



Government Hears Green Claims

By Kate Rusnak

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Making Green claims on a product or service has recently become a matter of legal consequences. Greenwashing – the act of misleading consumers regarding the environmental practices of a product or service – has been allowed to run unchecked in North America for too long and has become so rampant that the U.S. government is looking to clarify the rules of this game.

The state of Greenwashing

A few months ago, TerraChoice Environmental Marketing released a new study, the Seven Sins of Greenwashing, revealing that 98 percent of the products surveyed between 2008 and 2009 were committing at least one sin. Vague and misleading Green claims were sorted into patterns identified as the Six Sins of Greenwashing in 2007. In 2009, a seventh sin has been added – the "Sin of Worshiping False Labels."

"Some marketers are exploiting consumers' demand for third-party certification by creating fake labels or false suggestions of third-party endorsement. Despite the number of legitimate eco-labels out there, consumers will still have to remain vigilant in their Green purchasing decisions," explains Scot

Case, executive director of the EcoLogo Program.

Also reported in the study is the clear attempt by marketers to meet this growing consumer and client demand for Greener products. Since 2006, the rate of Green advertising has more than tripled. With this rise, as well as a high rate of Greenwashing on products, consumer trust is continuing to erode. The clamor of media stories and consumer complaints about Greenwashing has gotten the attention of the U.S. government.

Congress hears claims

Case recently presented his personal opinion on how Greenwashing is eroding consumer trust to the Subcommittee on Commerce, Trade and Consumer Protection as part of a hearing this past June around fair Green marketing practices. The hearing, "It's Too Easy Being Green: Defining Fair Green Marketing Practices," examined the role of the Federal Trade Commission (FTC) as well as private certifiers and labeling programs in regulating and verifying advertising.

Case described how the FTC alone is not equipped to define Green, and he stressed the importance of having a single, unifying

environmental leadership label for U.S. consumers to easily identify environmentally preferable goods and services.

"[The] FTC recognizes Greenwashing is an issue that needs addressing. It has been working diligently to improve its Environmental Marketing Guides," said Case in his testimony. "[The] FTC [however] lacks the relevant environmental expertise to address the most fundamental question: How does one identify an environmentally preferable product?"

Panelists at this hearing spoke to the need for tools to make more intelligent purchasing decisions, better public disclosure on critical impacts, full ingredient lists, consistency, transparency, and verifiable and readily available information.

Legal action

The U.S. FTC recently filed complaints against Kmart Corp., Tender Corp. and Dyna-E International over false claims of product biodegradability. At issue for the FTC were the misleading claims of biodegradability, showing that these companies did not follow the recommendations of their Green Guides. According to the FTC, claims of biodegradability should only be used if there is scientific evidence showing that the product would biodegrade under normal disposal methods in a reasonably short period of time. In Canada, the Competition Bureau is taking action against Greenwashing by working with seven Canadian hot tub and spa retailers to correct false claims that their Dynasty Spas products were associated with the Energy Star program.

Consumer advocacy groups are also filing lawsuits. S.C. Johnson was under fire for its Green List and Procter & Gamble and Colgate-Palmolive have also received flack for lack of transparency with ingredients in their Green products.

"Consumers are understandably upset," says Case. "It is very important to be careful when making Green claims. These claims must be accurate, meaningful and verifiable."

How Greenwashing impacts cleaning

Case points out there is growing consumer mistrust around Green products and services. This skepticism will certainly have an affect on the entire cleaning distribution industry. Government and legal action around Green marketing claims is increasing, meaning that cleaning product and service manufacturers and distributors will need to ensure their Green marketing claims are legally sound. Increased government attention might also lead to scrutiny over product formulation, not just labeling and marketing claims.

This recent action also has its advantages. Those companies with truly Greener products will make great profits, as long as they get their marketing messages right.

Credible eco-labels

Third-party certifications such as EcoLogo and Green Seal are great eco-labels to have on products. They demonstrate to customers that the product is truly environmentally preferable.

"Credible eco-labels such as EcoLogo and Green Seal allow consumers to consider multiple environmental impacts," says Case. "Manufacturers must pass an independent

third-party audit in order to demonstrate that a product meets the publicly available standard before earning the right to use the label."

The discussions around a national eco-label continue, but are still in the idea phase. In the absence of one comprehensive eco-labeling program, these legitimate eco-labels offer the most transparent, open and public standard development processes consistent with international standard-setting protocols. As of now, obtaining this type of certification is also completely voluntary.

Leveling the playing field

The playing field of Green products and services is in the process of becoming leveled. It is certainly an exciting and challenging time to be making, marketing and selling Green cleaning products and services. For distributors in the cleaning sector, this recent government and legal action is a signal that scrutiny around Green marketing claims is about to increase. Now is the time to review claims being made on marketing and advertising materials and to seek guidance from the experts. Even the Greenest of products can be considered guilty of committing Greenwashing if the marketing messages are seen as distorting the truth or not providing sufficient proof. Getting the message, not just the formulation, right is the goal manufacturers of Green cleaning products should look to achieve.