THE SEVEN ~~SIX~~ SINS OF GREENWASHING™

Environmental Claims in Consumer Markets

Summary Report: North America

April 2009

terrachoice
environmental marketing

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About EcoLogo. Founded in 1988, EcoLogo is North America's most respected and established multi-attribute environmental standard and certification mark. EcoLogo is one of only two North American programs approved by the Global Ecolabelling Network, an international association of eco-labeling programs, as meeting the ISO 14024 standard. In a skeptical marketplace, EcoLogo builds trust with third-party, scientific proof of environmental leadership.

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Executive Summary

In November 2008 and January 2009, TerraChoice researchers were sent into category-leading 'big box' retailers in the United States, Canada, the United Kingdom, and Australia with instructions to record every product making an environmental claim. For each product, the researchers recorded product details, claim(s) details, any supporting information, and any explanatory detail or offers of additional information or support.

In the United States and Canada, a total of 2,219 products making 4,996 green claims were recorded. These claims were tested against best practices, notably against guidelines provided by the U.S. Federal Trade Commission, Competition Bureau of Canada, Australian Competition & Consumer Commission, and the ISO 14021 standard for environmental labeling.

Of the 2,219 North American products surveyed, over 98% committed at least one of the previously identified Six Sins of Greenwashing and a new Seventh Sin emerged. The following are the highlights of the 2009 Seven Sins of Greenwashing research:

- **The emergence of a seventh Sin – 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. This development is serious enough to warrant its own category - hence the seventh Sin.

- **More products are making environmental claims**. The total number of 'green' products increased by an average of 79% (a range between 40% and 176%) in stores that were visited in both 2007 and 2008. (In a related TerraChoice study, the rate of green advertising was found to have almost tripled since 2006.)

- **Greenwashing is still rampant**, with more than 98% of 'green' products committing at least one of the Sins. Compared to the 2007 study, there appears to be a small decline in the frequency of greenwashing, but it is not statistically significant. Of 2,219 products making green claims in the United States and Canada, only 25 products were found to be Sin-free.

98%

In the 2009 report, over 98% of the 2,219 products surveyed in North America committed at least one of the Sins of Greenwashing.

- **Eco-labeling is on the rise**. Legitimate eco-labeling is nearly twice as common as it was last year, increasing from 13.7% to 23.4% on all 'green' products in the report.

- **Kids (toys and baby products), cosmetics and cleaning products** are three categories in which green claims – and greenwashing – are most common. These products, among the most common products in most households, deserve particular scrutiny from consumers.

- **Greenwashing is an international challenge**, with very similar patterns in the United States, Canada, the United Kingdom, and Australia. The most significant differences between these countries are the environmental issues associated with the claims made on products. Water conservation was more common in Australia for example, and recyclability in the United States.

The challenge and call-to-action of the **Seven Sins of Greenwashing** is to discourage greenwashing by putting practical tools in the hands of consumers and companies, while still encouraging and rewarding genuine efforts towards sustainable innovation.

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1. Introduction

Green·wash (gren'wo͞sh',-ŵôsh') – verb: the act of misleading consumers regarding the environmental practices of a company or the environmental benefits of a product or service.

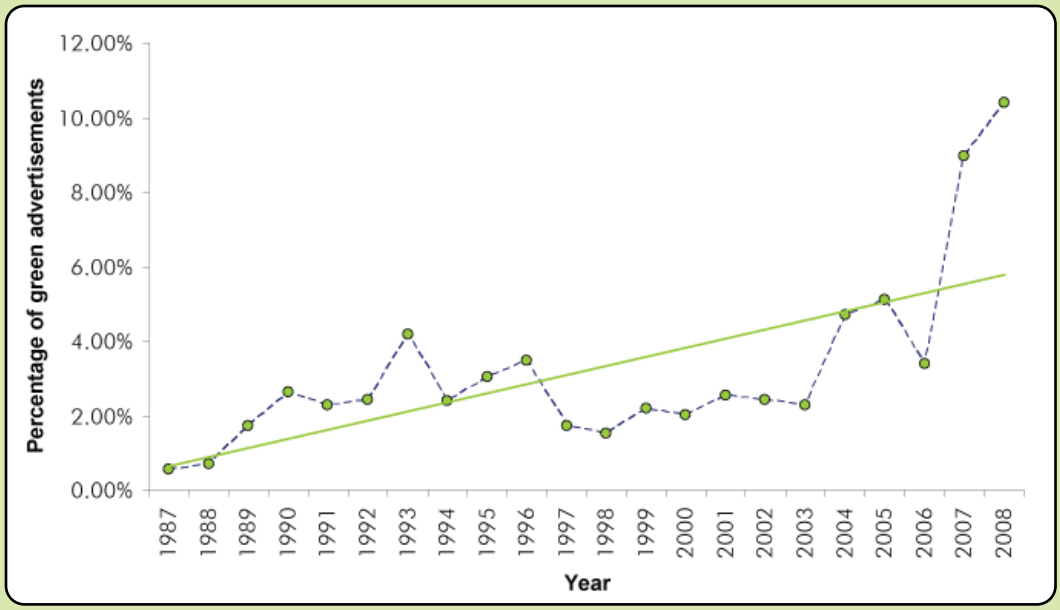
More than ever before, consumers are clamoring for 'greener' products. To take better care of their families and their planet, they want goods and services that are genuinely more sustainable ('greener' in other words); products they can find easily, trust implicitly, and use effectively.

Manufacturers and marketers are trying to meet this demand. Green advertising has increased almost tenfold in the last 20 years and has nearly tripled since 2006. (Refer to Exhibit 1.)

In November of 2007, the first Six Sins of Greenwashing[1] report was published. The reaction was vocal, global and long-lasting. The report exposed a nerve with consumers wanting to do the right thing but who were increasingly suspicious of misleading claims.

Since the first study, consumers, journalists, marketers, policymakers and activists have used the Six Sins of Greenwashing as a tool for analyzing and understanding environmental claims. Both the U.S. Federal Trade Commission and Competition Bureau of Canada have since announced their intention to overhaul their environmental consumer protection activities.

Exhibit 1 - Green Ads on the Rise.



In this as yet unpublished study, TerraChoice researchers surveyed more than 18,000 advertisements in the back issues of Time, Fortune, National Geographic, Forbes, Sports Illustrated, and Vanity Fair.

Advertisements that made environmental claims were counted and described as a percentage of the total number of advertisements. For more information on this research, please email *ecomarkets@terrachoice.com*.

[1] The 2007 study can be downloaded at *www.sinsofgreenwashing.org*.

The purpose of this follow up edition of the study - the Seven Sins of Greenwashing - is to maintain the pressure for truth and clarity in environmental marketing. It features:

- a much larger North American dataset (12 'big box' stores in each of the United States and Canada, with more than 2,000 products in North America);
- first-time research from both Australia and the United Kingdom, including almost 1,000 products from each country;
- product categories of special consumer interest and high frequency of environmental claims: toys, baby products, cosmetics, and cleaning products; and
- new and significant trends that have emerged since the first study, including the discovery of a new Sin - the Sin of Worshiping False Labels.

24

Number of North American 'big box' stores visited by TerraChoice researchers in 2008/2009.

