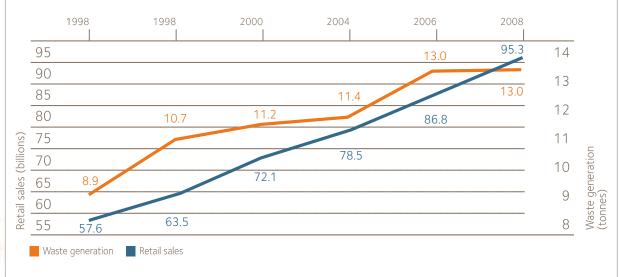
équiterre | A growing industry



Disturbing numbers

The promotional items industry in Canada is estimated to be worth \$4 billion, and, like the global market, which doubled between 2002 and 2008, it is on the rise.⁷

The growing recourse to promotional items is part of an overall growth in consumption that is directly correlated with the generation of waste.



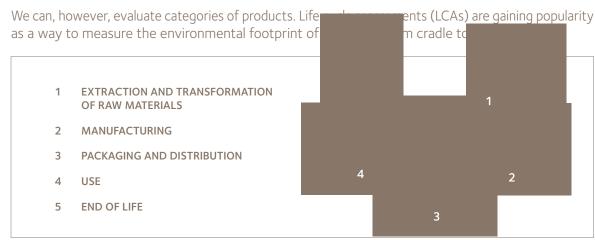
Source: RECYC-QUÉBEC (2009)

In all, Quebec generated more than 13 million tonnes of waste in 2008, nearly half of which was either landfilled or incinerated.⁸ Low quality promotional items that are difficult to reuse or recycle contribute to this kind of waste. The cost of disposal is unfortunately borne by taxpayers.

équiterre | Environmental and social impact

From cradle to grave

Because there is such a wide variety of promotional products, it is difficult to assess the environmental impact of the sector as a whole.



For example, the LCA of a cotton T-shirt reveals the following environmental trouble points:⁹

- **during cotton production** intensive use of pesticides, intensive use of water, soil depletion, increasing use of genetically modified organisms (GMOs)
- **during manufacturing** use of toxic products for dyeing and printing
- **during use** frequent washing in hot water

The environmental footprint of a T-shirt can be reduced by using:

• organic cotton (producer)

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- water-based inks (producer)
- coldwater washing (consumer)

The LCA is very different for a pen. A life cycle study conducted by BIC for its classic disposable ballpoint pen (Cristal®) showed that 90% of its environmental impact stemmed from the use of raw materials, mainly the 5 g of plastic made from petroleum. A more responsible choice would be a pen made from recycled products or a refillable pen.¹⁰

9 www.coalitionresponsable.org/index2.php?option=com_docman&task=doc_view&aid=143&Itemid=20

10 http://entreprise-environnement.org/stylo-bic-ecologiques-publicitaire/

What about working conditions?

We must also consider the social impacts associated with the production of goods. Sustainable development aims to protect the environment, but with the ultimate goal of ensuring quality of life for all.¹¹

Consider the example of the cotton T-shirt.

Six of the seven largest cotton producers have been accused of using child labour.¹²

Working conditions are often poor for the textile industry in emerging countries. The workforce is exposed to toxic chemicals and long working hours.

The manufacture of low-cost clothing in the South is often at the expense of the wages and social protection of the workers.

One way to improve the social balance sheet of a T-shirt is to use fair trade certified organic cotton.

Relatively few promotional products have been assessed for their social or environmental impacts. But the number of products undergoing evaluation is increasing, thanks to consumer requests. In the meantime, <u>sustainability</u> <u>certifications</u>, labels and <u>checklists</u> can facilitate decision-making.

Clothing accounts for one-third of all promotional products.

¹¹ Gendron, C.et J.-P. Révéret. « Le développement durable », Économies et Sociétés, Paris, 2000 (Série F No 37, 9/2000 Développement, croissance et progrès), p. 117 à 124.

^{12 &}lt;a href="http://www.equiterre.org/sites/fichiers/divers/guide_vetement_responsable_2008.pdf">www.equiterre.org/sites/fichiers/divers/guide_vetement_responsable_2008.pdf



Supplier attributes

Some retailers distinguish themselves by offering products only from suppliers that meet certain pre-determined environmental and social criteria.

