Executive Summary of Confessions of a Radical Industrialist

View the article spreads in our digital publication

Book by Ray Anderson
Summary by Erin Weber

In September of this year, Ray Anderson, the founder and chairman of Interface Carpets, published his second book as a response to the corporate leaders who continue to question the value and economic return for a commitment to environmentally and socially sustainable business practice. In 1994, long before “greenwashing” became a term, Anderson challenged his employees to rethink their business strategy to transition into a completely sustainable company. At the launch of an environmental task force, he said, “We’re going to push the envelope until we no longer take anything the earth cannot easily renew. We are going to keep pushing until all our products are made from recycled or renewable materials. And we are not going to stop pushing until all of our waste is biodegradable or recyclable, until nothing ends up as pollution.” Fifteen years later, Interface and Ray Anderson have succeeded in making enormous strides towards their goals while also multiplying the economic success of the business. What follows is a summary of some of the insights, best practices and successes Anderson intends to share with the world through his inspirational and relevant book Confessions of a Radical Industrialist.
Ray Anderson, the founder and chairman of Interface Carpets and author of Confessions of a Radical Industrialist.

In his book, Anderson likens the challenge of becoming a truly sustainable company to that of climbing a mountain, “Mt. Sustainability.” He goes further to divide the process into seven steps he refers to as the “7 Faces of Sustainability,” as detailed below.

» Strategy In Action

Steps for integrating the 7 phases of sustainability into an organization:
> DEFINE the challenge
> DEVELOP metrics to quantify applicable measures
> SET a baseline year from which to measure progress
> IDENTIFY areas of opportunity
> SET challenging yet realistic annual goals
> DESIGN solutions
> IMPLEMENT solutions
> REPORT success and share best practices

Ray Anderson’s sketch of Mt. Sustainability and the climb to carbon neutral.
The Seven Faces of Sustainability

1. Zero Waste

Anderson recommends waste as an ideal first challenge to tackle because its strategies are familiar to the business community and because it offers immediate opportunities for cost savings to finance more expensive initiatives. Interface defined waste as, “any measurable cost that goes into our product that does not add value for our customer.” The company also went a step further, vowing that, “all fossil fuel will be counted as waste to be eliminated.”

Interface used the following methods to reduce waste:
1. Reduce energy consumption
2. Introduce renewable power sources
3. Report with consistency and reliability in order to maintain the trust and support of investors
4. Tie manager’s bonuses to reduction goals
5. Encourage creative solutions from staff by incentivizing successful waste reduction techniques

An Interface employee proudly displays the company’s “Mission Zero” goal.
Measurable Success: Within 10 years of implementing these methods, Interface had saved $262 million dollars in waste, nearly doubling net profits.

2. Eliminating Harmful Emissions
1. Gather a complete inventory of chemicals released into the air, water or ground
2. Consolidate your suppliers in order to reduce the touch points for chemical entry into the process
3. Begin by focusing on the chemicals that require mandatory reporting
4. Work with a third party to conduct a chemical screening of all production components

Measurable Success: The screening and testing process paid for itself, because the company benefited from more significant discounts based on larger contracts with fewer suppliers. Interface successfully cut water waste by 72%, eliminated 1/3 of their smoke stacks and shut down 71% of their effluent pipes.

3. Depend on Solar Resources
Anderson challenges organizations to use 100% of their energy from sources that are produced by the sun: wind, natural steam, tides and sunlight. He argues that in contrast to the unstable cost of fossil fuel, there is zero risk when industry depends on the sun as a constant source of energy. He advises that decision makers think holistically when evaluating large capital expenses like a solar roof. For instance, Interface spent $1.2 million to install 450 solar panels on the roof of their California factory and paid off the investment instantly when they won a $20 million dollar contract from the University of California who was inspired by Interface taking action instead of simply talking about sustainable commitments. Anderson also tells an interesting story regarding a very creative use of assets. Landfills emit a large percentage of methane gas, dramatically increasing the rate of global warming. Interface developed a private/public partnership between their factory in Georgia and the city of LaGrange. The city paid for the capture and piping of methane from its landfill to the factory and Interface converted the gas into energy, offsetting emissions dramatically and elongating the life of the landfill.
Many of the Interface facilities, including this one in the Netherlands, use solar energy sources to offset power demands.

**Measurable Success:** Between 1996 and 2008, Interface cut fossil-based energy dependency by 60% and eight of their ten factories have already reached their goal of 100% renewable energy.