Risks of Greenwashing

If more greenwashing means that marketers are increasingly responding to the demand for sustainable products, this could be a positive trend. If left unchecked, greenwashing creates significant risks:

- Well-intentioned consumers will be misled into purchases that do not deliver on their environmental promise. When this happens, the consumer's trust is misplaced and the potential environmental benefit of his or her purchase is wasted.
- Competitive pressure from illegitimate environmental claims will take market share away from products that offer legitimate benefits, thereby slowing the spread of real environmental innovation in the marketplace.
- Greenwashing will lead to cynicism and doubt about all environmental claims. Consumers will give up on marketers and manufacturers, and give up on the hope that their spending might be put to good use.
- The sustainability movement will lose the power of the market to accelerate progress towards sustainability.

The challenge and call-to-action of the **Seven Sins of Greenwashing** is to discourage greenwashing by putting practical tools in the hands of consumers and companies, while still encouraging and rewarding genuine efforts towards sustainable innovation.

2. Methodology & Findings

In the months of November 2008 and January 2009, researchers were sent into category-leading 'big box' retailers in the United States, Canada, the United Kingdom, and Australia with instructions to record every product making an environmental claim. The researchers recorded product details, claim(s) details, any supporting information, and any explanatory detail or offers of additional information or support. (More detail on the research methodology and findings is provided in Appendix A.)

In the United States and Canada, a total of 2,219[2] products making 4,996 green claims were recorded. These claims were tested against best practices, notably against guidelines provided by the U.S. Federal Trade Commission, Competition Bureau of Canada, Australian Consumer and Competition Commission, and the ISO 14021 standard for environmental labeling.

The resulting list of false or misleading claims was analyzed for patterns and lessons. The previous **Six Sins of Greenwashing** (refer to Exhibit 2) were used to sort the claims, and new anomalies and patterns were identified.

Of the 2,219 products, over 98% committed at least one of the Sins of Greenwashing. Notably, a seventh Sin has emerged.

2,219

Number of products surveyed in North America. Over 98% of products committed at least one of the Sins of Greenwashing.

Exhibit 2 - The 2007 Six Sins of Greenwashing: A Primer

The first edition of the Sins of Greenwashing report, published in November 2007, identified the following Six Sins[3] :

1. **Sin of the Hidden Trade-off**, committed by suggesting a product is 'green' based on an unreasonably narrow set of attributes without attention to other important environmental issues. Paper, for example, is not necessarily environmentally-preferable just because it comes from a sustainably-harvested forest. Other important environmental issues in the paper-making process, including energy, greenhouse gas emissions, and water and air pollution, may be equally or more significant.

2. **Sin of No Proof**, committed by an environmental claim that cannot be substantiated by easily accessible supporting information or by a reliable third-party certification. Common examples are facial or toilet tissue products that claim various percentages of post-consumer recycled content without providing any evidence.

3. **Sin of Vagueness**, committed by every claim that is so poorly defined or broad that its real meaning is likely to be misunderstood by the consumer. 'All-natural' is an example. Arsenic, uranium, mercury, and formaldehyde are all naturally occurring, and poisonous. 'All natural' isn't necessarily 'green'.

4. **Sin of Irrelevance**, committed by making an environmental claim that may be truthful but is unimportant or unhelpful for consumers seeking environmentally preferable products. 'CFC-free' is a common example, since it is a frequent claim despite the fact that CFCs are banned by law.

5. **Sin of Lesser of Two Evils**, committed by claims that may be true within the product category, but that risk distracting the consumer from the greater environmental impacts of the category as a whole. Organic cigarettes are an example of this category, as are fuel-efficient sport-utility vehicles.

6. **Sin of Fibbing**, the least frequent Sin, is committed by making environmental claims that are simply false. The most common examples were products falsely claiming to be Energy Star certified or registered.

[2] In the United States and Canada, 833 products were found in both countries. The individual country totals are: 1,721 in the U.S. and 1,331 in Canada.
[3] TerraChoice Environmental Marketing, *The Six Sins of Greenwashing*, 2007.

3. Key Findings

The data from the 2009 Seven Sins of Greenwashing revealed both good news and bad. They also point to early evidence of what may be two significant new trends. These are the key findings:

- **More products are making environmental claims.** In stores that were visited in both 2007 and 2008/2009, the number of 'green' products[4] increased by 40% to 176% per store. This was an average increase of 79%, providing further evidence that manufacturers and marketers are responding to consumer demand for more environmentally responsible goods. This is good news. Although greenwashing is still a problem (see below), **this fundamental increase in 'green' product selection is a strong signal that the green consumer movement is having good effect.**

  (This increase in 'green' products is corroborated by the increase in green advertising found in other TerraChoice research. Since 2006, green advertising has almost tripled (Exhibit 1).)

Legitimate eco-labeling is almost twice as common in this study (23% of products) as it was in the 2007 research (14% of products).

- **Kids (toys & baby products), cosmetics and cleaning products** (diapers, toothpaste, and window cleaner, for example) are the three categories where green claims – and greenwashing – are most common. These products, among the most common of products in most households, deserve particular scrutiny from consumers. Each category is detailed in Section 3.2.

- **Greenwashing is still abundant,** with over 98% of 'green' products committing at least one of the Sins. The data show a minor decline in the overall frequency of greenwashing, but it does not appear to be statistically significant. **Of the 2,219 products claiming to be green in the United States and Canada, only 25, or less than 2%, products were found to be Sin-free.**

- **A new Sin has emerged – the Sin of 'Worshiping False Labels'.** This new Sin describes an effort by some marketers to exploit consumers' demand for third-party certification with fake labels or claims of third-party endorsement. This is described in detail in Section 3.1.

- **Legitimate Eco-Labeling is on the rise.** Legitimate eco-labeling is almost twice as common in this study (23% of products) as it was last year (14% of products). For this test, we recognized 14 labels as 'legitimate'. Among others, these include legitimate ecolabels include EcoLogo, FSC, Green Guard, GreenSeal, and SFI.

  Proof is a central element of good green marketing, and a relatively easy one for marketers.

- **Greenwashing is an international challenge**, with very similar patterns in the United States, Canada, the United Kingdom, and Australia. This key finding is described in detail in Section 3.3.

Additional details, including methodology and nation-specific breakdowns of the results, are provided in Appendices A through E.

79%

Average increase in the number of 'green' products among North American stores visited in both 2007 and 2008/2009.

[4] In this case, and in every case in this report, 'green' products is shorthand for 'products-claiming-to-be-green' (or other similar language or suggestion). In fact, few if any products can be correctly described as 'green'. Most of the best are still only 'greener' than the competitors.

3.1 The Seventh Sin: The Sin of Worshiping False Labels

The Sin of Worshiping False Labels is committed by a product that, through either words or images, gives the impression of third-party endorsement where no such endorsement actually exists; fake labels, in other words.

As concern around greenwashing has grown, many consumers and experts have pointed to the important role that third-party certification can play in legitimate green marketing. This call for certification has led to an increase in legitimate eco-labeling.

23%

Percentage of products committing the Sin of Worshiping False Labels.

Unfortunately, it has also led some marketers to adopt the misleading strategy of making claims that look like a third-party. Usually, these take the form of an image that looks like an official stamp or seal of approval.

