

2015

## 2013 Academic Symposium

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## 2013 Academic Symposium Transcript

Participants: Bud Baeslack, Shannon E. French, Yvon Chouinard, Patrick Conway, Michele Hunt, and Chris Laszlo

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**BAESLACK:** Ladies and gentlemen, good afternoon. I'm Bud Baeslack, Provost and Executive Vice President at Case Western Reserve University. It is my pleasure to welcome you this afternoon to the 2013 Inamori Ethics Prize Academic Symposium. Joining me on stage today are Shannon French, Director of the Inamori International Center for Ethics and Excellence, Yvon Chouinard, the recipient of the 2013 Inamori Ethics Prize, and our distinguished panelists, Chris Laszlo, Michele Hunt, and Pat Conway. Please join me in welcoming our panelists.

Today we mark the sixth presentation of the Inamori Ethics Prize. We are here because of the vision and generosity of Dr. Kazuo Inamori and the Inamori Foundation, whose generous endowment created the Inamori International Center for Ethics and Excellence at CWRU and the annual Inamori Ethics prize. We are delighted that Mr. Toyomi Inamori, the Senior Managing Director of the Inamori Foundation, could travel from Kyoto, Japan, to join us this afternoon. Traveling from Japan with Mr. Inamori are key representatives from the Inamori Foundation and the Kyocera Corporation. We are very grateful to have you here to share this academic symposium with us.

I would also like to acknowledge our title sponsor, the Callahan Foundation, along with all of the other generous sponsors and community partners. You will find a complete list of these benefactors in your program. Their investment in the Inamori Ethics Prize Ceremony and the Center is attributed to our shared values and speaks to the importance of ethical leadership across our community.

In addition, we are delighted to have with us today students from several local high schools including Montessori High School in Shaker Heights, Cleveland Heights, Laurel, Hawken, University Center, and others, as well as members of our own global ethical leadership society called GELS. Thank you for being a part of today's events.

This symposium will be a panel discussion to explore ethical issues related to the work of this year's Inamori Ethics Prize recipient, Mr. Yvon Chouinard. Let me introduce our panelists to you, beginning with our 2013 Inamori Ethics Prize Honoree.

Yvon Chouinard has built a hugely successful outdoor clothing and gear company that is a model of ethical business. Business journalist Crystal Lutz describes Chouinard as the pioneer in corporate social responsibility. A dedicated climber, Mr. Chouinard taught himself blacksmithing so he could create the gear he needed and start a business, Chouinard Equipment, which became the largest supplier of climbing hardware. However, when he realized that the use of his products was harming the environment, he introduced new aluminum shocks that would not harm the rock. This was the first major business decision he made on behalf of the environment. It revolutionized rock climbing and led to the further success of the company. Chouinard founded Patagonia, Inc. in 1972. With Patagonia, he has been innovative in the quest to protect the environment, even when it hurt the company's bottom line, consistently shutting off profitable products for the sake of the environment. His goal is to create the best quality with the least impact, and Patagonia has become a leader for the industry to emulate. For example, Chouinard committed Patagonia to the use of pesticide-free cotton, spurring the creation of the organic cotton industry in California. Chouinard instituted the Earth Tax, giving 1 percent of Patagonia sales to grassroots environmental organizations, totaling millions of dollars, and cofounded 1% for the Planet in a conservation alliance. Chouinard is also committed to employee wellness, making Patagonia an outstanding place to work. The company provides healthy food, on-site daycare, flexible work schedules, and financial incentives for employees to work on local environmental projects. Distinguished journalist and author Tom Brokaw said of Yvon Chouinard, "He walks the walk more than anyone else I know in American business."

Joining Mr. Chouinard on our panel today is Patrick Conway. Mr. Conway is co-owner and founder of Great Lakes Brewing Company, a flourishing Cleveland business that has been an example of strong sustainable design for a quarter of a century. Along with his brother Dan, Pat has been a leader in the industry by establishing sustainable operations that support efficiency and profitability. Great Lakes Brewing Company, established in 1998 as the first brewpub and microbrewery in Ohio, employs smart green strategies, including the use of organic ingredients, biofuel vehicles,

energy-efficient design, and waste of food models that have set an example both locally and globally. Raised by Irish immigrant parents, Pat received his undergraduate degree from Loyola University and earned his master's degree from the University of Chicago.

We are also joined by Michele Hunt of DreamMakers, who is an internationally known catalyst and thinking partner to leaders of organizations and communities on leadership development, organizational transformation, and organizational effectiveness. Michele works with leaders and their teams to help transform their organizations to higher levels of participation, teamwork, and performance. Her work is rooted in the principles of shared vision, values, alignment, and continuous learning. Michele launched her firm in 1995. Her clients have included the leadership teams of IBM, Motorola, the Bright China Management Institute, BHP of Australia, the U.S. Veterans' Administration, [the] Food and Drug Administration, the National Parks Service, and many other major US and international organizations.

And rounding our panel today is our own expert in sustainable business and flourishing enterprises, Dr. Chris Laszlo. Chris is an associate professor, teaching sustainability, strategy, and organizational behavior at the Weatherhead School of Management here at Case Western Reserve University, where he is also the faculty research director of the Fowler Center for Sustainable Value. He is the coauthor of *Embedded Sustainability: The Next Big Competitive Advantage*. His earlier books include *Sustainable Value*, and *The Sustainable Company*. His work over the past decade has helped launch mainstream management approaches to sustainability for value and profit. Chris is also the managing partner of Sustainable Value Partners, a sustainable strategy consulting firm he cofounded in 2002. In 2012, he was selected a top 100 thought leader in trustworthy business behavior by Trust Across America. His forthcoming book in 2014 is titled *Flourishing Enterprise: The New Spirit in Business*.

We are pleased that you all have joined us today and hope you will take this opportunity to listen and engage our panelists on issues of business ethics and corporate social responsibility that concern and affect us all.

At this time, I turn the program over to Dr. Shannon E. French, the Inamori Professor in Ethics, who will moderate today's panel discussion. Thank you.

**FRENCH:** Thank you so much Provost Baeslack. Now I'm going to take the moderator's privilege of beginning the conversation with a set of questions of my own. However, I hope you notice that there are—in

the aisles—microphones. This is meant to be an interactive event, and so after we have gotten the conversation up and rolling for a little bit, I will be inviting you to queue up behind these microphones and we will also entertain questions from you until we run out of time. And by the end you will all hate me for calling time on everything.

