

Green game changing



Radical newcomers are running between the slow feet of big business. **Dax Lovegrove** has some clues on keeping up.

You open a search engine and enter the term 'forest investment'. It draws up the leading land acquisition consultants, and a few ads. Nothing unusual for the user – but the funds generated by the clicks and screens go straight into protecting those trees...

The search engine Ecosia does just that. Its unusual financial model means that at least 80% of the income generated through advertisers and sponsored links is ploughed into forest protection initiatives via a partnership with WWF. For Tim Jackson, author of *Prosperity without growth*, this is a prime example of business redefining success in the private sector. It's largely thanks to the company's environmental 'slant' that this new entrant has been able to make its mark on a highly competitive market, dominated by long-established global players.

Enterprises like Ecosia are a sign that, while Copenhagen left us disappointed, there's still an appetite in the private sector for change. And not just incremental change but the innovative disruption that's needed to meet global sustainability challenges. What do I mean by 'innovative disruption'? Well, to add briefly to Anna Simpson's discussion in *New ideas that work* (p14), it's the unusual and unexpected products, services, alliances, public policies and financial models that have the potential to change the way business is done.

WWF has begun to collate evidence of this appetite for change. And in particular, 'green'

game changing – where radical methods and models are aligned with ecological stewardship. But how do people come up with an idea that's so 'new' it could revolutionise the market?

One recurring ingredient in the examples we've studied is a cross-sector partnership, bringing different perspectives and motivations into the mix. What do you get if you cross a data centre and an agricultural research institute, for example? It's been tried, and the result was a greenhouse.

Telecity Group is an international provider of IT services and data centres. It has struck up an agreement with the French National Institute for Agricultural Research (INRA), and built a greenhouse right next to one of its data centres in Paris. This way, the INRA's research into how plants adapt to changing climates is supported by waste heat from the adjoining data centre. It's an exciting illustration of industrial ecology, where waste from one company becomes a resource for another.

But partnerships aren't the only way to do things differently. In some cases, the catalyst has been state intervention.

In the US, dramatic reform of public policy frameworks has enabled California's power sector to sell fewer electricity units and instead offer more energy-saving services, without losing money. Here's how it works. The commission sets a revenue target for utilities, to cover both costs and an approved profit rate. It estimates how much power it will sell, and then sets an energy price that should allow the utility to meet its revenue target. If it overshoots its target, the surplus is returned to consumers.

If it undersells, the rates are increased to make up the difference. It's called 'decoupling', because it removes the link between production and provision, making utilities indifferent to sales. As a result, California's energy demand has dropped, while that of other US states has doubled.

And when it comes to inspiring change at street level? Designer Stephan Bischof looked for ways to draw social and environmental benefits out of public objects and behaviours. One result was the wheelie bin urinal, now being trialled in Lewisham, South London. The idea is that people on their way home from a liquid night out on the town can conveniently use a contraption that doubles up as a household waste unit and a kerbside toilet. The deposits from passers-by are mixed with dried grass and other composting materials in a separate compartment. So instead of antisocial puddles on streets and in subways, you get bio-fertiliser.

The game changers are here, and already threatening conventional business thinking. New products, services and alliances may seem a distraction, but they might be the lifeboat to survive the ship. ☺

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