The Sin of Worshiping False Labels is committed by a product that, through either words or images, gives the impression of third-party endorsement where no such endorsement actually exists.

Exhibit 3 details these results for North America.

Exhibit 3 – Sin of Worshiping False Labels

Country	# Products	% All Products	# Claims	% All Claims
USA	382	17.2%	852	17.1%
Canada	308	13.9%	613	12.3%

Some examples of false labeling:

- In the United States, there is a brand of aluminum foil with certification-like images that bear the name of the company's own in-house environmental program without further explanation.
- In Canada, one paper towel product uses a certification-like image to make the bold (if vague statement) 'this product fights global warming'.
- Several brands of air fresheners give the impression of certification of the claim 'CFC-free' (thereby committing both the **Sin of Worshiping False Labels** and the **Sin of Irrelevance**).
- A variety of products in both the US and Canada use certification-like images with green jargon including like 'eco-safe', 'eco-secure', and 'eco-preferred'.

In contrast to the 'false labels' described by this Sin, legitimate eco-labels are easy to recognize and understand. Appendix F provides references for further information on legitimate eco-labels in North America. Exhibit 4 describes some of the most widely recognized, legitimate eco-labels available to North American consumers.

Exhibit 4: A Sample of Eco-Labels available to North American Consumers

General Information				Certification or Labeling Process			
Eco-label Name & Website	Label	Year Founded	Product Categories	Lifecycle-based*	Third-party certified	Publicly Available Standard	Transparent Standard Development Process
Design for Environment (DfE) www.epa.gov/dfe		1992	•Cleaning Products. •Office Products.	✔			
EcoCert www.ecocert.com		2000	• Organic Ingredients.	single-issue (organic certification)	✔	✔	✔
EcoLogo www.ecologo.org		1988	•Health and Beauty Products. •Cleaning Products. •Home Products. •Office Products. •Electronics. •Building/Construction Products.	✔	✔	✔	✔
Energy Star www.energystar.gov		1992	•Home Products. •Building and Construction Products. •Electronics.	single-issue (energy efficiency)		✔	✔
EPEAT www.epeat.net		2005	•Electronics.	✔		✔	✔
Forest Stewardship Council (FSC) www.fsc.org		1993	• Wood and Paper Products.	single-issue (forest management)	✔	✔	✔
Green Seal www.greenseal.org		1989	•Cleaning Products. •Office Products. •Building/Construction Products.	✔	✔	✔	✔
GREENGUARD www.greenguard.org		2001	•Building/Construction Products. •Home Products. •Cleaning Products. •Office Products.	single-issue (indoor air quality)	✔	✔	✔
Sustainable Forestry Initiative (SFI) www.sfiprogram.org		1995	• Wood and paper products.	single-issue (forest management)	✔	✔	✔
USDA Organic www.ams.usda.gov		2002	• Organic Ingredients.	single-issue (organic certification)	✔	✔	✔
WaterSense www.epa.gov/WaterSense		2006	•Home Products. •Building/Construction Products.	single-issue (saving water)	✔	✔	✔

* Lifecycle-based eco-labels consider the environmental impacts from all phases of a product's life including; the raw materials, the manufacturing process, the product itself, its distribution and use, and its ultimate disposal (or recycling/re-use).

A credible eco-label is a great way to find genuinely greener products. This table identifies some of the most common, credible eco-labels in North America. Please note that this is not an exhaustive list of ALL credible eco-labels. The checklist under "Certification or Labelling Process" can be used to determine the credibility of eco-labels not included in this list. Look for eco-labels that meet the criteria listed: the more checkmarks the better.

3.2 Kids, Cosmetics and Cleaning: Products of Special Risk

Of the categories of 'green' products identified in this study, three have emerged as deserving special attention. In each of these cases, there is an above-average frequency of environmental claims (and therefore higher risk of greenwashing). These products, among the most common of products in most households, deserve particular scrutiny from consumers. These priority categories are:

- Kids (toys & baby products);
- Cosmetics (health & beauty products);
- Cleaning (both general and paper products)

Kids, Cosmetics & Cleaning

Product categories with an above-average frequency of environmental claims (and therefore higher risk of greenwashing).

Kids (Toys & Baby) Products

Toys and baby products attract environmental and health claims for an excellent reason: parents attend to the health of their kids with extraordinary care. Parenting is a phase of our lives when we are especially poignantly conscious of our impact on future generations.

Not surprisingly, consumer market research suggests that new parents are more inclined than other consumers to care about environmental issues. Green marketers are paying attention and can either help parents, or exploit them. They can either keep the trust of parents, or they can lose it.

Some examples of products from this category:

- 'natural' alphabet blocks
- 'Bisphenol A (BPA)-free' cups and spoons
- 'biodegradable' building blocks
- 'all-natural', and 'certified non-toxic' cotton toys
- '99% natural' baby cream
- 'eco-friendly' dyes on '100% organic' baby sheets
- 'degradable plastic' diaper bags

Exhibit 5 summarizes the findings in this product category.

The most common environmental claims in this category are the following:

- 'Natural' (in various forms, such as 'all natural', 'natural alternative', 'naturally-derived', or 'based on natural') is the most common claim on kids products. In the USA and Canada, it was found on 74 baby products and 11 toys (a combined total of 39% of the products in this category).

Greenwashing, naturally.

'Natural' is a powerfully resonant term. It appeals to us at a fundamental level and its frequent use by marketers is clear evidence of its popularity. It can also be dramatically misleading, and can contribute to greenwashing, since most consumers assume it to mean 'safe', 'good', or 'green'. Arsenic is natural. So are cyanide and mercury and formaldehyde. All are hazardous. Although a standard definition has been proposed by the Natural Products Association, none of the products in the study bore that mark. Unexplained, as it was in every case in which it was found in this research, 'natural' risks misleading consumers. Therefore, these claims all commit the **Sin of Vagueness**.

Exhibit 5 – Toys & Baby Products

Country	Toys		Baby products		Total products[5]	Sin-free products
	# products	# claims	# products	# claims		
USA	29	93	178	421	207	0
Canada	18	53	119	236	137	0

[5] 15 toy products and 112 baby products, were found in both Canada and the USA.

• 'Organic', in various forms, is the second most common claim in this category. It was found on 76 baby products and 1 toy. In all cases, these claims were made in reference to materials from which the product was made, usually cotton.

In the US and Canada, organic claims were supported by certification on only 21 of these products. Any claim – organic or otherwise – for which there is no readily accessible evidence commits the **Sin of No Proof**. More detail on the difficulties with 'organic' claims is provided in the next section, on cosmetics.

• 'BPA-free' was claimed by 44 baby products and 5 toys. None of these products offered any certification or verification of the claim and consequently all were found to commit the **Sin of No Proof**.

A total of 44 products, (36 baby care and 8 toys), used vague environmental statements such as 'eco-friendly', 'earth-friendly', 'earth-friendlier', and 'good for the environment'. Without elaboration, these terms are meaningless since they are entirely subjective. These claims all commit the **Sin of Vagueness**.