So, to begin us in an interesting direction, just for fun, let's start off with a challenge to the entire idea of corporate ethics. In 1970, the late economist Milton Friedman wrote, "The social responsibility of business is to increase its profit," in which he argued that not only are corporations not required to take on social causes and responsibilities, but it's actually inappropriate for them to do so. Part of his argument was that corporations are immensely powerful but unelected entities and they can, therefore, exert undue influence to push their own agendas.

Yvon, we heard in the provost's introduction that you have been called a pioneer in corporate social responsibility. How do you respond to Friedman's charge that it's a misguided idea for corporations to focus on anything other than the financial bottom line? Oh no, I stumped him with my first question.

**CHOUINARD:** Well, first of all, I'm not a public corporation so I can do anything I want. I don't have stockholders other than ourselves. Friedman would say that you shouldn't be giving any money away from the corporation to nonprofits or to the symphony or whatever. You wait until the stockholders get a dividend and then it's up to them to give it away. I don't believe that's true because I make clothing, I'm a polluter; I am using up non-renewable resources. I encourage our customers to consume and I feel guilty about it. And I feel like part of what we should be doing is giving money back [as] penance, basically. And so I look at our 1 percent that we give away every year not as philanthropy but as a cost of doing business.

**FRENCH:** Would any of the rest of you on the panel like to follow up on that? I think that's a powerful idea, the idea of penance, that corporations owe something back because they are some of the ones doing the damage.

**CONWAY:** Well, at Great Lakes Brewing Company, we also adopted the 1% for the Planet. We have a real strong ethic toward taking care of our people and our planet. Our triple bottom line is our social, environmental, and financial bottom line, and I think that what's good about that is that we are trying to ameliorate any environmental damage that making beer might do, but we also are doing actually what our staff asked us to do. We

had a summit, [an] Appreciative Inquiry Summit, three or four years ago and we, since then, [have] it every year. And we asked our staff where have we been, where are we now, and where do we want to go as a company. Dishwashers, brewmasters, sales people, finance people, collectively we all said we need a stronger environmental position, we need to give back more as a philanthropic initiative and so that's what we have done.

When we hire, we hire for attitude and train for skills, so when we are hiring people we are looking for people who share the ethics and share the values, and therefore when you go to manifest your initiatives it's a much easier thing to do because the people you are hiring believe in what you believe.

**FRENCH:** Michele, I was going to ask you to jump in here because I think you have something to add to that.

**HUNT:** I served on the leadership team of Herman Miller for thirteen years. I was the Corporate Vice President for People.

**FRENCH:** Say that again, say that title. That's a unique title.

**HUNT:** Corporate Vice President for People. But regarding the question, at Herman Miller we were vision-led and values-based and we found it made good business sense to give back to the community. We hired from the community so people would look at our company as a responsible company. Also, communities would come after us to locate our facilities in their cities because of our corporate responsibility policies and decisions. So in the long run, it made good business sense to us. We could hire people, thousands of people were always applying for our jobs, just like you do, Yvon, and we got tax abatements, all sorts of benefits from participating in the community.

**FRENCH:** Chris, has some of this got to do with how we even understand success in any company?

**CONWAY:** Yes, I was just thinking that a lot has changed since Milton Friedman wrote that in 1970—in how companies compete.

**FRENCH:** I was born that year, by the way. So a lot has changed for me.

**CONWAY:** Well, how companies compete and create value has changed an enormous amount, as well. Back then we didn't have this amount of transparency that exists today, so companies could do things that were harmful to the environment and to society. And it was more difficult for consumers and employees and communities to uncover it if the company was intent on hiding it. But also what has changed a lot is that there really

has been an expectation on the part of consumers and employees and investors that companies are going to have a mission for good; that they are going to be not only not doing harm but that they are part of being a good corporate citizen, and this is important for consumers. We see it in consumer movements in various ways that [have] been measured, and we see it in employees and employee surveys that employees want to work for a company that is seen as being a good corporate citizen. So I think today I would say that companies that do not just focus narrowly on shareholder value as Milton Friedman was saying, but actually do focus on creating good, are finding ways that they can reduce costs. They can differentiate their products, they can attract better employees, motivate those employees more, their reputations become enhanced, and the intangible value of reputation is now much bigger than it was in 1970 across all sectors. So I think there are a lot of good business arguments for why companies that do good do well.

**FRENCH:** Yvon, let me ask you, do you have any skepticism that some of what companies do that appears to be doing good is for show [and] is to attract that consumer who cares, but it doesn't run enough levels deep? I'm just interested in your perspective on that.

**CHOUINARD:** Yes, there is a lot of that happening, kind of greenwashing stuff. Chevron gives an environmental prize of \$5,000 to some high school kid back in California and they send the corporate jet out to pick him up [to] take him back to the headquarters. They spend a million dollars advertising the idea of giving a \$5,000 prize. That's kind of greenwashing. We don't do the 1 percent for that reason; in fact, we didn't say anything about it for years, but then we realized that we weren't fulfilling our mission statement. The third part of our mission statement is to use business to implement solutions to the environmental crisis. So in other words, we want to encourage other companies to do similar things to what we are doing, and by being quiet about it, we weren't doing a very good job. So now, we talk about our 1 percent to encourage other companies to join in. And now we started an organization, 1% for the Planet, and it has twelve hundred or fourteen hundred companies, which all of us together contribute like \$100 million a year to environmental causes, something like that.

**FRENCH:** I'm interested; you use the language of environmental crisis, and last year in this very venue we had Dr. David Suzuki, our 2012 recipient of the same prize, making the same case that we are at a point of crisis. And I

was reminded of the fact that in Dr. Kazuo Inamori's philosophy he speaks of the importance of that feeling of urgency, that important recognition of emergency, and I'm interested to hear how do you keep that in the forefront of your mind? I'd actually like Pat, if you could weigh in on this. I know at Great Lakes Brewing Company you do a lot of efforts that are for the planet, that are aimed toward trying to address what is an urgent concern environmentally. Can you explain to us, for example, what is zero waste?

**CONWAY:** Well, the old paradigm of take, make waste is antiquated and not very commonsensical, so we adopted a plan and, first and foremost, I have to say that it all really does start, though, with making award-winning lagers and ales. Really, if we didn't make good beer then all the other things are probably of secondary importance. And last week was our twenty-fifth anniversary and we had a whole gala affair out in front of the brewery on Market Avenue, so for those that were there, thanks for your support, and to those who weren't there, I drank your portion.

