

Professional Standards Advisory PS-12 (October 2009)

QUESTIONABLE ENVIRONMENTAL CLAIMS AND ENDORSEMENTS (GREENWASHING)

All PRSA members pledge adherence to the Society's Member Code of Ethics. As issues arise relating to the practice of public relations, the Board of Ethics and Professional Standards (BEPS) is charged with providing guidance on such issues within the framework of the Code provisions. The PRSA Board of Directors then announces these guidelines through this series of professional standards advisories. The PRSA Member Code of Ethics may be found online at www.prsa.org.

ISSUE: As the United States appears to be entering a resurgence of concern and attention to environmental sensibility, sensitivity and preservation, there is an equal and, perhaps, accelerating use of environmentally friendly endorsements, which may be inaccurate, exaggerated or completely unfounded. Practitioners are advised to examine each of these claims of environmental responsibility, compliance, sustainability or even of public or customer acceptance, with an eye toward assuring that, when used, these accolades are clear, grounded in facts, information and data; and are valid, reproducible and appropriate.

BACKGROUND: Environmental endorsement claims likely come under regulation, scrutiny and rules associated with state advertising laws, standards and practices imposed by the various state and federal Environmental Protection Agency (EPA), Federal Trade Commission (FTC) and industry standards, such as Leadership in Energy and Environmental Design (LEED®) certification program of the U.S. Green Building Council, www.usgbc.org; American National Standards Institute (ANSI), <http://www.ansi.org>; the International Organization for Standards (ISO), <http://www.iso.org/iso/home.htm> and other green rating organizations like Green Seal, <http://www.greenseal.org>; Ecologo, <http://www.ecologo.org/en/redirect.asp>; and cradle-to-cradle certification by MBDC, www.mbdc.com/c2c/.

This Practice Standard Advisory is designed to alert communicators to all of these areas of restriction, regulation, control and rule, as well as good communication practices that adhere to the PRSA Code of Ethics and its Code provisions and values.

The FTC has been following companies claiming to be “green” in their business practices or products for many years. It published a set of guidelines in 1992 that established “Green Guides” for claims of biodegradability and eco-friendly products. Recently, there has been a new rush to claim the “greenness” of a product or service. With one-third of consumers checking labels for environmentally positive products, it has become a key motivator in purchasing decisions.

According to a recent *USA Today* article more than 10 percent of advertisements in major publications contain a green claim. (http://www.usatoday.com/news/washington/environment/2009-06-21-green_N.htm)

State laws, for example, require that all advertising be truthful. In theory at least, ads that fail to meet the standard can be legally contested and, perhaps, even attacked by relevant authorities. Ads can be truthful yet incomplete because the information provided omits some information that collides with practices already in place by a vendor, manufacturer, sales organization or industry. Information can be erroneous through three mechanisms:

- Omission (intentionally and unintentionally limiting information)
- Commission (intentional but perhaps harmless action) and;
- Negligence (intentional actions knowingly putting people, animals or living systems at risk).

According to sourcewatch.org, *greenwashing* is defined as the unjustified appropriation of environmental virtue by a company, an industry, a government, a politician or even a non-government organization to create a pro-environmental image, sell a product or a policy or to try and rehabilitate their standing with the public and decision makers after being embroiled in controversy.

Companies are eager to differentiate their product from the competition. An increasingly more common method is to claim the product as “green”, environmentally friendly, carbon neutral, sustainable or some other difficult to define status. Public relations professionals serving companies that may employ claims of this nature should clearly understand their responsibility to educate decision makers about the potential damage to the reputation of the company if these claims are shown to be false, misguided or misleading.

[TerraChoice](http://www.terrachoice.com), an agency focusing on environmental marketing, conducted a recent study after purchasing a total of 2,219 products at big box stores throughout the United States and Canada that displayed environmental claims. There were a total of 4,996 claims from this group of products. TerraChoice identified 98 percent of the green claims to be false, misleading or merely vague. (Study available at www.terrachoice.com).

Types of green claims are varied but include such areas as:

- Sustainability
- Compliance
- Uniqueness
- Endorsements by environmental groups
- Apparent endorsements by government agencies or utilities
- Independent third-party verification/certification
- General "greenness"

RELEVANT SECTIONS OF THE PRSA CODE: At least four Code provisions and six professional values relate to this issue.

Code Provisions

Free Flow of Information: Withholding, embellishing, distorting or outright lying; attempting to interfere with the free flow of information.