Cosmetics (Health & Beauty Products)

Consumer consciousness of the environmental and health effects of personal care products – cosmetics, shampoos, and soaps, for example – has grown steadily over several decades. High profile retail positioning at stores like the Body Shop has contributed to this trend.

The simple fact that we put these products on (or in) our body (products such as toothpaste, shampoos, or lotions) has also contributed to the heightened consumer awareness. Most recently, the ingredients of these products have begun to attract increased scrutiny by advocates and regulators.

It is little surprise, consequently, that this year's Seven Sins of Greenwashing report isolated health and beauty products as a prominent category for green claims and greenwashing.

Exhibit 6 summarizes the findings in this category.

Exhibit 6 - Cosmetics

Country	# Products[6]	# Claims	Sin-free products
USA	335	890	6
Canada	215	613	0

Some examples of products in this category:

- 'biodegradable' and 'organic' cotton swabs
- 'earth-friendly' sponges
- '100% natural' and 'biodegradable' kids soaps
- '100% pure organic' shampoos and conditioners
- 'all-natural' hair removal
- '100% natural' bronzer
- 'all natural' and 'certified oganic' toothpastes

• By far the most common environmental claim in this category, found on 263 products, is 'natural'. For example:

- 'naturally pure' body lotion
- 'naturally-derived' ingredients in handsoaps
- facial buffs 'made with natural materials'
- 'naturally refreshing' soaps

Unless a specific definition is offered, claims of 'natural' commit the **Sin of Vagueness**. The specific challenges with 'natural' claims are described above, in the section entitled Kids (toys & baby products).

263

Number of cosmetics claiming to be 'natural', by far the most common environmental claim in this category.

• The second most common claim on cosmetics is 'organic', which was found on 139 products. These products include everything from facial scrubs made with certified organic ingredients to shampoos and conditioners.

A claim of organic itself is not misleading, as long as certification or other proof is available. However, more than half of the claims found in this category were not supported by an organic certification scheme, which means they committed the **Sin of No Proof**.

(Even if these claims had been verified, single-attribute claims such as organic – claims that address only one aspect of the product's lifecycle impacts - risk committing the **Sin of the Hidden Trade-off**. This would be true, for example, of swabs made of organically-grown cotton if the cotton had been bleached with chlorine.)

• Fewer products, by claiming to be biodegradable (72) or by using vague environmental jargon (57), committed the **Sin of Vagueness**.

In the absence of a specific explanation, 'non-toxic' is likely to mislead consumers and therefore was determined to be committing the Sin of Vagueness.

Cleaning Products

Demand for green cleaning in schools, hospitals, offices and other commercial buildings has caused a rapid acceleration in greener cleaning formulations, technologies, and methods. At the same time, connections have been drawn between household indoor air quality, chronic illnesses (such as asthma) and home cleaning products. The result is a dramatic increase in the number of household cleaning products that claim to be 'green'.

Exhibit 7 describes the findings in this category.

Exhibit 7 – Cleaning Products

Country	Cleaners		Paper products		Total products[7]	Sin-free products
	# products	# claims	# products	# claims		
USA	162	490	31	108	193	0
Canada	173	537	31	104	204	3

Some examples of products in this category include:

- 'planet-friendly' glass cleaners
- '100% compostable' and 'naturally-derived' disposal wipes
- 'non-toxic' and 'chlorine-free' bleach
- 'plant-based' laundry soap
- '100% recycled' paper towels
- 'biodegradable' toilet paper

Among general cleaning products, the following are the most common sources of greenwashing:

• 124 products were found to make claims of 'biodegradability'. These varied widely in their reliability. Many products provide very specific definitions (such as 'verified biodegradable according OECD 301D'). If a verification source was provided, it was not considered to be misleading.

Other claims continue to use very vague language, such as 'biodegradable agents', or 'optimal level of biodegradability'. These were classified as committing the **Sin of Vagueness**.

[7] 91 cleaners and 14 paper products were found in both Canada and the United States.

• General environmental jargon, with many and creative variations, was the second most common type of claim in this product category. It was found on 110 products and included such claims as:

- 'planet friendly';
- 'environmentally-sound'; and
- 'ecological'.

This kind of language may be attention-grabbing, but it can be very misleading. Unless 'green' jargon (including the word 'green' itself) was explained, it was determined to commit the **Sin of Vagueness**.

• Variations on the theme of 'natural' were found on 97 products, and formed the third most frequent type of claim. (See the previous two sections for further detail on 'natural' claims and the **Sin of Vagueness**.)

• Claims of 'non-toxic' were found on 61 products. 'Non-toxic' is a legitimate term, with specific and prescribed meanings provided by various scientific bodies. If the specific meaning or interpretation was given, a claim of 'non-toxic' was determined to be acceptable. In the absence of a specific explanation, 'non-toxic' is likely to mislead consumers and therefore was determined to be committing the **Sin of Vagueness**.

3.3 International Findings

Environmental concerns are global. Many issues, climate change for example, reach across all borders. Others – water pollution, exposure to toxics and carcinogens – are local but experienced around the world. It is not surprising, as a consequence, that demand for greener products is also a global phenomenon; or that greenwashing is a global concern.

To bring some perspective to the global dynamics of the problem, this research included data from the United States (Philadelphia), Canada (Ottawa), Australia (Melbourne), and the United Kingdom (London).

Environmental concern is global. Most issues reach beyond all borders.

Exhibit 8 summarizes the data collection and high level findings from each country, Appendices B through E provide more detailed country-specific results.

Exhibit 8 – International Findings Summary

Country	Stores	Products[8]	Claims	Sin-free products	% Sin-free products
United States	12	1721	3,890	15	0.87%
Canada	12	1331	2,980	10	0.75%
Australia	7	866	1,937	5	0.58%
UK	9	787	1,612	0	0%

None of these markets is immune to greenwashing. These results suggest that the prevalence of greenwashing varies little from country to country. Even the proportionality between the Seven Sins of Greenwashing varies little between nations, as illustrated in Exhibit 9.

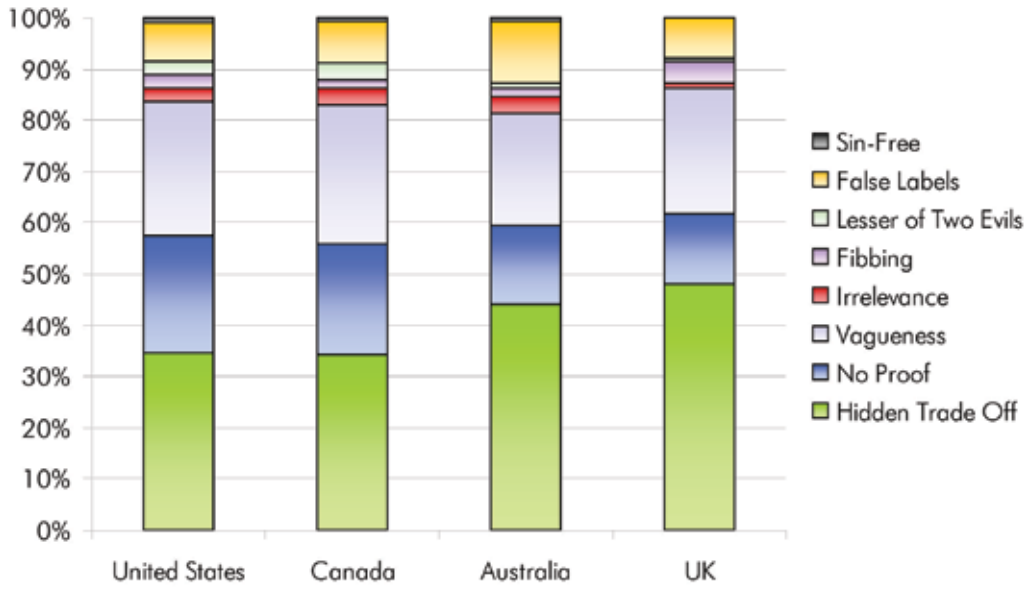
'Biodegradable'

There are several definitions for biodegradability (e.g 'readily' or 'inherent') applicable to cleaning products, each with separate test methods specified by several credible guidelines[9] (OECD, ISO or ASTM, for example). Consumers should be wary of 'biodegradable' products not providing specific details, and not referencing one of these valid guidelines.

