

# Visegrad+ Grant No. 21920002

## **ECOLABELLING**

Innovations in circular economy

- environmental labels and declarations



# **Instruction for classes (exercises)**

# The strategic importance of implementing an ecolabelling program in a company – on the example of the Environmental Choice New Zealand (ECNZ)

### Guidelines for exercises

**Course name:** Environmental labelling in circular economy.

**Purpose of the exercise:** identifying areas of change within the company that are necessary to obtain, maintain and develop an ecolabelling program, on the example of the Environmental Choice New Zealand (ECNZ). Understanding the importance of these changes for progress in the enterprise and its environment.

Time of the exercise: 1,5 h

Number of student subgroups in the exercise group: 3

Research methods: case study and open discussion.

# Case study - Laminex New Zealand®1

Laminex New Zealand®2 is one of many companies, which have implemented the ECNZ program.

Laminex New Zealand® offers decorative surfaces and panel products such as: bench-tops, cabinetry, structural flooring, wall lining and commercial joinery. It has over ten years of experience in the field of certification, sustainable development and environmental protection, and also supporting Green Building projects. Since mid-2013, there has been a full-time Sustainability Advisor in the company. This led to the company's understanding of sustainability, the improvement of many processes, and the gaining of importance and market leadership. The ECNZ licence obtained by Laminex New Zealand® in the ranges — Initiative: Furniture & Fittings; Licensee: (EC-32-17) Furniture, Fittings & Flooring—was presented in figure 12 and also on the ECNZ website ³. Market research compiled by EBOSS has shown that ECNZ is valued by over a third of architects as "very important".

Laminex New Zealand® has developed the GREENfirst<sup>TM</sup> program, which includes the company's many environmental management programs, in line with the philosophy: "a company needs to be responsible for its actions – socially, ethically, and environmentally"<sup>5</sup>.

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The project is co-financed by the Governments of Czechia, Hungary, Poland and Slovakia through Visegrad Grants from International Visegrad Fund. The mission of the fund is to advance ideas for sustainable regional cooperation in Central Europe.

M. Jankowska-Mihułowicz, Environmentar choice, [in:] Innovations in circular economy – environmental labels and declarations, B. Ziółkowski, B. Agarski and J. Šebo (Eds.), Publishing House of Rzeszów University of Technology, Rzeszów 2021.

<sup>&</sup>lt;sup>2</sup> https://www.laminex.co.nz/, 17.08.2020.

https://www.environmentalchoice.org.nz/our-licensees/3208041-laminex-new-zealand/, 17.08.2020.

<sup>4</sup> https://environmentalchoice.org.nz/our-news/case-studies/laminex/, 17.08.2020.

<sup>&</sup>lt;sup>5</sup> Ib.

The challenges posed by the managers of the described enterprise were to produce great products using low-emission methods and environmentally friendly raw materials and to communicate this to the market and prove it. The company's strategies, based on strong environmental ethics, ensure the use of raw materials and fuels from recycled materials, the use of biomass and the introduction of new technologies aimed at energy efficiency. In the management of waste from production processes, industrial worm farming for organic waste is used. Organic waste and wood waste are sources of bioenergy; they reduce vehicle traffic and the company's need for fossil fuels. Thanks to this solution, wood dust as waste from the production process, which used to be the source of the problem and costs, is now a high-energy source of fuel. During the production of Superfine® chipboards and Melteca® laminated panels, the manufacturer not only meets but probably exceeds, low-emission standards and has waste minimization and energy management processes in place<sup>6</sup>.

About the low emissions and safety challenges of manufacturing reconstituted wood products and low-pressure laminates, former General Manager Jerome Deperrois said: "It is one of the real benefits of the Environmental Choice New Zealand (ECNZ) certification process; there is no stone unturned and Laminex NZ is required to provide evidence to support any claims. Whether it's through material safety data sheets (MSDS), energy and waste data, ACC Partnership details, emissions tests, or inspections, there is no hiding with ECNZ certification. The manufacturing sites at Taupo and Hamilton are audited annually and while this has been ongoing for many years, passing these supervision audits are never taken for granted. Every aspect of the business is reviewed and the auditors are adept at identifying opportunities for improvement. We welcome this – we are in the business of constant improvement."

