

Purchasing

Every business stands at the centre of a web of relationships with suppliers and subcontractors that provide raw materials, food, professional services and other vital inputs. To truly integrate sustainable values into your organization, you must bring like-minded businesses into your network. Where gaps remain, encourage your suppliers to join you in your quest.

Quick Start



The big question is always: "Where do we start?" If you can only do one thing today, choose one product you use in your business—be it coffee, toilet paper or printer paper—and purchase it responsibly with the help of a certified products purchasing guide such as [EcoLogo](#).

Big-Picture Goals

- ◆ Responsible purchasing is all about "putting your money where your mouth is." Use your spending power to support the "Fair Trade" movement, to improve environmental, social and economic conditions within your region and to differentiate your business from your competition.

The Eight Steps of Responsible Purchasing

1. **List all your purchasing needs.** Doing so will help you set your priorities.
2. **Identify your motivation.** This can range from a desire to appeal to a new clientele, to a need to cut costs, to aspirations of becoming a more ethical employer.
3. **Prioritize purchases.** Set realistic goals. This may mean deciding to focus your energies on paper products as the most convenient and economical option because your supplier is willing to cater to your needs.
4. **Define your goals** and success indicators. Here is a list to get you started.
 - ***I will buy local products and materials.*** Doing so reduces carbon emissions from transportation and supports the local economy.
 - ***I will stop buying products that include dyes, chemicals, chlorine, colouring and/or allergens.*** Ensure the safety and environmental health of your employees and customers by opting for natural alternatives.
 - ***I will favour certified products that have been designed and produced according to environmental and social criteria.*** Certified products take the legwork out of responsible purchasing.

What's in a Label?

Labels help to identify products as meeting a particular social and/or environmental standard. This in turn should help you-the purchaser-make the most informed decision. A product with an eco- or fair-trade label has already been vetted through a rigorous process.

The [EcoLogo](#) program certifies products that have met a specific set of environmental performance criteria. The organization maintains a database of over 7,500 qualified items.

The [Forest Stewardship Council](#) (FSC) is an international certification and labelling system for paper and wood products that originate in either responsibly managed forests or verified recycled sources. FSC offers a listing of both certified paper stocks and printers across Canada.

TransFair Canada is a non-profit organization responsible for implementing fair-trade standards as outlined by Fair Trade Labeling Organizations International. A TransFair-labelled product assures the purchaser that a minimum guaranteed price was paid directly to the producer co-operatives, in addition to a premium the producers can invest in community development and sustainable production practices. For a list of fair-trade products and Canadian distributors, check out [Transfair Canada](#).

- ***I will support social enterprises and co-operatives.*** These organizations generate value for communities that extend beyond pure financial profit.
- ***I will speak with my service providers and identify eco-friendly and ethical products that I would like to purchase from them.*** Doing so allows you to stick with an existing relationship while applying ethical criteria to the products you already buy. This kind of action has a ripple effect. You are not only educating your suppliers but also helping them carve out a niche in their market.
- ***I will incorporate organic and/or local food items into my operations.*** Ditching chemical-laden food and beverages from your menu or even your office kitchen can translate into better taste, a happier planet and healthier people. Joining an agricultural co-operative gives you the benefit of cost sharing for better food and supporting local farms.
- ***I will evaluate whether the products I'm already using are safe for the environment and people's health.*** Reading labels and talking shop will help you figure out which, if any, of your existing products you can keep.
- ***I will buy in bulk.*** Less packaging means less waste and reduced costs. Products with less packaging can save suppliers money on shipping-savings that are subsequently passed onto you.

Case Study: An Alpine Accomplishment

In 2007, [Canadian Mountain Holidays](#) reported on the success and future goals of its vision for sustainability. The company's hospitality department developed a Purchasing Policy for Waste Reduction. It has since worked with suppliers to reduce waste at the source. One such scheme allowed the firm to eliminate over 2,000 pieces of unnecessary packaging-for 1,000 pairs of gloves-that were previously destined for landfill. During the 2004-2005 ski season, CMH, in partnership with its ski supplier, eliminated 1,800 pieces of plastic from its ski shipments.

5. **Develop responsible purchasing criteria as the basis for decisions.** Having an overarching principle or set of criteria can help you keep on track and work toward achieving your sustainability goals. Try to keep an open mind. Paying a modest premium for a sustainable product at the front end can translate into a higher return on your investment in the long run.

