The Soap and Detergent Association (SDA)

Strategic Social Responsibility Case Study

Background: The Soap and Detergent Association (SDA) is a trade association for 110 manufacturers of household, industrial and institutional cleaning products; their ingredients and finished packaging; and oleo chemical producers. SDA members produce more than 90 percent of the cleaning products marketed in the United States.

How Strategic SR Ties to Its Mission: SDA's stated vision is "to be the most effective trade association of its type in the world" while accomplishing its mission of "enhancing health and the quality of life through cleaning products and practices." It believes as an organization that by incorporating social responsibility practices into its operational and strategic fabric, it will indeed become more effective and meet its mission and goals.

Strategic Environmental SR Initiative:

SDA Role in SR: Members have asked the association to find ways to communicate the industry's innovation-heavy history to the public. They point to early recycling programs, research developments in biodegradability, environmentally sensitive packaging, and product stewardship. They are especially eager to promote their latest innovation: highly concentrated laundry detergent that reduces packaging and water use, and saves energy.

Core Competencies Engaged: Research, wide membership scope, strategic communications, partnering abilities

What SDA Is Doing:

- --Funding groundbreaking research into various environmental issues, such as a \$370,000 joint initiative in 2007 to study household "graywater" (wastewater that originates from residential clothes washers, bathtubs, showers and bathroom sinks) and its effect on soil, human health, and groundwater quality. The study is the second phase of a collaboration between Water Environment Research Foundation and SDA for long-term study on landscape irrigation that uses household graywater. The first phase (2006) developed an in-depth literature review, resulting in one of the most definitive sources of information on graywater effects and identification of potential knowledge gaps for study in phase two.
- --Collaborating with a range of organizations and members, including ingredient and packaging suppliers and nonprofits such as the Water Environment Research Foundation (WERF) to conduct joint research and innovate new manufacturing practices and products that "live out the industry's commitment to deliver valuable products to consumers while reducing their environmental impact."
- --Offering monetary awards for sustainable innovations related to its industry. In May 2007, it partnered with the National Biodiesel Board to present a Glycerine Innovation

Award to encourage new, high-value, and environmentally sensitive uses for glycerine. Glycerine is an important by-product of biodiesel manufacturing that can be used as a chemical building block to supplement petroleum-derived products.

--Publicizing its succinct "Principles for Sustainable Development" statement, which clearly defines its commitment to advancing human health and environmental quality, social well-being, and economic growth. The 2004 document is compelling because it is specific, public and well beyond the common language of "obey the spirit and intent of all laws and regulations" found in many CSR statements. Its 12 tenets range from "to innovate to improve products both in terms of performance and environmental impact" (economic sustainability) to "promote transparent communication of safety and handling information across the chain of commerce" (environmental sustainability) to "support society's efforts to enhance public health and well-being through improved hygiene and sanitation" (social sustainability). See Principles below or visit www.cleaning101.org.

--Linking not only to association SR documents but to sustainability or SR statements of its members (23 as of June 1, 2007);

--Actively helping its small- to mid-size members learn how and why to identify which activities already fall under the umbrella sustainability principles;

Return on Investment to Date:

- Successfully fostered innovation in sustainable practices. Through its award
 program and publicity efforts, SDA has publicly and monetarily rewarded new
 technologies that have led to major environmental advantages for industry
 members, including consumption of glycerine (a renewable resource) instead of
 propylene (an oil derivative), a 10-fold reduction of water consumption, and an 8fold reduction of chlorinated residues. This progress also has led to numerous
 commercially viable corporate patents.
- Developed and strengthened new partnerships, such as with WERF.
- Substantively forwarded knowledge in the environmental and industry fields. The SDA/WERF report of 2006 revealed that some constituents in typical graywater are known to be potentially harmful to plants singly or in combination with other chemicals in graywater, but "it remains to be documented whether or not these constituents will accumulate in the soil in sufficient quantities to harm plants or perhaps be transported below the root zone, possibly to the groundwater, during the rainy season." A 1998 report prepared for SDA noted that graywater is reused as a means to conserve potable water and to reduce demands on wastewater treatment. Other research also has led to tangible benefits.
- Used research results and ongoing study efforts as risk management tools, namely to provide decision makers, water agencies, regulators, product manufacturers, and consumers with scientifically sound information. In one case, it is to help ensure the safety of household graywater reuse for landscape

irrigation, to guide members toward data-based business practices that are environmentally sound, and to reduce the likelihood of mandatory regulation. States in the Southwest have attempted to regulate graywater reuse in the absence of definitive environmental safety data. In another example, SDA has testified on the effects of legislation such as The Responsible Renewable Energy Tax Credit Act of 2007, which the industry views as "a critical first step in restoring a balance between biofuel production and other 'green industries' such as the domestic oleochemical industry, which have historically relied on some of the same raw materials.'