Commitment to environmental protection is one of Laminex New Zealand's primary goals. These goals are achieved by managing the production, warehouse and corporate offices processes in such areas as<sup>8</sup>:

- 1. Resource management e.g. Chain of Custody certification of Forest Stewardship Council (FSC®), for all local manufacturing plans, with the entire supply chain, guarantees that all certified wood products are produced using responsibly sourced wood fibers,
- 2. Waste management e.g. thanks to the program "Packaging take-back scheme" over 180 tons of waste are removed from landfills every year. The program also helps customers to reduce the amount of waste sent to landfills. Such significant results are a result of implementation of the media return program for cover sheets and pallets used for packing and transporting orders,
- 3. Energy consumption e.g. the "Turning wood waste into energy" program allows for the removal of approximately 72 containers of wood waste from a landfill per day (approximately 1000 tons per year). This is because of the construction of an innovative "briquette machine", which compresses the grinding dust from the production of chipboards and transforms it into energy bricks. Thanks to this activity, the amount of waste in landfills is reduced and the emission of greenhouse gases to the environment is eliminated.

Laminex New Zealand® facilities have a detailed annual sustainability plan designed to reduce the company's environmental impact and involve employees in it. Laminex New Zealand® is an active member of the Sustainable Business Network and the NZ Green Building Council9. Because of implementing the ECNZ program, Laminex New Zealand® gets the highest ratings for its products according to the criteria used by The New Zealand Green Building Council and alternative to ECNZ programs: the Green Star and Homestar<sup>10</sup>. This shows the objectivity of the ECNZ certification.

There are occasions where ECNZ certification of Laminex New Zealand® has enabled its customers to follow a more streamlined process to their certification. Good Laminex New Zealand® practices disseminate themselves in the business environment, recipients learn from the supplier, raise their standard of excellence, which is an added value from the use of the ECNZ program<sup>1</sup>.

Find more case studies on the website: https://environmentalchoice.org.nz/our-news/case-studies/

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<sup>6</sup> Ib.

<sup>&</sup>lt;sup>7</sup> Ib.

<sup>8</sup> https://www.laminex.co.nz/about-laminex/sustainability, 17.08.2020.

<sup>9</sup> Ib

https://environmentalchoice.org.nz/our-news/case-studies/laminex/, 17.08.2020.

<sup>11</sup> Ih

**Task description:** Read case study about implementing the Environmental Choice New Zealand (ECNZ) program in the enterprise Laminex New Zealand<sup>®</sup> and then do the following exercises:

Describe the evolution of the Laminex New Zealand® business model including:

- 1) a new definition of product quality,
- 2) reorganization of production processes,
- 3) new general strategies (Fig. 1),
- 4) new development strategies (Fig. 2),
- 5) a new group of buyers and final consumers,
- 6) green marketing (eco marketing).

How does the current Laminex New Zealand® business model drive the development of this company, its business partners, customers and the entire New Zealand society?

# COMPETITIVE SCOPE I COST DIFFERENTIATION COST LEADERSHIP COST SEGMENT) PROPERTITIVE STRATEGIC SECTOR) SEGMENT) FOR COST DIFFERENTIATION FOR COST DIFFERENTIATION

Fig. 1. M.E. Porter's Generic Strategies.

Source: M.E. Porter, Competitive strategy, Free Press, New York 1980.

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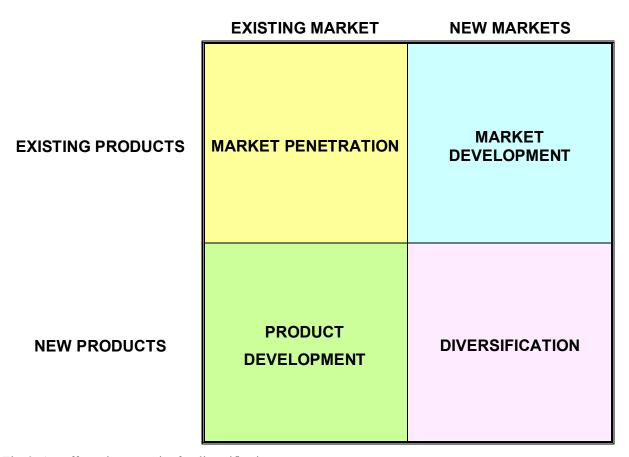


Fig. 2. Ansoff matrix: strategies for diversification.

Source: H.I. Ansoff, Strategies for diversification, "Harvard Business Review" 1957, Vol. 35, No. 2.

References: Marzena Jankowska-Mihułowicz, *The strategic importance of implementing an ecolabelling program in a company* – *on the example of the Environmental Choice New Zealand (ECNZ)*, Instruction for classes (exercises) for Pilot course on "Environmental labelling in circular economy", on-line event within the ECOLABELLING project (Innovations in circular economy – environmental labels and declarations), Visegrad+ Grant No. 21920002 (2019-2021), Poland, Rzeszów 05.02.2021. https://ecolabelling.prz.edu.pl/en/pilot-course-on-environmental-labelling-in-circular-economy

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