[8] 833 products were found in both the United States and Canada. 1,874 environmental claims were made on these products.

[9] OECD – Organisation for Economic Co-Operation and Development – Test Guidelines for Biodegradability www.oecd.org
ASTM – American Society for Testing and Materials - Standard Specification for Biodegradability www.astm.org
ISO – International Standard Organization – Biodegradability Test Method www.iso.org

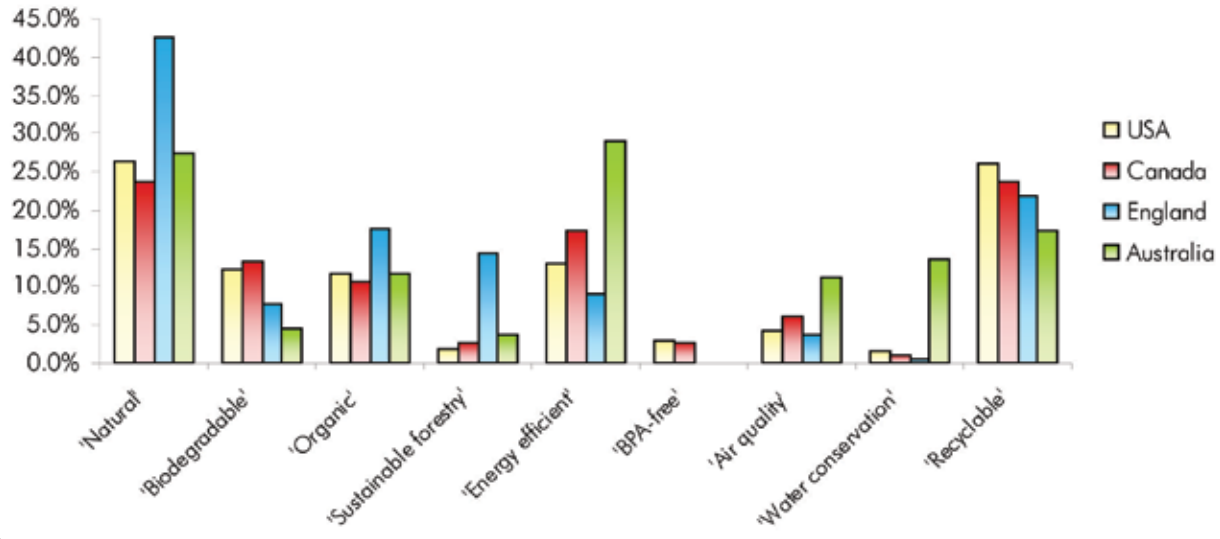
Exhibit 9: Sin Frequency, Four Countries.



As Exhibit 10 illustrates, there are significant international differences in the specific environmental issues that marketers use to promote their products. Specifically:

- 'Natural' claims are made much more frequently in the United Kingdom (42.7% of all products) than in any of the other nations (29.2%, on average).
- 'Water savings' is more prevalent in Australia (13.6% of all products) than elsewhere (0.4% to 1.6%).
- 'Energy' and 'air quality'-related marketing claims are also more common in Australia (28.9% and 11.3%, respectively).
- In The United Kingdom, both forestry (14.4% of all products) and 'organics' (17.7% of all products) are notably more common than in the other nations studied.
- No claims related to Bisphenol A were found outside of North America.
- Waste management related claims – 'recyclable', 'biodegradable', for example – appear to be less common in Australia than in the other nations studied.

Exhibit 10: Country by Country Comparison of Environmental Issues Associated with Product Claims.



4. What Consumers Can Do

Although governments in the United States, Canada, Australia, and the United Kingdom discourage greenwashing, these efforts clearly are not enough. Greenwashing persists, and continues to threaten progress to real sustainability.

If the good intentions of consumers and the environmental benefits of their choices are to be leveraged, consumers themselves must play a role. With four simple actions, consumers can have a very real impact:

1. Keep supporting greener products. As consumers, we have enormous power to shape the marketplace. The worst result of greenwashing would be to give up.

2. Look for, and choose, products with reliable eco-labels. (See Exhibit 4.)

3. In the absence of a reliable eco-label, remember the Seven Sins of Greenwashing (www.sinsofgreenwashing.org) and choose the product that offers transparency, information and education.

4. For more information and green-shopping tools, consult the resources in Appendix F, or visit *www.sinsofgreenwashing.org* and *www.ecologo.org*.

Consumers need to continue supporting greener products.Each of us has enormous power to shape the marketplace. The worst result of greenwashing would be if we were to give up.

5. What Marketers Can Do

Green marketing is a vast commercial opportunity, and so it should be. When it works – when it is scientifically sound and commercially successful – it is an important catalyst toward sustainability. The purpose of the Seven Sins of Greenwashing report is to encourage green marketing and to help marketers improve their claims so that:

- Genuinely 'greener' products excel;
- Competitive pressure from illegitimate green claims is diminished;
- Consumers do not become jaded and unduly skeptical of green claims; and
- Marketers employ environmental concerns to establish honest, trustworthy, and long-lasting dialogue with their customers.

Green marketers and consumers are learning about the pitfalls of greenwashing together. This is a shared problem and opportunity.

The Seven Sins of Greenwashing do NOT suggest that only perfectly 'green' products should be marketed as environmentally preferable. There is no such thing as a perfectly 'green' product: environmentally preferable products are 'greener' not 'green', and marketing them as such is entirely fair.

Environmental progress will happen one step at a time. Not only should gradually 'greener' innovations and products be encouraged, consumers should and will reward this incremental progress.

Environmental progress will happen one step at a time. Not only should gradually 'greener' innovations and products be encouraged, consumers should and will reward this incremental progress.

Avoiding greenwashing does not mean waiting for a perfect product. It does mean that sound science, honesty, and transparency are paramount. It means avoiding the Seven Sins of Greenwashing:

1) Avoid the **Sin of the Hidden Trade-Off**.
   a) Start with an honest understanding of all of the environmental impacts of your product across its entire lifecycle.
   b) Emphasize specific messages (particularly when you know your audiences care about those issues) but don't use single issues to distract attention from other impacts.
   c) Don't make claims about a single environmental impact or benefit, without knowing how your product performs in terms of its other impacts, and without sharing that information with your customers.
   d) Pursue continual improvement of your environmental footprint (across the entire lifecycle), and encourage your customers to join you on that journey.