The whole idea of zero waste was to say there must be a home for just about everything in your complex. So all the office paper, all the cardboard, all the plastic, food scraps, everything finds a home whether it is in a recycling plant or the food is composted. The barley, traditionally breweries give barley to dairy cow operations, which we do, but we also give [it to] Zoss Bakery. I see Barb over here from Zoss Bakery, and they bake all our gourmet pretzels and breads for our restaurant by using the spent grain. We [also] feed it to worms. We actually spread it out on fields both at Hale Farm, at our farm down the street from the brewery, and it's used as compost. We stave the use of synthetic fertilizers, herbicides, pesticides when we grow food, which comes back to the restaurant. So that beautiful circle of recycling has benefitted our company in the sense that I think our dumpster bill last year for a \$40 million company was like twelve hundred dollars. But what it really has done is get our whole staff much more empowered and excited and inspired. I think our customers and our staff are looking for inspiration, and people want to love things that are true. Like Yvon was saying, it's got to be true. It can't be greenwashing.

**FRENCH:** To the authenticity, true.

**CONWAY:** Drawn to the authenticity, and so we do that in an attempt to get to zero waste, and we're not at zero waste, but one thing we're considering is a digest to take the barley and then have it be created into fuel to power the brewery, but we need space that we don't have—but



Mitchell's Ice Cream, we give our low fill beers to Mitchell's and they make a chocolate chip porter ice cream. So instead of sewerage the low fill beer, we found a home for that, and so there [are] probably another hundred initiatives that I could get into, but the whole concept of zero waste is a huge part of what the company's philosophy is. In fact, [at] the Indians games or Browns games or Cavs games, if you ever take our shuttle bus, the fuel is run by our spent restaurant grease from our deep fryers and the fumes smell like French fries.

**FRENCH:** Well now, Yvon, at Patagonia you actually have a plan now where if I have a Patagonia item that breaks, you'll fix it. Isn't that correct? To try to keep people from just throwing things out or add it to the waste.

**CHOUINARD:** Yes, we have kind of gone beyond cleaning up our supply chain. I feel like we have gone almost as far as we can go in making our product as responsibly as possible, all the way to knowing exactly how many gallons of water goes into making a T-shirt and knowing what kind of water goes into making that T-shirt. Does the water come from rain? Does it come from an aquifer that is fossil water that is never going to be replenished? Is it coming from a dam that caused a lot of problems? Is it irrigated? So we make the decision to try to grow that, or buy that cotton in places where it rains, which causes the least amount of damage. So I feel like we have gone as far as we can with that.

But in our catalogs we have asked a lot of smart people to do essays on what an economy would look like that doesn't destroy the planet. And basically, we are destroying the planet at a rate that is pretty frightening, and the problem is, no matter how clean we make our product, it is a product that a lot of people really don't need, and so we came out with an ad in the New York Times last Black Friday that said: "Don't buy our jacket unless you really need it." So we're asking our customers to think twice about buying something from us, and if they really need it—great, thank you for buying it from us than from somebody else. If it breaks down, we promise to repair it, and in fact we will help you to repair it. We are coming out with a little repair kit that you can even sew through thick leather with and instructions on how to sew buttons and all of that, to encourage our own customers to repair their stuff, and then when the product is [no longer useful to you], you gain a bunch of weight or your kid has outgrown the product, we will help you find another home for it. So we will be selling used Patagonia stuff online and in some of our stores, and then when the

product is finally completely finished, we will recycle it into more clothing. So we are about 80 percent there being able to do that, in other words, [we] have products made from recycled fibers and recycling all our clothing. So we're trying to close the circle on consuming and discarding.

**FRENCH:** Michele, I wonder if you could add a thought here about the responsibility of the consumers. Because we are talking about what some companies are doing to try to encourage this behavior, but where does the responsibility fall for consumers and what are the trends that you see there?

**HUNT:** I am an optimist because of young people.

**FRENCH:** Well, we have some in the audience. We brought some for you!

**HUNT:** I see the younger generation as getting it, to the degree that the model of success is no longer pervasively to become a senior vice president of a corporation and have a lot of money and work until you die. The model seems to be, "I want to do good and do well, or do well by doing good." Social businesses are on the rise, by the way. The entrepreneurship young people are pursuing instead of joining corporations—let's get together and create value ourselves and see if we can't make a difference. But also the conscious consumer, the growth of the conscious consumer, is occurring. There is a thing called Apps for Good, applications for good.

**FRENCH:** Smartphone apps?

**HUNT:** Smartphone apps where, there's one called Barco, where you can point at a product and it will give you a report card or score card on how they're doing on green issues, how they treat their employees, how much they are giving to the community, by almost any measure, and it's a very, very popular app.

**FRENCH:** It starts with caring; then there are these tools that allow people that want to be responsible.

**HUNT:** I believe there's a movement occurring already, and if we could find a way to spread that movement where the conscious consumer—it's up to us how we buy, what we buy, who we buy from—then corporations will change their behavior because they need to get their products sold.

**FRENCH:** Chris, I'd like to bring you in here because I think you have some language that can help tie together some of what we've been hearing. In your scholarship, you've introduced the groundbreaking concept of flourishing, which is a step beyond mere sustainability. Can you tell us

more about that and maybe how it connects to what you've been hearing so far from your fellow panelists?

**LASZLO:** Well, [sustainability is] an empty concept in many ways associated with continuity and meeting material needs. While flourishing is a much more aspiring notion, it's one that can inspire and engage people. One way you can think of it is if someone were to ask you how your marriage is going, and you were to say, "Oh, it's sustainable." That probably wouldn't be a very good thing. So, what you would probably like to be able to say is, "Well, it's flourishing, it's thriving." So, the distinction between sustainable and flourishing is the distinction between the world that we all want, which is a flourishing world, and the world in which we just get by in. And frankly, in the corporate universe you find that a lot of companies that are working under the umbrella of sustainability are doing incremental things that are aimed at doing less harm; things like energy conservation or cutting waste, which they should be doing anyway as part of operational excellence. Now, to get to flourishing, this is what I want to propose here as part of the recent work that we've been doing at Case. To get to flourishing, business needs to pay more attention to the well-being of employees or people, not just in material terms but also in emotional and spiritual terms. And in particular, I would like to cite Kyocera Corporation, founded by Dr. Kazuo Inamori, on the belief that commercial success and the spiritual fulfillment of their employees is inextricably linked to being a good corporate citizen. Then we have Great Lakes Brewery and Fairmount Minerals that are two strong regional players that have gone above and beyond what we usually associate with sustainability in terms of their investment in the local community and in terms of their emphasis on [the] well-being of their people and the health and well-being, and creating really a thriving culture. Now, what these companies are finding, and by the way, there are many, many other companies that are starting to go beyond sustainability and business as usual, you know, Google, Timberland, Unilever, big and small, public and private, so I think it's an encouraging thing to see. And what these companies are finding is that by emphasizing the well-being of people in a holistic sense, they are able to have people experience a greater sense of connectedness to purpose and connectedness to who they are, and to other people and to the world around them. And this produces two important things. One is people who feel the sense of connectedness to purpose and to the world around them are more likely to care for the world around them and for future generations. But secondly, if you are in a company that is taking care of you in this holistic

sense, and you feel the sense of connectedness, you are probably more likely to feel loyal to this company and work there in a way that is more authentic, more creative, and more collaboratively; so it's good for business as well.