6. **Develop strategies to help you achieve your goals.** Brainstorm how you will go about buying the products and services you have identified. Where will you look to find them? Will you talk to your current supplier first? Will you conduct a search for certified products/services in your area?

What is a Social Enterprise?

Social enterprises are born from the principles of community economic development that reinforce the values of equity, fair wages and sustainable practices. A social enterprise is a mission-driven for-profit or non-profit organization that trades in goods or services for a social or environmental purpose.

The following organizations offer information and directories of social enterprises across Canada.

[Canadian CED Network](#)
[Social Purchasing Portal Canada](#)
[Enterprising Non-Profits](#)

The Scoop on Co-ops

Many social enterprises are co-operatives. Worker co-operatives are employee-owned companies. The other kind of co-operative you are likely to be familiar with are member co-operatives. Companies like Mountain Equipment Co-op and your local credit union allow individuals to become shareholders by purchasing memberships.

Check out the [Canadian Worker Cooperative Federation](#) for links to co-ops in your area.

7. **Identify a timeline for implementation.** Be realistic. It will take a bit of time to transition. Having a timeline will help you to stay on track.
8. **Choose a champion on your team to be in charge of implementation.** Someone has to actually implement the plan and monitor progress. Who will it be?

Scenario: A New Program on the Prairie

Janet and Joan co-own Little House on the Prairie, an established bed and breakfast located in a heritage farmhouse near Saskatoon, SK. The pair caters to travellers seeking an "authentic Prairie experience." Though Janet and Joan's B&B was the first of its kind in the area, the competitive landscape is changing, and the partners are now looking for new ways to differentiate their property. The duo decide to position its offering as a sustainable property, and to begin by purchasing eco-friendly, fair-trade, organic and/or locally made products for guests to enjoy.

Janet and Joan have committed to responsible purchasing and are ready to get started! They itemize their needs by frequency of purchase. Here is what they come up with:

- ◆ Breakfast foods
- ◆ Household products (e.g. toilet paper, tissues, etc.)
- ◆ Cleaning and laundering supplies
- ◆ Office and paper supplies
- ◆ Complimentary items (soaps, shampoos, etc.)
- ◆ Landscaping supplies and plants
- ◆ Towels and linens
- ◆ Décor and artwork that reflects a prairie aesthetic
- ◆ Small and large appliances (check out the [Energy](#) section of this toolkit for more information)

The owners believe that locally made products will help their B&B attract more first-time and repeat guests. They also believe their business will stand apart if they embrace an authentic Prairie aesthetic in everything from personal care products-such as a natural, hemp-based hand soap in guest rooms-to the native grasses and wildflowers they plant in their outdoor garden. They decide to focus on in-room complementary items and landscaping, both highly visible to guests.

Excited about the numerous possibilities of a sustainable positioning, Janet and Joan set the following goals for their business:

- ◆ We will buy local to meet our supply needs in our two priority areas.
- ◆ We will favour social enterprises and co-operatives when purchasing from local suppliers.
- ◆ We will buy complimentary guest items that are free of dyes, chemicals, chlorine, colouring and/or allergens.
- ◆ We will buy plants and landscaping materials to create an authentic Prairie aesthetic.

The entrepreneurs decide to measure success based on the following:

- ◆ Positive feedback from guests and employees
- ◆ Tracking total funds allocated to local products and services
- ◆ Monitoring increases in sales.

Janet and Joan develop a "decision matrix" to help them evaluate purchasing decisions based on:

- ◆ Low cost
- ◆ High quality
- ◆ Locally or regionally sourced
- ◆ Authenticity
- ◆ Made with natural ingredients or materials.

Since May through August is the property's busiest and most profitable time of year, Janet and Joan decide to implement their plan right away. With only five months to go, they opt to do the legwork now so that they can reap the benefits come summer.

Joan quickly finds Firefly Soap Worker Co-operative, a regional personal-care product manufacturer, through a local community economic development agency. FireFly is a unique social enterprise giving five disenfranchised women an economic opportunity they would otherwise not have. All of them are descendants of soap-making grandmothers, and the co-op uses all-natural ingredients such as hemp, mineral salts and coriander.

Meanwhile, Janet has a great rapport with the property's existing suppliers, and looks to add a few more native plants to the courtyard entryway. She elicits the help of Mary-one of Little House on the Prairie's seasonal workers. Mary has a wonderful green thumb and helps her identify prairie flora for the garden.