2) Avoid the **Sin of No Proof**.
   a) Understand and confirm the scientific case behind each green marketing claim.
   b) Make evidence readily available, or rely on third-party certifications whose standards are publically available.

3) Avoid the **Sin of Vagueness**.
   a) Use language that resonates with your customers, as long as that language is truthful.
   b) Don't use vague names and terms (e.g. 'environmentally-friendly') without providing precise explanations of your meaning.

4) Avoid the **Sin of Worshiping False Labels**.
   a) If third-party endorsement of your claims is important: **Get it, don't fake it**.
   b) Favor eco-labels that are themselves accredited, and that address the entire lifecycle of the products (refer to Table 2).

5) Avoid the **Sin of Irrelevance**.
   a) Don't claim CFC-free, unless it is a legitimate point of competitive differentiation.
   b) Don't claim any environmental benefit that is shared by all or most of your competitors.

6) Avoid the **Sin of the Lesser of Two Evils**.
   a) Help each customer find the product that is right for them, based on their needs and wants.
   b) Don't try to make a customer feel 'green' about a choice that is harmful or unnecessary.

7) Avoid the **Sin of Fibbing**.
   a) Tell the truth. Always.
   b) Always tell the truth.

Questions?

www.sinsofgreenwashing.org

APPENDICES

A - Research Methodology
B - United States of America - Country Summary
C - Canada - Country Summary
D - United Kingdom - Country Summary
E - Australia - Country Summary
F - Resources

APPENDIX A - Research Methodology

1. Data Collection

During November 2008 and January 2009, researchers were sent into category-leading 'big box' retailers in the United States, Canada, the United Kingdom, and Australia with instructions to record every product making an environmental claim. For each, the researchers recorded product details, claim(s) details, any supporting information, and any explanatory detail or offers of additional information or support.

Tables A.1 through A.3 detail this field work.

Table A.1: Numbers of Stores and Products and Claims by Country

Country	Stores	Products[10]	Claims
United States	12	1,721	3,890
Canada	12	1,331	2,980
Australia	7	866	1,937
UK	9	787	1,612

Table A.2: Store Types by Country

Store Type	United States	Canada	Australia	UK
Pharmacy	2	2	1	2
Grocery	2	2	1	2
Office Supplies	2	2	1	1
Big Box Multi-category	2	2	1	1
Hardware/DIY	2	2	2	2
Toys/Baby products	2	2	1	1

Table A.3: Dates and Cities of Data Collection

Country	Dates	City
United States	November 19th-25th, 2008	Philadelphia
Canada	November 10th-28th, 2008	Ottawa
Australia	January 18th-26th, 2009	Melbourne
United Kingdom	January 11th-16th, 2009	London

2. Analysis & Interpretation

Following the field work, products and claims were entered, sorted and analyzed using Microsoft Excel. Specifically:

- Claims that might be clarified by further explanation were researched at product web sites. If the product website explained a claim that would otherwise be vague, for example, it would not have been determined to commit the **Sin of Vagueness**.
- If product labeling offered a website or phone number for further information, the reference was checked and its utility was recorded.

Each claim was tested against best practice, notably against guidelines provided by the U.S. Federal Trade Commission, Competition Bureau of Canada, Australian Competition and Consumer Commission, and the ISO 14021 standard for environmental labeling. Claims that appeared to be inconsistent with these guidelines were flagged.

Flagged claims were tested against the 'Six Sins of Greenwashing' and sorted accordingly. In addition, the results were assessed for other emergent patterns.

3. Quality Control & Quality Assurance

Consistency in methods of data collection and analysis was maximized in several ways:

- The same principal researcher undertook the fieldwork in all locations.
- Data collection sheets and guidelines were standardized in advance.
- Trial collections and analyses were under taken to further assist standardization.

Quality assurance was provided through review of the preliminary interpretations by the project leaders. Where there appeared to be room for differences in interpretation, a consensus-based solution was reached.

3,872

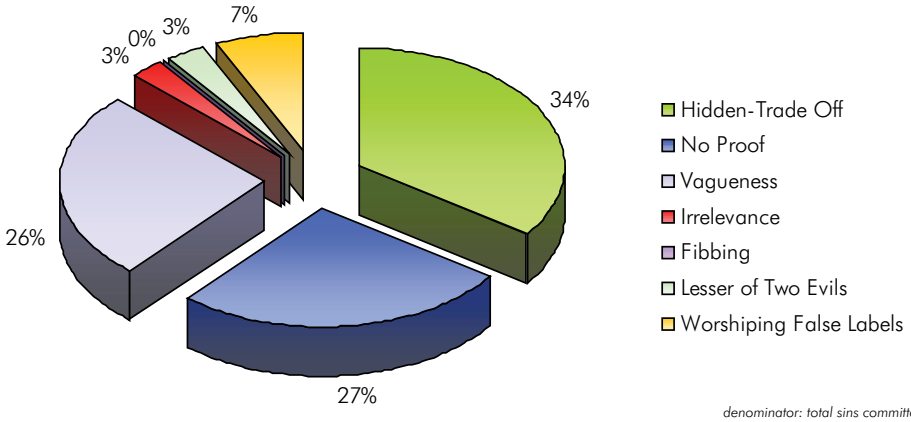
Unique products that were recorded making **8,544** environmental claims across the four countries observed in 2008/2009.

[10] A total of 833 products were found in both the United States and Canada. Therefore this table will not sum to the 2,219 total for the USA and Canada given elsewhere.

APPENDIX B - United States of America

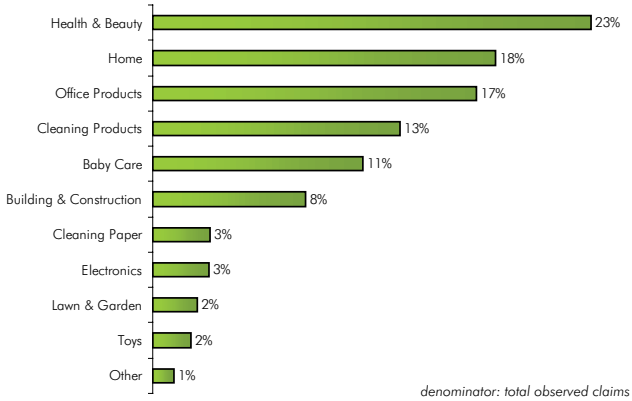
Country Summary

Frequency of Sins Committed (USA)



denominator: total sins committed

Claims Broken Down by Product Category (USA)