**FRENCH:** Pat, I think you wanted to comment here.

**CONWAY:** Yes, Emerson once said that we should laugh often and love much, and we do that all the time at the brewery. In order to create a creative air about the business, you need to make it light and we laugh all the time, and we party all the time, we celebrate things at a moment's notice.

**FRENCH:** You're not a grim dreary beer company?

**CONWAY:** We go on picnics together down at Hale Farm, one to be out in the beautiful countryside outside of Cleveland, and secondly to bring, inculcate our staff more into the idea of the take/make/remake and see how we are using brewery waste to grow vegetables, and then we picnic there. We go to Browns games together, not that that's psychological health, the attempt was for that, but, we go to Indians games. We are going to be coming to the Cleveland Orchestra and the Cleveland Museum of Art because we help sponsor these entities. We want our staff to be closer, to see what these jewels are in their own backyard, but we also have a wellness center for smoking cessation, weight loss, and cardiovascular health. And we are always doing things to encourage our staff to be more of a team, the esprit de corps that comes from working together, but also having fun together. And I don't think enough people talk about having fun in the workplace. For so many people it's a drudgery to go to work, but I would say our staff, I see Mary Lavinia back there and Katie Simmons, I think that they enjoy coming to work every day because they seem to always have a big smile on their face, and I think that comes from letting people smile and do things as a group.

**FRENCH:** Well, I think this is the appropriate time to bring Yvon back in, because there is certainly a unique climate at your corporation, at Patagonia, and I think there are some parallels to what we were just hearing in Pat's description. Can you tell us more about what is it like to work at Patagonia?

**CHOUNARD:** You have to recognize that when Friedman gave that quote, times were different. I mean, there were some social clubs. After work you went to the pub, there was a lot more sense of community than there is now. Now people are very isolated in their lives and so a business has a responsibility to do something about that, just like Pat was saying.

And so I want my employees to come to work on the balls of their feet, running up the stairs, can hardly wait to go to work, instead of having that division between work and your family life and work and play. I want to blur all that distinction. And so I want our kids to be at work.

**FRENCH:** And didn't you innovate childcare on-site way back in the early 1980s when it wasn't being done?

**CHOUINARD:** Yes, we used to come to work and put our kids in cardboard boxes on the desk. And then one year we got a screamer. So my wife said, "I've had it. Let's start a childcare center." And when we did, we were only one of I think one hundred fifty on-site childcare centers in America, and now I look at those kids that come out of there as our best product because they were raised [by] the entire village. Instead of a kid being raised by a mother at home who is not working and plugs them into the television all day, and when you say hello to one of those kids they hide behind their mothers' skirts, our kids go up and shake your hand, and they're confident. When they do end up going to school, they're the best kids in school. I just got a new granddaughter.

**FRENCH:** Congratulations!

**CHOUINARD:** My daughter goes down and nurses her whenever she gets a little buzz from the childcare center and the kid, she's only ten months old, she's with other kids who are one year old and they're walking, and by God she's going to walk. And she's going to walk as soon as she possibly can. So it's a real difference in having people all working and living together than, you know, work is over there, families are over there, sport is over there. That's why, if you're a serious powder skier, when do you go powder skiing? When there is powder snow, right? You don't go next Tuesday at 2:00 p.m. And it's the same with surf, and that's why the title of my book, *Let My People Go Surfing*, is that. You can walk to the beach in Ventura where our headquarters is, and when the surf comes up the place cleans out. Everybody goes surfing. So what? I don't care when you work. All I care is that the work gets done and you do superior work.

**FRENCH:** So you believe the adage that it takes a village, and you built your own village.

**CHOUINARD:** That's exactly right. I think that's the responsibility of business these days.

**AUDIENCE:** My name's Abraham. I'm a business student here at Weatherhead, the business school here at Case. This is directed toward Yvon. You know, in my perspective, buying a Patagonia garment there is an incremental social and environmental benefit versus buying a conventional garment from another larger manufacturer. Patagonia also sells their garments at a premium and it makes sense for the technical apparel, for climbing, and that kind of stuff, but for a normal T-shirt I think, you know, there's that incremental benefit on the world. The people that made that garment got paid fair wages, and everything that the Patagonia has done to make that garment, they have tried to source as sustainable as possible. And I think, could Patagonia have more of an overall benefit to society if it was able to produce garments, you know, that were more obtainable, not sold at a premium? And I was just wondering your thoughts on that, if there was any kind of an initiative or some kind of consideration from Patagonia.

**CHOUINARD:** Well, we're confronted all the time with whether we should use a recycled fiber that isn't as good a quality as a virgin fiber in making our clothes, and in a situation like that we usually bend toward the quality. Because since I'm taking responsibility of those products forever, I don't ever want to see them again. So I'm going to make them as good as I possibly can, so that they can be handed down to the next generation in the kids' products. I know somebody got a hold of me recently that they've had four generations of kids wear that one product. In Jackson Hole where I live in the summertime, the hottest things with high school kids is to wear their parents' old, old Patagonia stuff. And in fact, in Japan there is a huge market for used Patagonia stuff, and I can tell you the price is like ten times the original price. That's what I want. It doesn't do any good to go out and buy a Prius and give your old beater to somebody else, because it does nothing for the environment.

**FRENCH:** Oops! He knows that because we talked about it at lunch!

**CHOUINARD:** Actually, the most responsible thing is to drive your beater until it's completely gone and then take it to the junkyard and make it into more product. So that's our philosophy. But in every case that we can, we are really trying to use recycled materials in making new clothes as much as we possibly can, and we're about 80 percent there I think.

**FRENCH:** Let's take this gentleman over here.

**AUDIENCE:** I'm Will from Hawkins School High School. All of you talked about individual ways that companies can choose to take responsibility and give back. Great Lakes and Patagonia weren't obligated to do the things that you did. At the same time, government can choose to implement policy that sort of forces companies to take community responsibility. Do you think government should be doing more, that government can sometimes inhibit companies to take action, or do you have any ideas about that?

