

# Marketing Sustainability

Making businesses & industries greener



Mike Italiano

**F**inding ways to make businesses and industries more sustainable is a continuing priority for local governments and citizens. *SWS* Associate Editor Williette Nyanue spoke with Mike Italiano, founder and CEO of the Institute for Market Transformation to Sustainability (MTS), to learn how new standards are advancing the sustainable products market.

**Williette Nyanue:** What is MTS?

**Mike Italiano:** MTS is a nonprofit, public charity that administers SMaRT, or sustainable materials rating technology—a sustainable product standard—in order to accelerate and advance the green building and sustainable products markets. SMaRT provides manufacturers with a consensus, transparent standard certification and label. The certification requires manufacturers to submit information and achieve prerequisites that cover safety for public health and environment, energy, materials, facility, social equity and reuse. There are 4,000 U.S. Environmental Protection Agency-listed chemicals that manufacturers must identify. Manufacturers can achieve up to 100% credit for the number of those chemicals they do not have in their products or that they reduce below a baseline both at the manufacturer and supplier facility.

**Nyanue:** What are the benefits of making businesses more sustainable?

**Italiano:** MTS' nonprofit subsidiary the Capital Markets Partnership (CMP) has a consensus sustainable manufacturing-underwriting standard that measures increased cash flow from any sustainable product certifications that manufacturers achieve. If you score well on that underwriting standard, you will be more profitable. We have a number of SMaRT manufacturers where CMP documented that. In peer-reviewed Wall Street due diligence released at the New York Stock Exchange, CMP also documented that

green buildings and sustainable products are more profitable, less risky and preferred by investors.

SMaRT certification drives down manufacturers' operating costs and reduces pollution and thus compliance costs and risk. If you have less conventional energy use, you are saving a lot of money because conventional energy prices have gone up 20% a year for the past 10 years, and are going to continue that way, based on globally validated data from energy investment banks. Also, if you are reducing toxic pollutants, you are getting out of the most cumbersome regulatory issues, and that also saves a lot of money.

**Nyanue:** What is the future of sustainable products in the storm water industry?

**Italiano:** The bottom line is that there is a lot of concern for the environment, and having products that do not contribute to environmental degradation is a high priority. I think the market is going to get more intense in terms of evaluating infrastructure products. The marketplace is moving in and evaluating storm water products independently. The engineers who work with the cities and their folks in water/wastewater divisions are going to be seeing a lot of new faces from the public and environmental groups that they have not seen in the past because the sustainable products/infrastructure movement is just starting to take off. I would call it the next phase in storm water.

**Mike Italiano is founder and CEO of the Institute for Market Transformation to Sustainability. Italiano can be reached at [mike@sustainableproducts.com](mailto:mike@sustainableproducts.com).**

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