

Success Story

Sustainable Manufacturing User Group (SMUG)

harbor industries

Creating Exceptional, Sustainable Retail Experiences

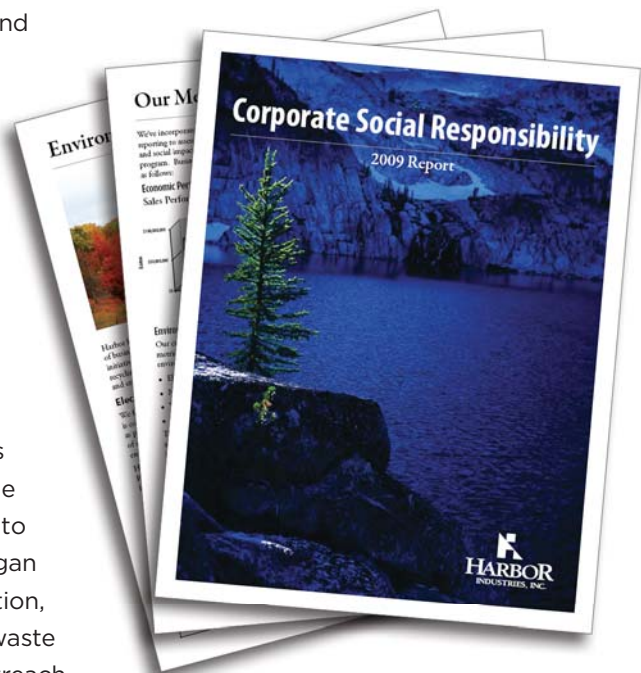
With more than 63 years as a family-owned business in Michigan, Harbor Industries creates exceptional retail experiences for consumers. As a leading comprehensive designer and producer of retail displays, fixtures and digital media solutions, the company opens new possibilities for connecting consumers and brands. A lot has changed since their early years and today Harbor Industries is one of the largest manufacturers of custom point-of-purchase displays and fixtures.

In 2006, Harbor Industries began a concerted effort to evaluate and change the way the company and its products impacted the environment through the triple bottom line business model. These aspirations were later able to be transformed into business strategies and practices through MMTC-West's Sustainable Manufacturing User Group (SMUG). Committed to promoting sustainable business practices, Harbor began incorporating eco-friendly raw materials into production, investing in innovative technologies; establishing waste reduction and recycling programs; and developing outreach and education programs for stakeholders. Ultimately, the organization's goal is to become a climate neutral, zero-waste company.

"Our priority is to put environmental and social responsibilities at the heart of our business while managing economic growth," stated Bob Johnson, Senior Designer, Harbor Industries, Inc., and active member of SMUG. "The advantage of reducing our impact affects more than the bottom line for the company; it will strengthen our communities, improve the environment, and protect our future."

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Bob Johnson, Senior Designer, Harbor Industries



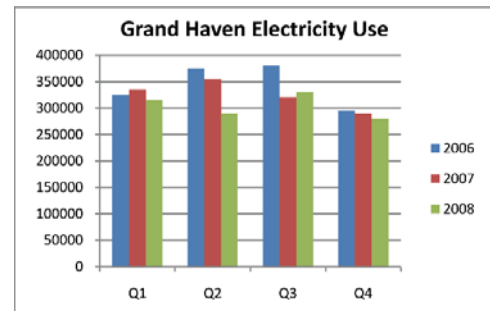
SMUG was created to assist West Michigan manufacturers address the increasing demand for "green" or environmentally sustainable products and services from Original Equipment Manufacturers (OEMs) and OEM suppliers. The group provides a roadmap to identify and

develop innovative products and processes by utilizing emerging sustainable manufacturing technologies and techniques.

In 2007, Harbor Industries joined SMUG and to help them develop a solid triple bottom line strategy. Knowing that any good strategy requires metrics, the company developed a set of business metrics based on the triple bottom line model of Economic Impact, Environmental Impact, and Social Impact.

Economic Impact

As a first step in their sustainable business journey, Harbor Industries chose to evaluate overall annual sales as their key performance indicator for economic impact. Implementing sustainable business practices through the triple bottom line business model has enabled Harbor to remain competitive and now consistently outperform industry peers.