**CONWAY:** I think Uncle Friedman would probably say hands off, but I think that there's nothing wrong with asking the government to help activate some of these initiatives, give dollars to help fund various enterprises. It's a tricky slope, because right now we do it partly for magnanimous reasons and partly because it makes good sense, business sense. In fact, right now, in my heart of hearts, I know our customer base supports our company well beyond just the award-winning beer. They like the fact that we do these things, and that younger customer base really embraces it. But I wasn't sure in what particular program you are thinking the government might want to push or initiate or whether it was just a general question.

**AUDIENCE:** Exactly, yes.

**CHOUINARD:** You know, I think it's government's job to create a level playing field. And we have never had to deal with—come up to government standards—on anything. We're so far beyond any of that. Right now, we're working with about sixty or eighty multinational corporations around the world to create a consumer-facing index for clothing and shoes and stuff, to where the consumer will have the information they need to make intelligent choices. You'll be able to zap, with whatever electronic gizmo you have in a few years, a pair of jeans and they'll tell you everything about that. And we're doing that as an industry, not through government. Because we feel if government does it, it'll be watered down. It's just like you have to constantly fight to keep the organic standards for food high because government is a pawn of corporations and the corporations are always trying to weaken those laws, so don't expect government to do that job.

**FRENCH:** Go ahead, Michele.

**HUNT:** I do believe there's a role for government because if you're talking about the planet, if a company does it here and a company does it here, but the company next door is not doing it, it's going to mitigate the effects of the good company. So I believe that the government ought to be setting

the standards by which we in the private sector have to adhere to, those macrostandards so that we can begin to do something collectively to impact this planet. One other role, as I talked earlier about, Herman Miller would get generous tax abatements to lure us into bringing our manufacturing plants into communities. Well, that's a win-win situation there. That's a role government can actively play in partnership with luring in and giving abatements to environmentally responsible companies, companies that do well by doing good.

**AUDIENCE:** Good afternoon! My name is Peter. I'm a senior at Shaker Heights High School. First I want to thank the panel for taking time out of their very busy schedules to come and speak with us. I appreciate it.

**FRENCH:** We appreciate that, too.

**AUDIENCE:** My question is, so in terms of manufacturing, the torch seems to have been passed from the US to China and now it's rapidly moving over to India. Is it possible to overcome cultural, linguistic, and bureaucratic difficulties inherent within the Indian state so that they may be quicker to recognize and address difficulties of large-scale sustainability?

**FRENCH:** Let me see if I've got this right, because I can amplify a bit more. What he was asking about is, with so much of manufacturing moving/shifting to other countries; particularly you were interested in India, correct?

**AUDIENCE:** Yes.

**FRENCH:** How do we address some of these issues across cultural differences?

**AUDIENCE:** The linguistic, different dialects, and the bureaucratic difficulties, corruption in India.

**FRENCH:** In a global market, how do we get some of these themes working, not just domestically but internationally?

**CHOUNARD:** Well, you know, some of the sewing factories that we work with in Vietnam, Bangladesh, China, you can eat off the floor. And they have showers just like we do so that you can run and go back to work, they have cafeterias with healthy foods. I mean, it's a village and it's not a sweatshop. And in return, we give them business, and steady business. It's not like every year we look for the cheapest factory that'll make our Polo shirt, and so [on].

**FRENCH:** You commit to a factory that has good practices in the first place.



**CHOUINARD:** Yes, we go in partnership with these factories. And it's pretty amazing. They're doing a really, really, really good job, and they're paying higher than average salaries. Our responsibility extends not only to not using toxic materials in our clothing, but also labor practices. And in fact, years back we had to start our own organization, along with Nike, and the Gap, and Levi's, in an organization that goes and polices these factories. And we send our own people to double check, because we don't want to get caught, you know, with our pants down like Nike did.

**FRENCH:** And you don't have any factories of your own, right?

**CHOUINARD:** No, we don't own any factories but we can have tremendous influence on the factories that we do use.

**FRENCH:** Would any of the rest of you care to comment on this? Alright, thank you very much. Over here, please.

**AUDIENCE:** I'm a concerned citizen is probably the best way to describe it. I have two smaller questions, I guess, if that's okay, one for Pat and then one for Yvon. The one for Pat is, "Do you think that we can use that recycled biomass that you've modeled your company on in a larger scale?" I know that one of the surrounding suburbs in our area, Cleveland Heights, now they have passed a law allowing for chickens in your backyard, which is a totally different concept that I don't think it used in many other cities. Do you think that recycled biomass and natural composting can be applied not only to business but also to civilians and larger areas?

**CONWAY:** Yes, in fact we do have small amounts of barley that are in fifty-five-gallon drums that do disappear into various neighborhoods throughout the city and, as the brewery keeps growing, we will be about 25 percent this year over last year, so that means many more thousands of tons of barley. So yes, reach out to us and I'm sure we'll be able to accommodate your request.

**FRENCH:** And Pat, did I gather from your earlier comments that your employees, in learning about the ambition for zero waste at Great Lakes, take that home with them, right?

**CONWAY:** They take it home and they are inspired by the effort. In fact, we have a beer garden that has a radiant heat floor and radiant heat fireplace and straw bale walls, and the idea behind the radiant fireplace is that the stones pick up the heat and radiate it into the space, and one of our staff found that when we shrink wrap beer, we have these cardboard tubes left

over, and when we make Christmas Ale we have tons of cinnamons sticks leftover. He said, “Well, why don’t we dry the cinnamon sticks, put them in the tubes, crimp the edges, and make logs out of them.” So he took two waste streams and made fuel, and that was such an element, [a] little example of somebody on staff thinking creatively about this.

**FRENCH:** I bet that smelled good, too.

**CONWAY:** Yes.

**CITIZEN:** My other question is for Yvon, and it comes after watching 180 Degrees South, which is movie that I guess was put out in cooperation with Patagonia, and my question is, after watching that, I notice how humble you were just in your general demeanor for being such an important player in outdoor equipment, and my question is do you think that that role in your life as a fly fisherman, as a climber, that those things added to and really are the basis of your company? Because you talked earlier about penance, but I think also that it’s possible that you were really just passionate about those things and that’s what led you, sort of the humbleness in the face of nature, to become so important.

