Businesses as Partners and Catalysts of the Smart Growth Movement



Chris Ryan, Coordinator, Environmental Innovation Program
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About BCLC

- Program of the U.S. Chamber of Commerce Foundation
- The Business Civic Leadership Center (BCLC) is a resource and voice for businesses and their social and philanthropic interests.
- Showcases business best practices, facilitates collaboration across sectors, and creates resources to maximize the CSR programs of our member companies

Environmental Innovation Map

- Promotes the wide range of ways that businesses are creating solutions to environmental challenges
- Represents over 100 solutions from small, medium, and large businesses across the U.S.
- Divides projects into 'Products', 'Social', 'Processes', and 'Leadership' categories

Tesla Motors – Creating EV Infrastructure



Recyclebank – Social Media for Recycling



Meta Trends: How Businesses Approach Smart Growth

- Businesses are approaching Smart Growth in a number of ways
 - Implementer of smart growth plans
 - Drivers of the recreation of cities to lower environmental impact, increase mobility, and offer better services
 - Partner in the development stage

IBM – Smarter Cities

"Smarter cities drive sustainable economic growth and prosperity for their citizens. Their leaders need to have the tools to analyze data for better decisions, anticipate problems to resolve them proactively and coordinate resources to operate effectively."

IBM's Smarter Cities Portfolio offers solutions in:

- Planning
- Infrastructure
- Public safety
- Energy & Water

- Social programs
- Buildings
- Healthcare
- Transportation

IBM & City of Dubuque, Iowa

- 60,000 population that has transitioned from agricultural hotbed to a mixed-industry
- IBM partnered with the City to give citizens access to information on how it uses natural resources like water and electricity
- Average water use has decreased by 6% since implementation, promising signs that energy use will also decrease significantly

Car2go from Daimler

"looking ahead, the city of tomorrow will have more concurrent infrastructures than ever before where improved transportation systems will have a significant impact on lifestyle. Neither cars nor trains nor buses will become obsolete, but they will be joined by newly customized transit solutions"

- Andreas Leo,



- •275,000 customers in 18 cities since 2008
- •Overall, 800,000 Americans belong to a car-sharing service (up 44% since 2011)

car2go

Zappos – Revitalizing Las Vegas

- In 2011, Zappos CEO Tony
 Hsieh decided to move the
 company's headquarters
 to downtown Las Vegas,
 an underdeveloped part
 of the city
- Zappos will be spending \$350 million to buy empty lots, seed new businesses, and subsidize local schools



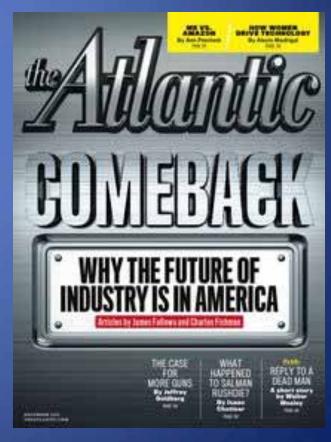
Why?

 "We realized those campuses were actually really insular and didn't contribute or interact with the community around them," he says. "We decided to turn it inside out, and rather than invest in the campus solely, let's invest in the community ecosystem, which will then feed upon itself and become a win-win-win for employees, for Zappos, for local businesses, for the city." - Tony Hsieh

Smart Growth as a Product of American Re-manufacturing Trend

Cover story of December 2012 Issue "The Insourcing Boom", by Charles Fistman

Companies like GE are starting to return the manufacturing process back to the U.S., reversing a 5 decade trend



Why is this Happening? Is it Sustainable?

Article lists factors like:

- More expensive gasoline = higher shipping costs
- Cheaper natural gas = lower operating costs at U.S. factories
- Gap between wages in developing world and U.S. closing quickly (Chinese wages today are 5X what they were in 2000)
- U.S. labor productivity still rising, meaning that labor costs are a diminishing part of the overall cost of goods

Businesses are Finding Unexpected Advantages

- Rediscovering the importance of having factories in same location as marketing, R&D, and other divisions
- Having manufacturing located closer to U.S. consumers means that companies can be significantly quicker in product improvements
- Easier to foster and protect innovations
- Businesses are realizing the importance of the location of where they manufacture goods

Supply Chain

- Major businesses have started to push out their sustainability principles and goals through their supply chains
 - Walmart and The Sustainability Consortium

As more and more businesses of all sizes implement more rigorous expectations of their environmental performance, the sustainability of the infrastructure and services they rely on (water, power, etc.) will also have to improve.

Impressions and Predictions

- There is a growing number of businesses whose main expertise is creating products and strategies for the cities of tomorrow
- Businesses are finding solutions to challenges smart growth thinking is attempting to overcome, including congestion, environmental externalities, and better public services
- Businesses are also reforming their supply chains to better integrate with smart growth cities
- Companies are driving smart growth through their real estate decisions and growth strategies

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