For example, the Vancouver company, Fairware, looks for suppliers with one or more of the following attributes:

- · committed to ethical sourcing
- unions or co-operatives
- a mission to improve conditions in their communities
- signatory of the Fairware Supplier Code of Conduct
- environmental commitment

In Quebec, Coop Mille et une façons offers locally made corporate gifts to support the regional economy.

Product attributes

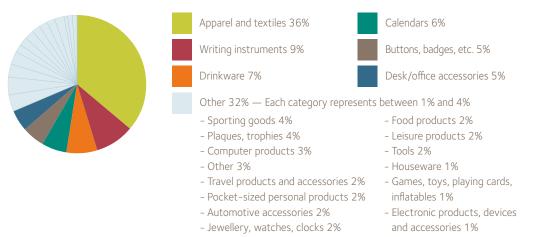
Some companies position themselves to provide one type of promotional product with specific social or environmental attributes.

For example, the FibrEthik cooperative in Montreal specialized in the production of certified fair trade organic T-shirts:

- producers earned 50% more than the conventional salary
- organic and fair trade labels ensured that production was pesticide-free as well as socially and environmentally responsible

Lots of choice

In Canada, the promotional product sector consists of 6392 distributors and 830 suppliers offering more than 360,000 products!¹³



A growing number of distributors are featuring so-called green objects.

The problem: the term "green" is not always well defined; product information can be lacking; and, statements are sometimes downright misleading.

For example, one distributor lists a battery-powered "laughing" pen as green, simply because it is made out of biodegradable plastic. But the same distributor also offers credible eco-friendly products, e.g., pencils bearing the FSC label. Although the industry is clearly making an effort, the results are uneven. A structured, consistent approach still needs to be defined to help buyers make better choices.

The Promotional Product Professionals of Canada (PPPC) says that it has started its own investigation on sustainability.¹⁴



At the forefront of change

Good ideas are contagious, but it takes a visionary to pioneer a new way of doing things. Fair trade coffee is a good example. Once the choice of only a committed minority, it is now available in most major chains. The idea of borrowing as opposed to owning has also gained ground. The Quebec car sharing company, Communauto, had only 200 members when it opened in 1994. Today, it has more than 20,000!

The sociologist Everett Rogers graphed the rate of adoption for new ideas.

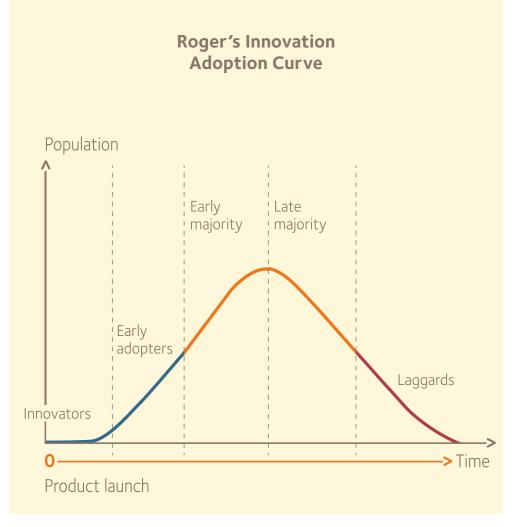
The culture of gift giving is at the beginning of a transition away from material goods towards virtual or experiential gifts. Intangible gift ideas that have become more popular in recent years include in-honour donations to charity, sports memberships and tickets to shows.

Some pitfalls

It's always easier to bring about change within an industry or organization once you've identified the barriers.

What complicates the transition to sustainable promotional products?

- the importance the advertising industry places on promotional products as an effective way to convey a brand
- the focus on experiences is at the infancy stage
- sustainable promotional products can cost more
- the market for eco-friendly promotional products lacks maturity (suppliers often need support)





Migrate towards sustainable promotional products

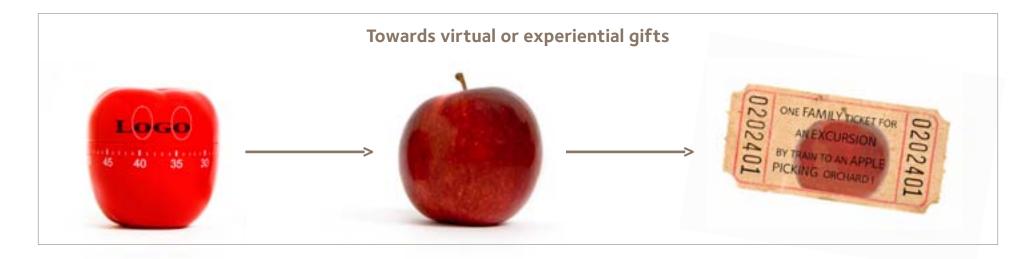
The recent trend towards sustainable event planning shows that it is possible to meet business goals while respecting environmental and social values. But how to apply this vision to promotional products?