**CHOUINARD:** I’ve been a student of Zen Buddhism all my life just as a philosophy. And basically, especially the idea of not focusing on the end result, like you know, if you focus on the profits so hard, then you compromise the process. And for me profits happen when you do everything right. If you ask me how much money we made last year, I have no idea. I’m not even concerned with that, or how much I’m going to make this year. I just know that everything is going right and there’ll be profits. And I learned that in climbing, especially like in Yosemite, which is a valley, that you’ll spend ten days climbing a wall and you get to the top and, guess what, there’s nothing there. There are no seventy-two virgins up there. It’s all about the process. And the other thing I learned from sport is simplicity. The more you know, the less you need. It used to be in the 70s that he who dies with the most toys wins. It’s the opposite of that. And, in fact, I think I’m going to talk about this tonight, I’ve gone back to fishing the way I originally started fishing, fly fishing. I start out by going to a hardware store and buying a big cane pole, putting a line on the end and a worm, and that’s how I started fishing. And I’ve gone back to that, except I use a fly now, but no reel, a twenty-foot line, and I’m catching more fish than I’ve ever caught in my life. In fact, I taught a class recently to twenty women and their daughters, and I used this method—it’s called Tenkara, it’s a Japanese

method of fishing. And the outstanding student was a nine-year-old girl who caught seventeen rainbow trout in a day and a half. It's a really good lesson because everyone thinks that if we have to simplify our lives, if we have to go back to living in nine-hundred-fifty-square foot homes like we did in the 1950s that it's going to be a God-awful thing. You know what? It's going to be really satisfying.

**FRENCH:** Professor Heuer.

**AUDIENCE:** Hi! I teach in the School of Engineering, and the National Academy of Engineering recently tried to formulate the twenty engineering challenges for the future. And I thought they missed the boat. I think one challenge that engineers can certainly participate in, but we don't have the answers [for], is how we get to a steady state economy. One of the things that I find the real conundrum is [the] growth of a corporation, or growth of any industry, is hailed as a hallmark of success. And in the whole capitalist society we live in, growth seems to be a very valuable attribute. My question is how do we get to a steady state economy and how much growth can the planet stand? I will let any of the panelists answer that.

**FRENCH:** Thank you very much. Chris, do you want to go first?

**CONWAY:** Did you want to say something?

**CHOUINARD:** Growth is the elephant in the room that nobody wants to talk about. And we're using up the resources of one and a half planets worldwide. No matter how green we make our products, it's not sustainable, and by 2050, not very long from now, we're slated to use up the resources of between three and a half and five planets. So we can talk about corporations being responsible all day long; the real problem is there are too many of us consuming too much stuff.

**FRENCH:** Is part of that that we don't recognize what is enough? Our idea of what makes us happy is not correct? Go ahead, Chris.

**LASZLO:** I have a little different view on this. First of all, we have to remember that people are usually buying products and services for an outcome that those products and services enable. And it's true that we're moving toward multiple planets that we don't have if we continue the growth trajectory we're on, but you really have to make a distinction between extensive growth and intensive growth. With the current technologies, where to get to the outcomes we want, you are consuming an amount of materials that is to some extent dictated by the technologies and business models that we

have in business today. So you can imagine a scenario in which you have growth continuing for the next fifty to one hundred years, but it's moving increasingly into a growth based on servicing and on meeting, for example, emotional and spiritual and well-being needs that don't require consuming nonrenewable resources at the same rate that we are consuming them. So I think we have to make a distinction. It's not growth itself, which is bad. You have to ask yourself the question, what kind of growth?

**CHOUINARD:** I would have to add that, yes, the jobs are all in the service industry these days. That's because robots are creating those products that we're still continuing to buy. Robots and technology [are] destroying jobs. We have known that since the industrial revolution. So we haven't let up in our consuming at all.

**FRENCH:** You know, I think it's interesting; everything old is new again. The very ancient Greek philosopher Aristotle spoke of flourishing and spoke of it in terms of leading a virtuous life, and he also made the point that people who are on the wrong path try to feed the gap, the emptiness inside them, with all the wrong things. So it's never enough, it's always, if I have two boats, I'll be happier, perhaps three boats I'll be happier. Instead of finding happiness somewhere else, and I think both of your points can be understood in a sense, too, of needing to rethink what happiness is, what flourishing is, what success is in a way that doesn't necessarily get more stuff everywhere. Interesting. . . . Over here, please.

**AUDIENCE:** Thank you very much. My name is Grant. I would like to thank the panel, also, for being so provocative. I really appreciate it. And I'd also like to thank the Inamori family as these have been outstanding programs. Thank you very much. My question, I had many, could have been about buyer diversity, wildness, could have been about living systems, my question is about resolving conflict. What role do you think businesses have in resolving conflict around the world? So much of it is around today. Thanks.

**FRENCH:** That's an excellent question. Chris, go ahead.

**LASZLO:** Well, you know, it's interesting you should ask. We have a PhD student at the Weatherhead School who will be defending his thesis in about two weeks on this issue of role of business in mitigating conflict and in contributing to peace, and one of the things he has looked at is using identity theory to show how groups that come from different identi-

ties that are in conflict, when business comes in and creates employment opportunities, groups that come from these different identities to work in the same business suddenly, because they're motivated by the need for employment, because this is about building their lives, their identities can become deconstructed and reconstructed around a shared mission. And so business does have a role for peace in the sense that where you do have business operating across conflict lines, you have this potential to bring people together because they're colleagues and because they're looking for meaningful work and they get to know each other. They get to know each other in dimensions other than the conflict that separated them when they were other, the other group.

**FRENCH:** Michele, you mentioned earlier about partnerships where, with government help or not, communities partner with corporations. Can that also lead to some conflict resolution in a more local scale, as opposed to the international conflict resolution that Chris is describing?

**HUNT:** I would build on what Chris is saying, but I would apply it locally. At Herman Miller, we had a shared vision for what we wanted to create together, and it was born out of and rooted in shared values that the employees identified, so we had a highly participative process by which we created a compelling vision of who we wanted to become and where we wanted to go. But it was rooted in deeply held shared values. We ended up engaging our suppliers in the same process so that we made sure that everyone across—it's a global company, at the time it was a Fortune 300 company—so it ended up being that we didn't just include our suppliers and the people inside, we ended up including our stakeholders so that they could be more patient with us by knowing our story and knowing where we wanted to go. When you have a shared vision that transcends nationalities, transcends cultures, and that is aspirational; it does exactly what Chris is saying. People start working toward that macro-shared vision and the conflicts tend to decrease. So I don't know if that's helpful. I would say I do believe business has a responsibility and we saw that play out in apartheid. We at Herman Miller participated in that, and I was a big part of that. We made some very tough decisions, economic decisions, where to do business and where not to.

**FRENCH:** Forgive the public service announcement, but I'll also add, for those of you who are interested in this topic of corporations and conflict, we actually had a panel conversation about only that in 2010 that is still

available on the website for the Inamori Center. We had some international experts looking at the role of corporations and international conflicts, and I invite you to look up that video of that panel to expand on that point, as well. Over here, please.

