



Posted on Sun, Jun. 21, 2009

Green summit to offer how, why

Nudging industry into sustainability

By Diane Mastrull

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On display in the lobby of Aerzen USA Corp.'s manufacturing plant in Coatesville is a sample of its work: a 227-pound, cast-iron-and-steel rotary lobe blower used to aerate wastewater, among other things.

But president Pierre Noack takes no offense if visitors to the 40,000-square-foot facility make more of a fuss over the building's design.

After all, it's not every day you see walls made of straw bales.

Then again, Aerzen is not just any industrial company. With a gold Leadership in Energy and Environmental Design (LEED) certification from the U.S. Green Building Council, it has one of the greenest production digs in Pennsylvania.

Organizers of a manufacturing summit set for Wednesday in Whitemarsh hope Aerzen's story - why it went so green and what that eco-investment has meant to the company's bottom line - will inspire other firms to embrace sustainability.

If that does not move the uncommitted, the likelihood of double-digit utility-rate increases when state caps are lifted in 2011 should, said Joe Houldin, chief executive officer of the Delaware Valley Industrial Resource Center.

It has put together the forum as both a sustainability primer and a wake-up call.

By next spring, Houldin said, manufacturers should commit to spending money to become more energy-efficient "or else . . . get creamed" by their electric bills.

Given tight credit markets and the sagging sales that are threatening companies' very existence, Houldin said he did not expect an immediate rush to sustainability from a segment of the business world that has not been "filled with tree-huggers."

"Between now and the end of the year, it remains pretty much a heavy lift to sell this stuff," he said.

Still, he is hoping the summit - at which experts will outline state and federal financial incentives for reducing material and energy waste and implementing renewable-energy alternatives - will nudge manufacturing executives in the direction of sustainability.

For years, Houldin said, manufacturers were of the notion that "you can either make money or take care of the environment. You can't do both."

Yet over the last decade, manufacturing has been adopting the so-called Lean strategy, a process that emphasizes eliminating all waste - organizational and otherwise - to improve the bottom line.

Manufacturers should think of the green movement as a logical next step, Houldin said: "In today's world, there's a financial win for going green."

Showing companies how is the Industrial Resource Center's aim.

Created in 1988 by the Pennsylvania Department of Commerce, the center is part of a state network of seven private, nonprofit corporations that help small and medium-size manufacturing companies adapt to changing markets and the competitive pressures of the global economy.

For this week's summit at the Whitemarsh Valley Country Club, the center has assembled a panel of experts on energy, the environment, manufacturing, and finance.

Aerzen's Noack will be among them - though hearing about his company's \$5 million complex is nothing like seeing it.

Green features include woods from sustainable forests, earth tubes that pump fresh air into the production area, energy-efficient appliances, recycled office furniture, concrete containing 40 percent fly ash or slag, rain gardens, many windows - even in the factory - and, of course, those straw bales for wall insulation.

A full return on investment is not expected for five to 10 years, he said of the complex, completed in January 2008, but energy costs are already less than half what they were at Aerzen's previous site.

The main message Noack wants to impart at the summit is that going green "doesn't mean you have to build a new green building. Do a little bit here and a little bit there."

Sandmeyer Steel Co. will be represented in the audience. But Rod Sandmeyer, executive vice president, said he had already seen the light.

His 57-year-old Northeast Philadelphia company, a manufacturer/distributor of stainless-steel and nickel-alloy plate and plate products, agreed to participate in a pilot program the Industrial Resource Center launched in January to help manufacturers assess how they might become more efficient, reduce costs, perhaps even adopt a green business model.

The center estimates Sandmeyer could save \$140,000 a year in energy- and environment-related costs with a range of steps that would pay for themselves within three years. Among the suggestions: \$160,000 in energy investments, such as replacing manufacturing motors with more efficient ones.

Sandmeyer has a team reviewing the center's work, to get a better sense of the capital investments that would be needed, the payback on them, and which are doable in today's economy.

Doing nothing is not an option, he said.

"Good manufacturing people are always looking at cost savings, always looking at more efficient ways to use their energy, such as upgrading lighting, improving [heating/ventilating/air-conditioning] efficiency, or insulating a building to preserve heat," Sandmeyer said.

"It's just costs going out the window if you don't."

Summit's Details

Delaware Valley Industrial Resource Center's "Sustainability - People, Planet, Profit" summit is set for 4:30

to 8:30 p.m. Wednesday at the Whitemarsh Valley Country Club,

815 Thomas Rd., Lafayette Hill.

Cost: \$75 per person. **Registration:** Online at www.dvirc.org or call Kelly White at 215-552-3827.

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