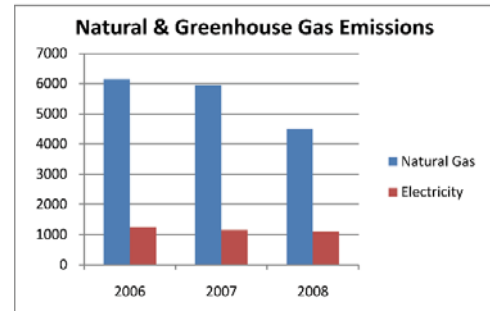


Environmental Impact

Harbor Industries tracks 5 distinct environmental aspects in evaluating the company's overall environmental impact:

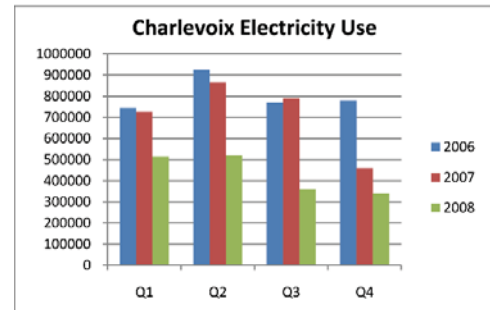
1. Electricity Use

- a. Harbor measures electricity use with the goal of reducing usage by implementing efficient operations and changing employee behavior.



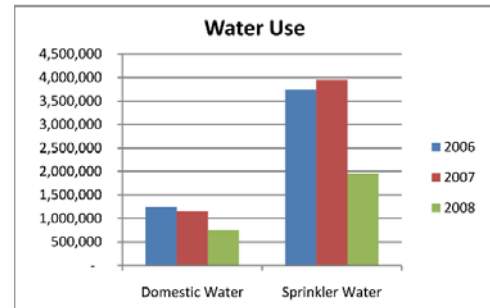
2. Natural Gas Use

- a. Harbor measures natural gas use with the goal of reducing usage by seeking alternative heating sources for production equipment and operations.



3. Water Use

- a. Harbor measures potable water use with the goal of reducing consumption throughout operations from employee use to production equipment use.



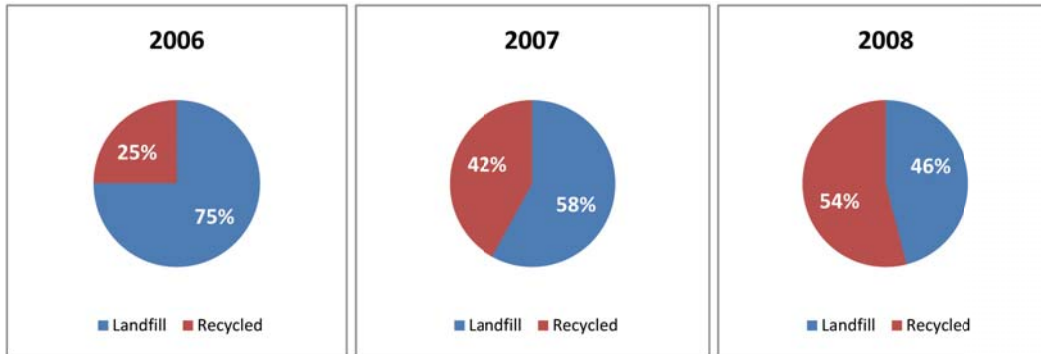
4. Waste to Landfill and Materials Recycled

- a. Harbor measures the amount of materials recycled versus those sent to landfills with a long-term goal of zero waste.

5. Greenhouse Gas Emissions

- a. Harbor measure scope I and scope II emissions through the GHG Protocol.

Materials Recycled



Social Impact

Harbor Industries, in developing their triple bottom line strategy, chose to focus their social impact in three main areas: Education, Volunteering, and Financial Contributions. Education priorities were dedicated to providing learning opportunities for Harbor employees on sustainability, health, and wellness. The company adopted the belief that the wellness of its employees was a responsibility of Harbor Industries. The program was devised to enhance the health and well-being of each employee, and offer healthier alternatives, reducing health issues and medical costs.

Harbor Industries participation in SMUG has enabled them to continue their sustainable business journey with a solid strategy for business growth, social care, and environmental conservancy. Through the company's participation in the user group, Harbor was able to review their product materials and processes and evaluate the impacts each had on the business and the environment. Using that information, product designers have successfully transitioned to safer product materials and chemicals, reducing the company's environmental impact.

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