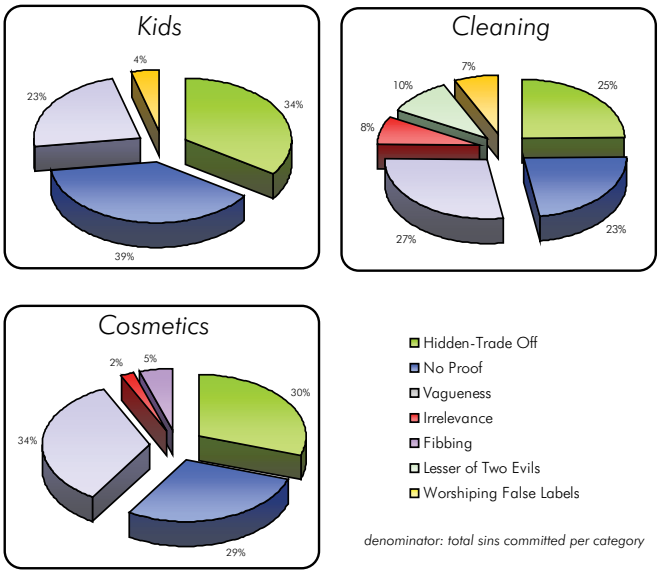


denominator: total observed claims

Average Claims Per Product Type (USA)

Cleaning Paper	3.5
Toys	3.2
Cleaning Products	3.0
Health & Beauty	2.7
Baby Care	2.4
Building & Construction	1.9
Electronics	1.9
Office Products	1.9
Home	1.9
Lawn & Garden	1.8
Other	1.7

Frequency of Sins Committed (USA)



denominator: total sins committed per category

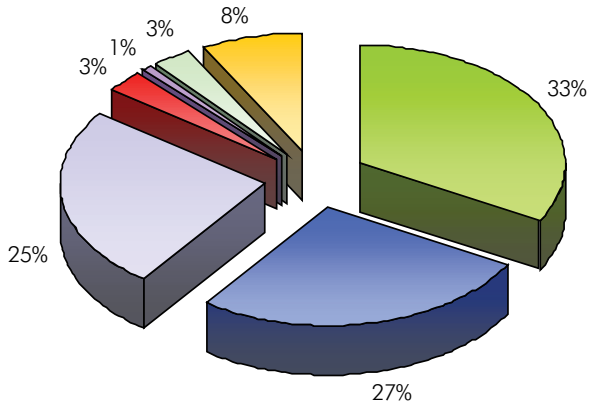
Percentage of Products Committing Each Sin (USA)

Hidden Trade Off	73%
No Proof	59%
Vagueness	56%
Worshiping False Labels	24%
Irrelevance	8%
Lesser of Two Evils	4%
Fibbing	0%

APPENDIX C - Canada

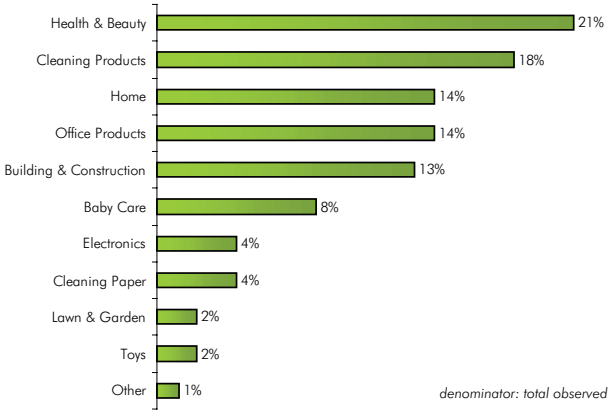
Country Summary

Frequency of Sins Committed (CAN)



denominator: total sins committed

Claims Broken Down by Product Category (CAN)

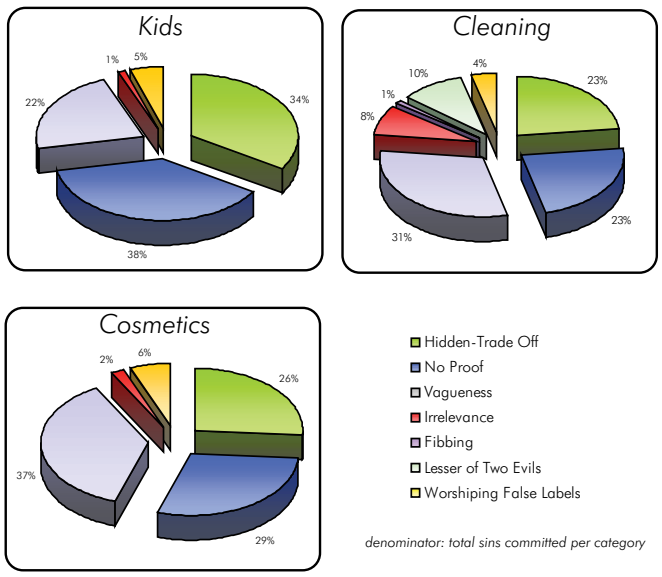


denominator: total observed claims

Average Claims Per Product Type (CAN)

Cleaning Paper	3.4
Cleaning Products	3.1
Toys	3.0
Health & Beauty	2.9
Other	2.9
Electronics	2.1
Baby Care	2.0
Office Products	2.0
Home	1.9
Building & Construction	1.7
Lawn & Garden	1.4

Frequency of Sins Committed (CAN)



denominator: total sins committed per category

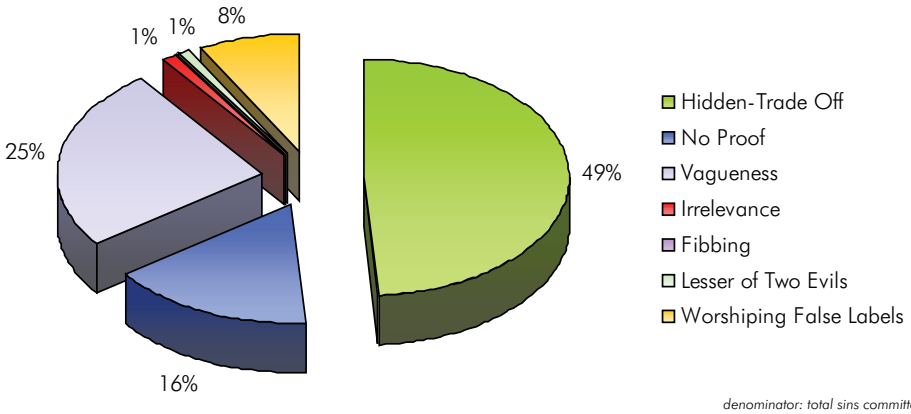
Percentage of Products Committing Each Sin (CAN)

Hidden Trade Off	70%
No Proof	60%
Vagueness	51%
Worshiping False Labels	23%
Irrelevance	7%
Lesser of Two Evils	5%
Fibbing	1%

APPENDIX D - United Kingdom

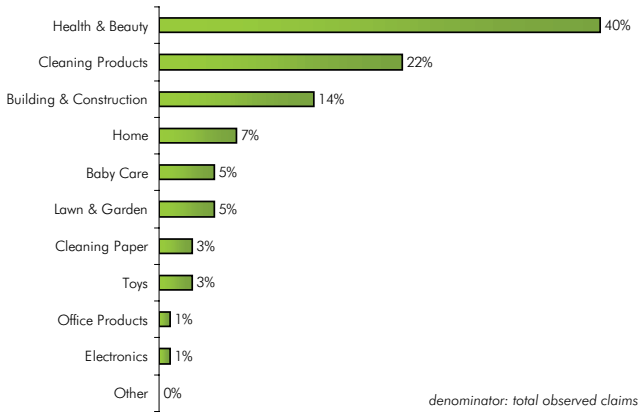
Country Summary

Frequency of Sins Committed (UK)



denominator: total sins committed

Claims Broken Down by Product Category (UK)