### 4. Reduce Raw Materials in a Closed-Loop Cycle
1. Conduct a detailed life-cycle assessment to determine the most sound materials for recycling
2. Gather an R&D team committed to developing new processes for reclaiming materials
3. Partner with talented minds in similar fields
4. Partner with suppliers who value saving money on oil by manufacturing with recycled materials

**Measurable Success:** In 2008, Interface launched ReEntry 2.0, a process by which the company uses recycled carpet nylon and PVC backing to create new carpet tiles. The groundbreaking process has attracted a great deal of sales, decreased the use of raw materials, decreased dependency on fossil fuels and decreased costs for customers. Also, they are on track to recycle more than 40 million pounds of carpet in their first year of recycling!
5. Efficient Transportation
Anderson makes a compelling argument for the value of maximizing transportation: “We have little control over the cost of oil, but much control over how much we use. It’s amazing to think that 96% of transportation depends on oil!” Furthermore, air transport requires 31,000 BTUs of energy per ton of freight, trucks require 2,300 BTUs, rail uses only 370 BTUs and shipping freight consumes 86% less energy than trucking. Anderson suggests the following steps to more efficient transportation:
1. Establish production facilities close to markets (benefits: cut transportation costs, decrease emissions and create local jobs)
2. Minimize emissions by at least 50% by:
   > Reducing materials
   > Choosing efficient modes of transportation
3. Offset the remaining emissions

Measurable Success: Switching from tractor-trailer transport to railroads reduced emissions by 75%, equating to a 50% shipment savings for customers. The Interface Netherlands factory cut their carbon footprint by 40% and shipping costs by 25% by switching from trucks to rail. The average cost per package mailed has dropped from $14 to just over $12. Additionally, Interface
has reduced the weight of their carpet by 17%, saving more than two years worth of their factories’ energy usage

Interface dramatically reduced its carbon footprint by switching from truck transport to railroad delivery.

6. Change the Mind-Set of Others
By expressing their mission to all of their stakeholders, Interface has witnessed a contagious level of excitement and commitment. Interface has enacted the following practices:
1. Support internal diversity
2. Support fair-trade
3. Champion safety and healthy practices
4. Encourage teambuilding
5. Participate in local communities
6. Share best practices with outside organizations

**Measurable Success:** Interface has played an active and inspiring role in the progress made by Wal-Mart, one of the biggest players in the national economy with enormous leverage over sustainable practices of their entire supply chain.

7. Redesign Commerce
Ray Anderson challenges us to rethink how we measure prosperity instead of our current dependency on consumption. He challenges readers to:
1. Study nature to find solutions
2. Use design as a tool for reducing the effects of consumption

Measurable Success: A team of Interface designers spent an afternoon in a forest studying the ground for pattern inspiration. The result was Entropy, a line of carpet tiles, which mimics the “organized chaos” that they found in nature. The design solution resulted in no two tiles being alike, making for faster installation, minimal waste during installation, simple replacement of worn tiles and an attractive and organic design that became Interface’s hottest-selling product in the shortest amount of time; all examples of unanticipated benefits based on allowing design to be inspired by nature.

As Ray Anderson says, “Everything we have accomplished at Interface in the name of sustainability has been done with good old capitalist self-interest firmly in mind. Cost savings, returns on investment, product innovation, customer service, and market share – not just sustainability – were the stars we were steering by. And that is why we are succeeding.”

![Photo of Ray Anderson and Catalyst editors](image-url)

Q&A with the Ray Anderson

Ray Anderson is the founder and chairman of Interface Inc. His company is the world's largest manufacturer of industrial and residential tile carpeting. He is respected for his progressive stance on industrial triple bottom line sustainability. Since 1995, he has led Interface in a dramatic reduction of waste and implementation of innovative processes to reduce carbon emissions. Anderson has set an ambitious goal for the company to be carbon neutral by 2020.

Q: If you were an employee hoping to influence your CEO, what would be your 20-second elevator pitch to inspire their "ah ha" moment regarding the value of re-imagined sustainable business strategy?

Anderson: Anything related to sustainability is worth more than a 20-second pitch, but I’d start with the idea that there’s a company (mine, Interface), which has demonstrated that profitability and environmental responsibility aren’t mutually exclusive; that in fact, Interface has found a better way to bigger and more legitimate profit.

Q: At what level(s) was design used to influence and/or aid in Interface's transition to sustainable practices?

Anderson: “Design,” broadly defined, has influenced every aspect of our journey, as the climb up “Mount Sustainability” has required us to re-think every aspect of what we do, from process to products to how we go to market. Perhaps nowhere has it been more impactful than in our adoption of biomimicry (the idea that we can achieve real sustainability by mimicking nature’s design principles, as practiced by biologist Janine Benyus). In our product development in particular, biomimicry has been a powerful driver for innovation and a differentiator in the marketplace. In my book, I tell the story of our product design team and their experience studying a forest floor to identify how Mother Nature designs a floor and another story where our “out of the box” team was looking for a replacement for the adhesive that has traditionally anchored carpet tiles to the floor.

Author Biography:

Erin Weber is the Editor in Chief of CATALYST. She is also the Marketing Manager of a luxury furniture company and a current student of the Pratt Design Management Program.