A promotional product is considered environmentally responsible if an effort has been made to minimize its environmental footprint from cradle to grave. To be considered socially responsible, the production of the object must have a positive effect on society.

Some goods, such as a certified fair trade organic T-shirt, meet both criteria.

Unfortunately, most responsible products respond to either environmental or social criteria, raising questions about priorities and values. The next page has some tips to help you make the right choices for your organization.

The first task is to rethink the role of **promotional products**. As mentioned earlier, a promotional product does not need to be a physical item. In fact, experiential or symbolic gifts can be more desirable for several reasons. But in cases where this approach does not work, we can simply choose objects that respond to as many of the responsibility criteria as possible, reflecting the values of the company, as well as of consumers, who are more and more likely to insist on sustainable options.





STEP 1 Define your promotional tool

You know there are a lot of choices out there when it comes to promotional products. The goal is to make a meaningful connection between the promotional product and your organization.¹⁵ A product that is useful, green and interactive is more likely to inspire your current and future customers. By offering them a choice of sustainable products or experiences, you increase the chances that they will remember you.

How?

A garage can offer customers the choice between an ice scraper made from recycled plastic or a carbon offset credit for a reforestation project.

The promoter of a race can offer runners a polar fleece sweater made from recycled plastic or a donation in their name to an organization promoting sport in disadvantaged neighbourhoods.

Thinking ahead will help you make better choices. If you do opt for a physical object, choose your quantities carefully to avoid waste.

STEP 2 Evaluate the product, manufacturers and distributors (see checklist)

Product:

- **Durability.** The object is solid, well designed and aesthetically pleasing. A T-shirt with a creative design rather than a logo and the event date is more likely to be appreciated and, therefore, worn more often.
- **Certifications.** A third party has confirmed that the object respects certain environmental or social criteria (see <u>certification and labels</u>).
- **Environmental specifications.** The product is minimally packaged, contains recycled materials, does not require batteries or is energy efficient, can be recycled at the end of the life cycle, and does not contain environmentally harmful products.

Manufacturers and distributors:

- **Place of manufacture.** The product is locally made, thus promoting economic development in the region.
- **Social economy.** Objects are made by a social insertion organization, a co-operative, etc.

- **Code of conduct.** Manufacturers can demonstrate that they adhere to standards and practices that recognize workers' rights.
- **Commitment to sustainable development.** Manufacturers integrate good environmental and social practices into their operations.

Weigh your choices

One product is not likely to satisfy all these criteria. You must decide what corresponds best to your mission.

Help your suppliers

Don't hesitate to ask your suppliers to make changes to their manufacturing process or product list. For example, if you choose a social insertion organization that makes bags, why not ask them to use leftover fabric or certified fair trade organic cotton?





STEP 3 Publicize your efforts

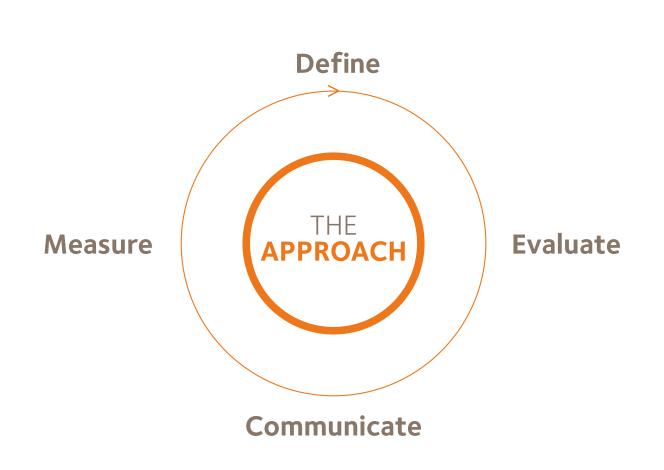
Be proud of your progress. A sustainable promotional gift is also an opportunity to raise awareness about sustainable development. You may have already received seeds inside a pen or postcard as a thank you. Did the company who gave them to you also take the opportunity to teach you something about the importance of vegetation? Ideally, yes.