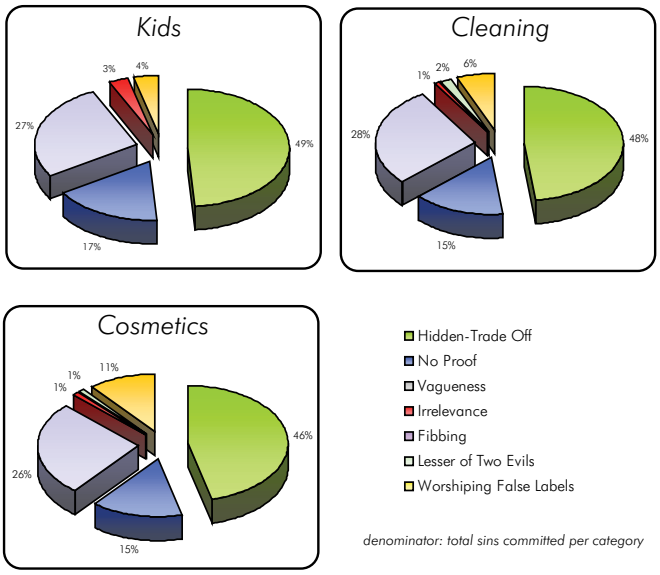


denominator: total observed claims

Average Claims Per Product Type (UK)

Cleaning Products	3.2
Baby Care	2.7
Health & Beauty	2.2
Lawn & Garden	1.6
Home	1.6
Building & Construction	1.6
Cleaning Paper	1.5
Toys	1.5
Office Products	1.4
Electronics	1
Other	N/A

Frequency of Sins Committed (UK)



denominator: total sins committed per category

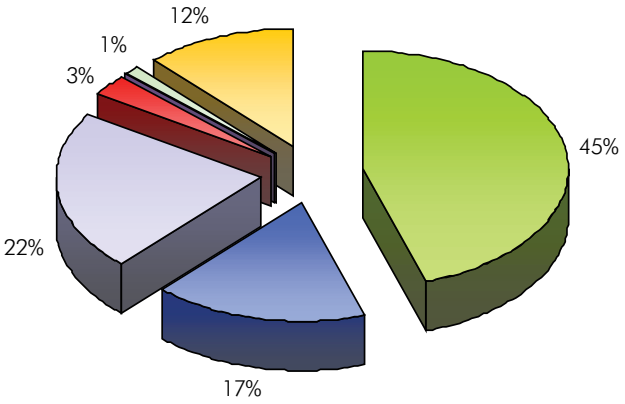
Percentage of Products Committing Each Sin (UK)

Hidden Trade Off	98%
No Proof	44%
Vagueness	62%
Worshiping False Labels	24%
Irrelevance	3%
Lesser of Two Evils	3%
Fibbing	0%

APPENDIX E - Australia

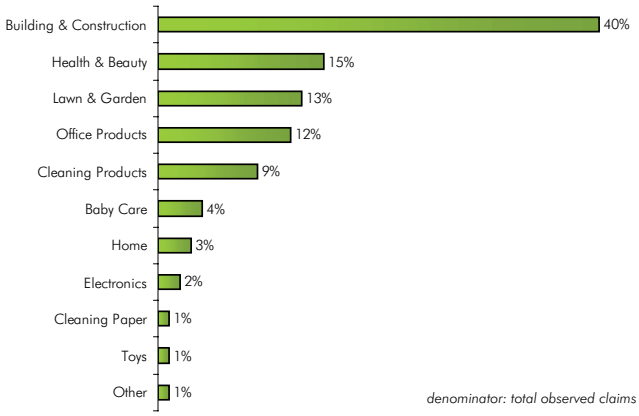
Country Summary

Frequency of Sins Committed (AUS)



denominator: total sins committed

Claims Broken Down by Product Category (AUS)

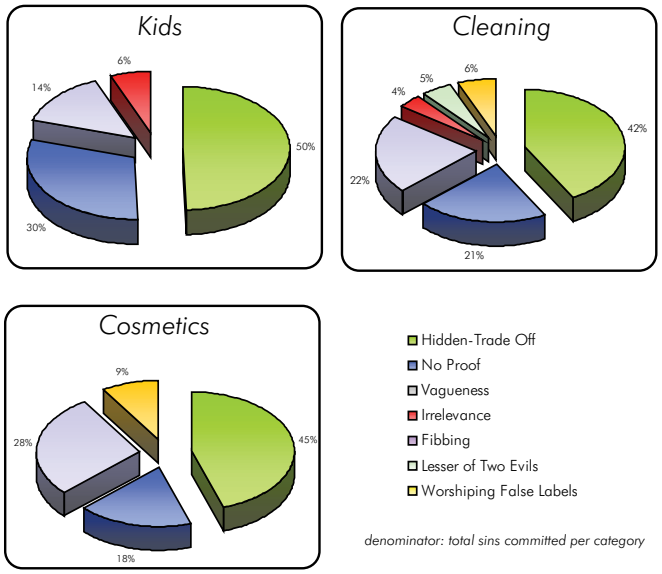


denominator: total observed claims

Average Claims Per Product Type (AUS)

Baby Care	4.2
Cleaning Products	2.9
Health & Beauty	2.5
Lawn & Garden	2.1
Building & Construction	2.1
Office Products	2.1
Other	2.0
Home	1.7
Cleaning Paper	1.3
Electronics	1.3
Toys	1

Frequency of Sins Committed (AUS)



denominator: total sins committed per category

Percentage of Products Committing Each Sin (AUS)

Hidden Trade Off	94%
No Proof	43%
Vagueness	57%
Worshiping False Labels	39%
Irrelevance	11%
Lesser of Two Evils	4%
Fibbing	0%

APPENDIX F - Resources

Table F.1: Greenwashing

Source	website
Sins of Greenwashing	www.sinsofgreenwashing.org
Greenwashing Index	www.greenwashingindex.com/
U.S. Federal Trade Commission	www.ftc.gov/bcp/grnrule/guides980427.htm
Competition Bureau of Canada	www.ic.gc.ca/eic/site/cb-bc.nsf/eng/02700.html
Australian Competition & Consumer Commission	www.accc.gov.au/content/index.phtml/itemId/142
UK Advertising Standards Authority	www.asa.org.uk
The Greenwashing Brigade	www.publicradio.org/columns/sustainability/greenwash/

Table F.2: Resources on Eco-labelling

Source	website
Global Eco-labelling Network	www.globalecolabelling.net
ISEAL	www.isealalliance.org
Eco-labels.org	www.eco-labels.org
Ecolabelling.org	http://ecolabelling.org
Consumers Union	www.consumersunion.org/

Table F.3: Resources on Green Purchasing

Source	website
Responsible Purchasing Network	www.responsiblepurchasing.org
My Big Green Purse	www.biggreenpurse.com
Ecoholic	www.ecoholic.ca
Green Your	www.greenyour.com/
Treehugger	www.treehugger.com/
The Daily Green	www.thedailygreen.com/
Sustainability Purchasing Network	www.buysmartbc.com/