Strategic Social/Economic SR Initiative:

Core Competencies Engaged: Research, wide membership scope, strategic communications, partnering abilities with corporate members and others

What Is SDA Is Doing?

- --Executing its popular SNAP (School Network for Absenteeism Prevention) initiative, which launches a hand hygiene campaign every September and aims to reduce the 22 million school days lost due to the common cold. The CDC believes that proper hand washing is the single most important thing people can do to prevent illness and its spread. Classes and schools compete to create innovative educational tools that make proper hand washing a priority; winners receive a free trip to Washington, DC, and a public award reception with top CDC officials and media. The program continues to grow rapidly as more schools learn about it.
- --Conducting consumer research related to public expectations and understanding of sustainable development, as well as the industry's role in it, so the association can help members market and prioritize their SR activities more effectively. A recent survey of 1,000 consumers asked if they were familiar with the term sustainable development; 82 percent said they were not. That leaves SDA wondering what terminology to use when explaining its sustainability principles to the public and members.
- --Launching a consumer Web site of quick, useful, fact-based information about the safety and effectiveness of cleaning products (CleaningProductFacts.com). Content includes how to use and dispose of cleaning products safely and with environmental sensitivity. SDA believes the benefit of having such a site "are more critical than ever, given the flood of misinformation and often irresponsible, broad-based attacks that pop up in books and on TV...." The site went live in April 2007.
- --Actively supporting National Poison Prevention Week (March 18-24) annually to highlight the dangers of poisonings and how to prevent them. Its 2007 observance included sharing 10 tips for poison prevention for parents of young children, since 90 percent of non-fatal poisonings occur in children under age 6. Two million poisonings are reported each year to the 61 Poison Control Centers nationwide, and more than 90

percent of these poisonings occur in the home. Nancy Bock of SDA currently chairs the National Poison Prevention Week Council of 37 organizations.

Return on Investment To Date: Although SDA's internal SR initiative continues to develop, the association already has seen some positive ROI:

- Won an ASAE Advance America Award for its 5-year-old "Healthy Schools,
 Healthy People—It's a SNAP" National Recognition Program, a public-private
 partnership with the Centers for Disease Control and Prevention, and thousands of
 schools nationwide.
- Development of strong cross-departmental involvement that has galvanized staff. SDA has many more SR initiatives in the planning stages, and internal workgroups are guiding the effort at all levels. CSR is very top of mind in every corner of the organization, says staff.
- Better understanding of public expectations toward the industry and its social, environmental and economic "footprint."

How SDA Measures Success: By benchmarking all of its activities against its stated sustainability values and principles below:

The Soap and Detergent Association Principles for Sustainable Development

The members of The Soap and Detergent Association are committed to the enhancement of human health and quality of life through the responsible formulation, production and sale of cleaning products and ingredients.

The members of The Soap and Detergent Association will strive to meet the following commitments to advance human health and environmental quality, social well-being, and economic growth. The association will support its members in meeting these commitments.

Human Health/Environmental Sustainability

- To only market products that have been shown to be safe for humans and the environment, through careful consideration of the potential health and environmental effects, exposures and releases that will be associated with their production, transportation, use and disposal.
- To promote transparent communication of safety and handling information across the chain of commerce.
- To support basic research to resolve uncertainties around human and environmental safety when they arise.
- To obey the spirit and intent of all national laws and regulations.

Social Sustainability

- To contribute to a better quality of life for our consumers, business partners, employees and the communities in which we operate.
- To develop products and ingredients that effectively deliver claimed benefits.
- To promote the safe use of our products with the public.
- To support society's efforts to enhance public health and well-being through improved hygiene and sanitation.
- To maintain a high level of product stewardship through the chain of commerce.
- To operate our manufacturing facilities with due regard to the health and the wider environment.

Economic Sustainability

- To contribute to economic growth, including the economic success of the industry's shareholders, employees and communities.
- To innovate to improve products both in terms of performance and environmental impact.

Contact: Brian Sansoni, vice president of communications and membership, (202) 662-2517, bsansoni@cleaning101.com

Good Quote: "Over the years, cleaning product manufacturers have adapted and innovated, introducing new and better products, technologies and ingredients, reducing their environmental footprint while enhancing health and the quality of life," said Brian Sansoni.