Even if your approach isn't perfect, if you are consistent in your sustainability initiatives, your good faith will be appreciated by consumers, media, shareholders, etc.

STEP 4 Measure the marketing impact of a promotional product

How do your customers perceive these gifts?

Promotional objects are intended to increase brand recognition. When you follow up with your customers you may be surprised by how much they appreciate your move away from things towards positive messages or experiences. You will then have even more reasons to migrate towards sustainable gifts.





Case studies

Supporting suppliers

In 2007, <u>Desjardins</u> developed a checklist for suppliers of promotional products to assess the environmental and social value of all items in its catalogue. Items were then organized by attribute, so that searchers could easily pick out the sustainable options. In 2010, these options accounted for 62% of purchases.

Towards virtual or experiential gifts

Loto-Québec's sponsorship department stopped distributing promotional products at events in 2009, choosing instead to invest this money in the events themselves in order to make them more sustainable.

Originality

Quebec City-based creator of promotional products <u>W2</u> used fortune cookies to promote its own line of promotional clothing.

Commitment

Canadian retailer Mountain Equipment Co-op sells green laces made from 100% recycled polyethylene (PET) to raise money for <u>The Big Wild</u> – a conservation movement founded by the store in partnership with the <u>Canadian Parks and Wilderness Society</u> (CPAWS) to save at least half of Canada's remaining wilderness in perpetuity.

Use your imagination

A bank wanting to show its support for the local economy could offer its customers coupons to use at a local farmers market.

A university organizing an information kiosk for prospective students could offer tickets to conferences or free downloads of songs by local bands.

A pharmaceutical company could offer conference goers a promotional code to download a free e-book on health.



DO SOMETHING SMALL TO SAVE SOMETHING BIG. the big wild corr



Sustainability assurance

There are hundreds of social and environmental certifications and labels. Ideally, a sustainable product should be labelled for at least two of these aspects (for example, organic and fair trade certification).

According to ISO 14024, certification is a "procedure whereby a third party gives written assurance that a product, process or service conforms to a specified standard."¹⁶ Certified products are identified by a logo.

A label is an environmental declaration made on a voluntary basis, which may or may not be validated by a third party. The logo may attest to performance or production.¹⁷

For the moment, only a handful of certifications and labels are used for promotional products.

FSC		FAIRTRADE		ER
Fibres (pencils, notepads, etc.)	Apparel	Fair Trade (coffee, tea, etc.)	Various ecological products	Various organic products
fsccanada.org	global-standard.org	transfair.ca	ecologo.org	ecocertcanada.com

Some labels and certifications are specific to a province or state, e.g., <u>Aliments du Québec</u> and the <u>Québec Bio</u> organic certification. When you ask your suppliers if their products are certified, you are encouraging them to adopt responsible practices.

Symbols to look for

All plastics aren't created equal. Look at the number written inside the Möbius strip recycling symbol: . Remember that plastic #1 (polyethylene terephthalate) and plastic #2 (HDPE) are the most easily recycled. Plastic #6 is not collected for recycling in Quebec, because its light weight makes it inefficient and expensive to recycle.

Dyes

Promotional products use either digital or screen printing. In Canada, plastisol is the most commonly used ink for printing on textiles. To prevent the harmful effects of this ink on the environment, opt for wateror vegetable oil-based inks instead.¹⁸

Quebec standard for responsible event management

Many promotional products are handed out at events. The Bureau de normalisation du Québec (BNQ) has a standard that awards points for waste minimization and other green choices.

Carbon credits

Neutralizing the greenhouse gas emissions associated with work or leisure is an attractive option as a promotional gift. There are several types of offset credits. The Gold Standard, as its name suggests, is considered to be the offset credit against which all others are measured.¹⁹

^{16 &}lt;u>www.certification-quebec.ca/lexique/certification</u>

¹⁷ www.certification-quebec.ca/lexique/type-de-label

 <u>www.fibrethik.org</u>
<u>www.davidsuzuki.org/issues/climate-change/science/climate-change-basics/carbon-offsets/</u>

équiterre | Product evaluation checklist

The goal of this questionnaire? As many "yes" answers as possible. Although some questions may not apply to you, this exercise will help you begin to compare products. By asking your suppliers these questions, you are encouraging them to think about the environmental and social impacts of their products.