Competition: In many areas of communication, related to environmental issues and concerns, organizations, institutions and individuals may attempt to claim superiority in their claims for environmental sensitivity and validity.

Disclosure of Information: The area of greatest concern, because many claims, endorsements and purported validations are difficult to evaluate regarding their merit, truthfulness and/or accuracy.

Enhancing the Profession: This area of practice presents an extraordinary vulnerability to the profession because environmental claims are often leveraged by public relations practitioners in supporting literature.

Professional Values

Advocacy. We serve the public interest by acting as responsible advocates for those we represent. We provide a voice in the marketplace of ideas, facts and viewpoints to aid informed public debate.

Honesty. We adhere to the highest standards of accuracy and truth in advancing the interests of those we represent and in communicating with the public.

Expertise. We acquire and responsibly use specialized knowledge and experience. We advance the profession through continued professional development, research, and education. We build mutual understanding, credibility, and relationships among a wide array of institutions and audiences.

Independence. We provide objective counsel to those we represent. We are accountable for our actions.

Loyalty. We are faithful to those we represent, while honoring our obligation to serve the public interest.

Fairness. We deal fairly with clients, employers, competitors, peers, vendors, the media and the general public. We respect all opinions and support the right of free expression.

EXAMPLES OF IMPROPER PRACTICES:

- Unethical practices

Unsubstantiated claims. Making green claims when you know the claims are unsubstantiated.

True but deceptive claims. Making green claims that are true but deceptive. For example, claiming a product is "CFC-free" when CFC is irrelevant and would have no reason to be an ingredient in the product.

- Media coverage

Media Post reports that FTC Slaps Kmart With 'Fake Green' Charges

www.mediapost.com/publications/?fa=Articles.showArticle&art_aid=107617 In its ongoing efforts to protect consumers from the increasingly sneaky "greenwashing" terms used by marketers, the U.S. Federal Trade

Commission (FTC) has charged Kmart Corp. with making "false and unsubstantiated claims" that its private-label paper products are biodegradable.

The Sunday Herald in the UK notes that [Firms guilty of making fake green claims](http://www.sundayherald.com/news/heraldnews/display.var.1596692.0.firms_guilty_of_making_fake_green_claims.php) http://www.sundayherald.com/news/heraldnews/display.var.1596692.0.firms_guilty_of_making_fake_green_claims.php It reports that the independent Advertising Standards Authority (ASA) upheld complaints about environmental statements in the advertisements of nine companies, including Toyota, Volkswagen, easyJet and Ryanair.

- Detecting the issue. TerraChoice (<http://sinsofgreenwashing.org/>) identifies seven types of dubious green claims:

The hidden trade-off. 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.

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.

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".

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.

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.

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.

False labels. Committed by a product that, through either words or images, gives the impression of third-party endorsement where no such endorsement actually exists.

RECOMMENDED BEST PRACTICES:

- Review product claims and make certain supporting marketing collateral and key messages accurately describe the product and avoid unsubstantiated claims.
- Avoid the problem
 - Product claims should be thoroughly vetted and defensible.
 - Developing environmental commitment, motivation and standards throughout your organization or your client's first, and then enacting real change to meet those new standards is the only way to effectively manage true green marketing and the claims that are associated with them.
 - Language describing the products' attributes should be clear and not intended to deceive or influence the consumer through false or misleading claims.
- Ensure what you have to say about your product's environmental claim is important for consumers to know.
- Be sure your green claims educate consumers rather than confuse them.
- Ensure that your green claim is completely substantiated and that you have the evidence to back up the claim.
- Make your claim specific. Eliminate potential for misinterpretation of the claim.
- Double check to make sure your claim is legal in every state where your product is to be marketed or where advertising and communications work is executed.
- It is advisable that your product claim be connected to your company's or client's overall environmental commitment and performance. For example, it won't matter to consumers if your product is 100 percent

sustainable if, in the process, you pollute your community's ground water aquifer for the next thousand years in the manufacture of that product.

FOR FURTHER REFERENCE:

Visit the Greenwashing Index (<http://www.greenwashingindex.com>) from EnviroMedia and the University of Oregon where browsers can rate ads and determine if product claims should be considered "most authentic" or a "worst offender".

Download the Seven Sins of Greenwashing report from TerraChoice at <http://sinsofgreenwashing.org/>

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Edwards, Rob. "Firms guilty of making fake green claims." *Sunday Herald* [Scotland] Aug. 4, 2007. Print.

Frause, Bob and Julie Colehour, *The Environmental Marketing Imperative*, Probus, Chicago, IL, 1994

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