**AUDIENCE:** Hi! My name is Lisa. I'm the founder of Revive. We're a social enterprise based in Cleveland, and we retail fair trade, socially responsible products from around the world. I personally also source and develop product with twenty-eight artisan groups. For that past seven years, we have fought tooth and nail to keep our business open, particularly a brick and mortar retail store, and I am asking the entire panel, what advice would you give to social entrepreneur looking to take their business to the next level in order to get to that state of flourishing.

**FRENCH:** Who would like to go first? Yvon, do you have advice?

**CHOUINARD:** No, I don't. I just don't. I just take it one step at a time in my own life and I still don't know what I want to do when I grow up.

**FRENCH:** Pat, help us out.

**CONWAY:** We're behind what Patagonia is doing in terms of finding out with whom we do business, suppliers which now are offshore, and we're trying to get better about buying, but we have reached out to local communities to have products available in our store and it's not been a success. Either the product was something that someone didn't find useful or the colors didn't jive or the price didn't match their pocketbook. So I guess, you know, what kind of products are being made is probably the most important thing, I guess right off the bat, is what is it that people are coming to market with and is it viable?

**AUDIENCE:** Right, and that's where I spend a lot of my energy in the development and design process, so we sell apparel and jewelry, for example everything I have on today, so I feel that the products are very marketable, but I also feel that there is a little bit of a disconnect between consumers who really are dedicated to buying socially responsible and also are willing to pay retail regular price for that. Sometimes we even come across questions of why aren't we a nonprofit and I think what profit are you even talking about? So we come across a lot of hurdles in a lot of different arenas, but I agree that the key is finding the right product. But I think in addition to that, we have always had a lack of funding for branding and marketing that we really need to do to get that mainstream consumer who's willing to spend.

**CONWAY:** We haven't given up on it. In fact, Katie Simmons is sitting back there and I can see her mind turning around over what other products we should introduce in our store, but just because we had some failures doesn't mean we have given up on it.

**FRENCH:** Chris, you wanted to jump in I believe.

**LASZLO:** Just to say you know, of course you have to have the right products. You have to eyeball the business fundamentals, right, but I think in the kind of social venture that you're in, there's an interesting shift you might consider between marketing based on what and how, and instead marketing based on why, so that what people will come to you for is because they feel that they share the same beliefs that you share. There's, by the way, a very interesting YouTube video on this by a fellow called Simon Sinek. He speaks about this over just a very short amount of time. It's been seen by well over 2 million viewers, so I would suggest you have a look at that—Simon Sinek—and tapping into something different than commercial brands tap into, you know, you're not pushing a product, you're getting them to buy from you because they buy from you because they see you as having the same beliefs that they have.

**FRENCH:** Can we take our question over here now, and I'm going to say this for all of our remaining questioners, with apologies, we are starting to run down the clock, so make your question as quick and precise as you can so that we can try to get as many of you as we can. Go ahead. Thank you.

**AUDIENCE:** I'm assuming that your employees are all supporters of the corporate culture you have created, which is a very special one, and I'm wondering what qualities you value most in your employees and management team, and how you recognize or reward that, those qualities that you value most.

**CHOUINARD:** For every job opening we have, we have an average of nine hundred applications. So we can really pick from people. And the one thing I look for more than anything else is passion. And it doesn't matter what passion it is, it could be for playing the piano or whatever, especially we look for passion for protecting this planet and an outdoor passion because it's easier to teach a person like that business than it is to take a businessman and have them passionate about saving our natural world. And so that's the number one. The other thing is I look for very independent people, so independent that I've had a psychologist say, "Look, I looked at all your employees and

they're so independent they're really unemployable anywhere else because they're not team players." But I look for that independence because they're smart people and if you can build consensus with them, you can't order them around because they'll just do a passive-aggressive response, but you have to build consensus and then they all move in one direction. So I look for independence and that way I don't have to work; I just leave them alone.

**FRENCH:** There's some method to your madness there. I love it!

**AUDIENCE:** How is that rewarded? How do you recognize those qualities or measure them, and then, if you will, reward them?

**FRENCH:** Oh, how is that rewarded? How do you reward independence?

**CHOUINARD:** Well I try not to manage them. I'm a terrible manager. I don't like anybody telling me what to do and I don't like to tell anybody else what to do, and in fact the business is so complex that I have no idea what's going on there. So they have to be independent. They have to come up with finding what the problems are and coming up with the solutions themselves.

**FRENCH:** Thank you so much. Over here, please.

**AUDIENCE:** Hi! My name is Erica. I'm actually a sustainability graduate from Baldwin Wallace and I'm here on an extended lunch break professionally, because I have a real job now, so I'll make it quick. I'm bad at improv, so I wrote it down, but I was recently on the High Line in New York City and I took a picture of the New York City skyline and I caught a Patagonia ad in the background and it was the very same quote you left with us a couple of minutes ago, which is the more you know, the less you need, and I was wondering, because Patagonia is taking a really backward kind of route in marketing their products, do you do market research on whether or not your customers indeed take up those habits, how long do people keep their coats if you're a Patagonia customer, do you wear your clothes to rags, and so in other words, has Patagonia done research on how they are impacting consumer culture through their marketing.

**FRENCH:** So if you say, "Don't buy this jacket," did they buy it or not?

**AUDIENCE:** Yes, do they listen?

**FRENCH:** Back to you, Yvon.

**CHOUINARD:** Oh, we've had fifty thousand people sign a pledge that they're going to think twice before buying anything. They're going to



become a different kind of consumer. No, we don't do any market research; we just do it seat of the pants. You know, I would love to do a billboard that shows a model with prestressed brand new jeans you know, with holes all over them and stuff, with slash marks on it, and then next to it is another model with jeans with patches all over it. Fashion is an incredibly powerful force and, like I said, I've gone as far as I can, I feel, in cleaning up our supply chain. The third part of our mission statement, influencing other companies, we've done that. Now we have to influence consumers because, you know what, that is the problem.

**AUDIENCE:** I just want to say my boyfriend got me into Patagonia clothing, and he has a pair of Levi's that he's been wearing for five years and continuously patches them, and I can't help but wonder if the purchasing philosophy is influencing the way he now takes care of his clothes, because he has about five hundred patches on his jeans.

**FRENCH:** There you go! Now we just need to make that the height of fashion so that responsibility becomes fashionable.

**AUDIENCE:** People tell him they're very fashionable jeans.

**FRENCH:** Well I like that! Responsibility as fashionable. Over here, please.

**AUDIENCE:** Do public companies have a fundamental flaw in that they need to constantly increase their stock prices and does this really prevent them from maintaining social and environmental responsibility, and can this be fixed with the current system we have right now?