Product attributes

Longevity

- Is the product useful?
- Is it long lasting?
- Is it aesthetically pleasing (e.g., a T-shirt with a creative design rather than simply a logo and an event date)?

Certifications

Is the product certified by a recognized standard? If so, which one?

Environmental specifications

- Is it recyclable? Check for facilities in your area.
- Can it be refilled?
- Is it biodegradable? Within how many years?
- Is it battery free? If not, does it use rechargeable batteries?
- Is it made with a minimum of materials?

- Is it made using recycled materials?²⁰ Which ones? To what percentage?
- Is the packaging recyclable or recycled?
- Is the product free of substances that are potentially harmful to human and environmental health?

Manufacturing process

Does the manufacturing process involve:

- the use of residues (e.g., pencils made from waste wood)?
- less waste?
- renewable energy?
- a lower carbon footprint than other similar products?
- water conservation?
- procedures for treating water?

Does this process avoid:

the use of substances that are potentially harmful to humans and the environment?

Printing process

Does this process involve:

- water- or vegetable oil-based inks on the product?
- water- or vegetable oil-based inks on packaging?

Attributes of the supply chain

Place

■ Is the product locally produced? Where?

Social economy

- Is the product made by a co-op?
- Is the product made by a social insertion enterprise?²¹

Code of conduct

- Do the suppliers in the supply chain adhere to international labour conventions?
- Do the workers freely choose their job?
- Do they have the right to join a union?
- Is child labour prohibited?
- Are hiring practices non-discriminatory?
- Are working conditions decent?
- Are working hours reasonable?
- Are wages adequate to cover the basic needs of workers?

équiterre | Hierarchy of responsible promotional products

TO AVOID AT ALL COSTS	>	>	RECOMMENDED
Promotional products to avoid at all costs Items without any environmental or social attributes: • no recycled content • can't be reused or recycled • of questionable durability • of no apparent usefulness (gadget) • with very little information on manufacturing conditions E.g.: "laughing" pen, plastic key ring	Transitional products promotional products - REPLACE CONVENTIONAL TEMS WITH SLIGHTLY MORE RESPONSIBLE ITEMS – PHASED Utems with some environmental or social attributes • locally bought • recycled content • reusable or recyclable • durable design • obvious utility E.g.: instead of just a pen, a pen made from recycled paper	<section-header><section-header><section-header><section-header><list-item><list-item></list-item></list-item></section-header></section-header></section-header></section-header>	<section-header><section-header></section-header></section-header>

équiterre | Conclusion and links

RESOURCES

Certifications, labels and standards

- <u>Canadian Standards Association (CSA)</u> <u>Z2010 – Requirements and guidance</u> <u>for organizers of sustainable events</u>
- Ecolabel Index

Life cycle

<u>The Story of Stuff</u>

Social economy

• Social Enterprise Council of Canada

Sustainable events

- <u>Sustainable Living Foundation (Australia)</u>
- <u>Department for Environment Food</u> and Rural Affairs (UK)
- Concordia University (Canada)

Carbon credit providers

- <u>Planetair</u>
- <u>ZEROCO2</u>
- <u>Carbone boréal</u>

Consumer guides

- Sustainable Purchasing Guide Promotional <u>Items – University of Saskatchewan</u>
- Purchasing Carbon Offsets: A Guide for Canadian Consumers, Businesses, and Organizations – David Suzuki Foundation and Pembina Institute

International labour standards

International Labour Organization

Conclusion

The purpose of this guide is to encourage a shift towards more responsible procurement practices for promotional products. It defines criteria for products that are more respectful of the environment and of society.

Main points:

- hand out fewer items overall (less is more)
- exceed consumer expectations: give experiences rather than things (added value for them, your company and society)
- choose creative and durable designs to increase use and extend life of physical items
- give a signal to the industry by insisting on eco-friendly options
- help suppliers migrate towards sustainable products by requiring certifications for the objects that you buy or by choosing companies that are able to incorporate sustainable practices into their production methods

Use these tools to get started and contact us for more information.

