



Change the Way Business is Done Worldwide

2 August 2011

Dear Friends,

Three years ago when I first joined Natural Capitalism Solutions we were having some growing pains. Hunter asked Bob Dunham, a change management expert, to help. One of the questions he asked was, "what would your vision for NCS be in a year"? After listening to the rest of the team talk about specific, tactical goals, Hunter said concisely: "We need to change the way business is done worldwide."

As we watch politicians dither and the economy head over the cliff, again, it is clear that Hunter's vision of a new way of doing business, is truly necessary.

Recognized as a pioneer in helping companies, communities and citizens create a smarter economy, NCS' work is needed more than ever these days. But we can't do it without you. As the 2011 results to the right show, we use your support effectively.

I write to ask your help now with three initiatives that are uniquely urgent.

Focusing on the areas where we can have the most impact, NCS will:

- Transform sustainability education.
- Revolutionize how accounting is done.
- Provide communities the tools so that small businesses can implement sustainability in ways that drive economic recovery.

NCS is a small team. These are ambitious goals.

NCS funds almost all of our work from revenues we earn. We only come to you for the remainder when we really need it. How many times in your life have you had the chance to make all the difference?

This truly is one. These are scary times. We need bold solutions. We need your help now. With your support NCS can deliver the answers the world needs now.

Please consider donating now: <http://www.natcapsolutions.org/support>

Your loyalty literally makes all the difference.

Toby Russell
C.E.O.

NCS worked on a variety of consulting projects, cross-sector collaboration efforts, and cutting-edge research, all laying the foundation for a sustainable economic recovery. Here are a few accomplishments:

- Published *Climate Capitalism*, the long awaited sequel to *Natural Capitalism*. It reached top ten policy book on Amazon.com.
- Saved clients over \$1.75 million through sustainability, reducing GHG emissions by almost 100,000 metric tons.
- Worked with over 300 small businesses to lower energy and resource costs, creating over 25 new jobs and preserving many existing ones.
- Proved the case that there are financially sound renewable and energy efficiency alternatives to coal plants across the U.S.
- Created a new sustainability education program with the University of Denver, and a new MBA in Sustainable Management at Bard.
- Trained 35 interns through NCS' internship program.
- Spoke at over 100 business oriented conferences and seminars in the U.S. and Europe.
- Mentored over 50 social entrepreneurs with projects stretching over 5 continents.

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1) Changing the Way in Which Sustainability Education is Delivered

The diverse crises the world faces are driven by a profound lack of literacy about environmental and social problems. The solutions to these problems exist but are not widely known. There is an urgent need to get this information to business leaders, government officials and students. Some academic programs offer environmental studies courses to meet growing student demand, but few are designed for busy business audiences. Those that are rarely deliver authentic sustainability, with the tools business leaders need to implement real change.



NCS' [Madrone Project](#) is taking sustainability education to scale globally using a network of TED-talk like micro-classes curated for the digital age and attention span. Compelling and effective, this program will make the work of global sustainability thought leaders available to businesses and students via tablets like iPads, on computers, and even through smart phones. It is a highly replicable and self-sustaining program. It will produce micro-classes delivering advances in sustainable business practices, community economic development, green buildings, renewable energy generation, natural resource conservation and more. Corporate green teams as well as traditional academic programs will find these mini-modules invaluable, giving practitioners, businesspeople and policymakers the latest sustainability knowledge without requiring them to return to school. Hunter is leading this program and would welcome your comments and help.

2) Transforming Accounting

Over twenty studies including those by Goldman Sachs, Deloitte, and McKinsey show that companies that are leaders in environmental, social and good governance policies have higher and faster growing stock value, higher market capitalization, and are better protected from value erosion than their more conventional competitors. Few companies, however, track the activities that deliver this value. Traditional accounting practices that count layoffs as delivering higher labor productivity have failed us. They mislead managers and investors about true value of a company that pursues a more sustainable path. Perhaps worse, they fail to record the liabilities of one that does not.

Some companies use the phrase, "Triple Bottom Line," (TBL). As practiced, however, this approach leads a company to consider programs that enhance people and protect the planet as expenses, bolted onto profit as a cost-center. This mindset is in part why managers tend to view sustainability as a liability, reducing returns. It blinds executives to the significant business value that sustainability oriented practices offer to better-managed companies.

NCS is pioneering an approach we call the Integrated Bottom Line (IBL) to help companies reframe how they design and implement sustainability programs. Delivering a more accurate analyses of business performance, the Integrated Bottom Line enables managers to integrate sustainability into every aspect of enhancing shareholder value.

NCS is working with hand picked companies to expand Integrated Bottom Line from a theoretical framework into an accounting and strategy tool. It will identify previously uncounted assets and liabilities and incorporate them into corporate accounts in clear, compelling terms that highlight strategic choices. Using a team of internationally recognized sustainability leaders, NCS is developing replicable, transparent methodologies to monetize key sustainability metrics and import these Integrated Bottom Line account codes into traditional management reports. We will report on this work at the American Association of Accountants in August.

Spearheaded by NCS Research Director, Nick Sterling, the Integrated Bottom Line concept can transform how businesses count what really matters. Contact [Nick Sterling](#).

3) Changing the Way Small Businesses Operate

Major corporations around the globe are cutting energy use and redesigning systems to use resources more efficiently to drive profitability. But what about the rest of our economy? Nationally, small businesses represent half the non-farm economy and over ninety percent of non-governmental employers. The vast majority of these businesses have yet to take advantage of the huge profit associated with sustainability. A robust American economy depends on getting sustainability practices to mainstreet .

Why are small businesses leaving so much money on the table? Simple. Few small businesses have the resources to hire sustainability directors or experienced outside consultants like NCS. Few have the time or expertise to develop sustainability plans on their own. Most small businesses take a 'wait and see' approach to sustainability as they struggle to stay afloat in tough times.

Natural Capitalism Solutions solves this problem by embedding the knowledge we sell to big companies into a unique set of training resources that can help little businesses cut costs and improve profitability. The programs are already yielding substantial results, with participants able to save as much as forty percent on utility bills in the first twelve months without hiring additional staff or outside consultants.

[Solutions @ the Speed of Business \(S@SB\)](#) is an innovative e-learning platform that provides detailed energy and resource efficiency training in a self-paced, affordable program. It guides users to build individual sustainability action plans. The program delivers six modules: lighting, heating and cooling, office equipment, water, waste, transit, and travel. Each caters to different learning styles with video, flash exercises, calculators, and case studies. In addition to up-front education, each module provides in-depth tactical plans to help businesses implement specific efficiency measures.

NCS is training organizations that serve small businesses to run customized sustainability programs to serve their clients, thereby greatly leveraging our capacity. We offer *S@SB*, as well as educational programs, tools and resources to Small Business Development Centers, Chambers of Commerce, community economic development programs to create effective sustainability outreach programs for small businesses. NCS has already partnered with the Small Business Development Centers in Wyoming and Colorado, the Manufacturing Extension Partnership University, and various cities across the country to create effective and scalable way to enable small businesses to capture economic prosperity through sustainability.

NCS would be eager to talk with you about ways to help your small business community. For more information, contact [Lily Thaisz](#).



Natural Capitalism Solutions' office