



## Why Sustainable Manufacturing Makes \$ense

By Peter R. Gourlay, President, Maryland-Asia Environmental Partnership

While it may seem that the "Green Revolution" is sweeping the globe, it continues to meet significant pockets of resistance. Many CEOs remain skeptical about "going green," and who can blame them? They endured costly fixes in advance of the Y2K scare just a few years ago and ask themselves whether this 'sustainability thing' is simply the latest fad. For many companies, the impact does not appear immediate, while the demand for profits remains urgent.

### **Making a Profit, Going Green "Not Mutually Exclusive"**

But an increasing number of companies understand that becoming greener and making a profit are not mutually exclusive. Many larger corporations with global footprints recognize the impact to their bottom lines and also recognize the pressures coming from shareholders, local communities, consumers and the media. Multinationals recognize that sustainability is directly related to future profitability and global competition, and that it is in their self interest to act on it.

While many smaller firms are still grappling with what it means to go green, Marlin Steel Wire Products ([www.marlinwire.com](http://www.marlinwire.com)) provides a great model for many small firms sitting on the fence on sustainability strategies. The company has been highlighted by the National Association of Manufacturers as a leader for small industry.

As a small, urban manufacturer, Marlin depends on recycled steel wire for their products. "We take the steel from old cars and washing machines and convert that into precisely engineered wire baskets," said Drew Greenblatt, President of Baltimore-based Marlin.

Marlin's baskets are re-used many times by its customers - including Toyota, Siemens, Roche, Novartis, Baxter and Pfizer - to carry, secure, or wash materials in their robotic, high-tech manufacturing plants. They are sturdy enough to withstand the punishment of vigorous factory applications, reducing the waste from their plants associated with plastic or wooden substitutes. Recycling plays a central role in the Marlin manufacturing cycle. Almost 100% of steel wire purchases are actually old washing machines and junked cars that have been recycled into steel wire coils. Marlin bends and welds this steel to make custom-engineered baskets, wire forms or hooks. The baskets are part of the multi-usable delivery method between clients and their vendors as they hold client parts through various processes like dipping, cleaning, curing, rinsing and washing.

## **Scrap: From Nuisance to Profit Center**

Typically, clients will house the baskets in their internal processes and then ship their products in Marlin's baskets. Bad scraps emanating from the manufacturing process are then provided to a scrap recycler that converts the waste to steel for other mills, creating a sustainable, closed-loop manufacturing cycle. And, of course, Marlin sells that scrap for real money.

"We have turned scrap from a nuisance when I started in 1998 into a most-welcome profit center today," said Greenblatt. Marlin provides its employees with incentives to minimize and segregate its scrap. "By carefully segregating our waste, we get high prices for the stainless steel scrap and ordinary prices for the plain steel," said Greenblatt.

By getting competitive quotations from a number of scrap buyers, Marlin maximizes its yield from this inevitable part of the business. In fact, this becomes an important revenue stream.

Every little bit helps in the competitive wire-fabrication business. "Besides being good for our profits, it reduces our environmental footprint at the same time," Greenblatt says.

## **Green for the Right Reasons**

So while manufacturers improve their efficiencies, develop clean production processes and minimize waste, they are also being responsive to their stakeholders. In this age of instant communication, companies know that their reputations are perhaps their most important - and fragile - assets.

Many of these companies are also requiring their suppliers and vendors to adopt environmental management systems. These companies recognize that their business partners reflect on them.

Whatever the environmental impact, in a free market it is critical that sustainable efforts are profitable. As Marlin Steel Wire Products has learned, such efforts can be lucrative. "We are green for all the right reasons," said Marlin's Greenblatt. "First and foremost, it makes economic sense."

<http://www.corporateresponsibilityinstitute.org/articles/42/1/Why-Sustainable-Manufacturing-Makes-ense/Page1.html>