**FRENCH:** I think some of our panelists may disagree on this question, so let's see, Yvon and Michele, I think you have different views on public companies.

**HUNT:** I 100 percent agree with what you just said, and here's another role the government could take, because what you measure and how you are measured, they're measured on a quarterly basis and there could be a shift, a policy shift, that could impact that. Now, having said that, I did work at Herman Miller for thirteen years and we found ways around that, and we found ways around that by telling our story so passionately that the people in government and other places, and the stockholders believed in Herman Miller so they gave us more time. We would tell them we were going to build energy centers, so we're going to be up in our operating costs and down in our profits this quarter, but that's still very difficult to do in today's environment.

**CHOUINARD:** I think a company like Herman Miller is very unique. Your average corporation has to grow 15 percent every year because, first of all, they sold you stock at anywhere from fifteen to forty times earnings. You know what that means? It's kind of like buying a house and you're paying forty times more what it's worth because you're hoping it'll appreciate one of these days. And they're selling it to ordinary people who have no idea what's really going on in the company. I mean, I have a friend at Merrill Lynch, very high up in Merrill Lynch, he says, you know, when we recommend buying a stock, we have no idea what's going on in that company. Look how many people were duped by Enron, you know? So it's a basic flaw in the system and I'm completely against public companies. I agree with Robert that there's no way they can be totally responsible.

**AUDIENCE:** How would you propose companies get funded in the way that they would?

**LASZLO:** Well, before we move on and write off public companies completely, I think we should see that the market context for public companies has changed. So the radical transparency means that these shenanigans that you know are going on, either on the society side or on the shareholder side, you know, the meltdown that we had in 2007–08 with the banks was an example of shenanigans going on the shareholder's side, right? But we also have a lot of it on the society side. But it doesn't last very long because public companies are open to great scrutiny. Now, public companies are increasingly having to pay attention to environmental health and social factors because their customers want it, regulators want it, communities want it, employees want it, and so on. So I would just give you all one example, okay? There's a company in Minneapolis called Tenant Company. It's a publicly traded company on the New York Stock Exchange. It's almost a billion dollar sales company. And the way they decided to differentiate themselves from the competition and actually create more value than competitors, was to go from a chemical-based approach to a chemical-free approach. So they used innovation to come up with a cleaning technology that uses simple tap water that is oxygenated and then you run an electric current through it, and it provides great benefits to the customer, to the environment, and it's helped this company grow much faster than their competitors. So I think you're going to increasingly see in the future that even the public companies are going to find opportunities to solve global problems, that there's a demand for solving global problems, and that they're being held to account like never

before, and please don't leave here thinking that public companies are it—the wolf figure in our future. I think instead we need to look at new forums, B Corporation is one of them, there are host of standards, as well, that are holding public corporations to greater account.

**CHOUINARD:** I agree that the strongest force is market forces, and that comes from all of us here. The government is pretty slow in, you know, making us a level, responsible playing field. But when you're presented with five different pairs of jeans and one of them is a two on responsibility and one is a ten, you'll be able to make intelligent choices, and that's powerful, that's really, really powerful.

**LASZLO:** By the way, can I just add that the jeans world has been rated recently by one of these groups, GoodGuide. They rated 102 jean brands and Patagonia was at the very top, number one.

**CHOUINARD:** I didn't even know about that!

**LASZLO:** And just in case any of you might happen to have this brand, the very last of the 102 is Diesel Jeans.

**AUDIENCE:** I'm Jalen and we're from Citizens Leadership Academy. And we are wondering what is the advice that you want all of us to leave here today with?

**FRENCH:** Oh, what an excellent final question! What is the advice that you want all of us to leave here with? Is that correct?

**AUDIENCE:** Yes. To start a business or in general.

**FRENCH:** Oh, to start a business? That's an important part that I didn't hear.

**AUDIENCE:** To start a business or in general.

**FRENCH:** Either one, general advice or to start a business, what do you most want them to take away from this afternoon's conversation?

**CHOUINARD:** Well, I think if we're going to save the planet, a few words come to mind and the most important one for me is simplicity, try to lead a simple life. So you know, it's the most difficult thing there is to do. Everything in society forces you to become more and more complex until we snooker ourselves into a corner and we can't even move. But we don't have to do that. We can choose to say no to a lot of things like that, and I think as a consumer, instead of buying a banana cutter or buying

anything that you see in *Sky Mall* magazine in the airlines, you know, here's a banana cutter that has these wires and you put a banana in there and you do that, and it cuts it in perfect slices. It does what a knife does perfectly adequately, but don't stop there! Don't use a knife! Just eat the banana! So see how simple you can make your life and I can tell you that it feels pretty good to outwit the whole consumer society by embracing simplicity.

**LASZLO:** Drink beer!

**CONWAY:** I would add that maybe it's time to redefine drink beer? We've been here an hour and a half and you finally mentioned that? Maybe just understanding what the definition of success is, and I don't think after hearing the panel here today, I think it's well beyond just the financial bottom line, it's a social and environmental bottom line, and are your employees happy? Are you giving back to the planet? And I think that whole paradigm shift of what success is, is critical and it cannot come at a more perfect time because we are struggling as a planet.

**HUNT:** I would say, go into your heart and find out what your passion is, and then what gets you up in the morning? When are you most excited? And then create a dream of what you want to do with that passion. So, create a powerful vision that comes from your heart and your head of what you want to do, and hold it up there like a North Star, let it shine brilliantly, but also get very clear of what's important to you, meaning what do you value most? If you put those two things together, a powerful, compelling vision that's born out of your deeply held values, I'll bet you that it will be something. That business first will flourish, and I bet you it will be a business that does well by doing good because that's what resonates when you start with the heart.

**FRENCH:** Chris?

**CHOUINARD:** You know, I wish I would have said that!

**FRENCH:** Thank you so much for giving us such a perfect closing question, although I do again apologize for those of you who waited so patiently and didn't get to ask your question, what a wonderful discussion and I'm so grateful for the engagement that we had in this hall today on these important issues. Now I did want to tell you, as we conclude here, our panelists will be moving to the Business and Community Sustainability Showcase that is in Thwing Atrium and that will also give you some chance to sample some of the efforts around the community on some of these same topics, but also our panelists will be there and you may be able to ask a question

you didn't get a chance to, so that was my promise. And also, I invite all of you to return to Severance Hall at 6:00 p.m. this evening. We will be, at that time, actually presenting the Inamori Ethics Prize to Mr. Chouinard, and he will be delivering a lecture on the Responsible Economy. Now please join me in thanking our panelists one last time.