

Consumers International Bad Company Awards 2009 Briefing GREENWASH SPECIAL

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The Awards

The Consumers International (CI) <u>Bad Company Awards</u> highlight irresponsible behaviour by some of the world's leading brands, drawing attention to notable consumer rights issues over the past 12 months.

To mark <u>CI's action around the crucial climate change talks</u> in Copenhagen, the 2009 Awards focus entirely on corporate greenwashing.

Why Greenwash

Greenwash (a combination of 'green' and 'whitewash') is a term used to describe the practice of companies spinning their products and policies as environmentally friendly. This challenges the core consumer right to be informed and raises doubt over issues of trust, responsibility and accountability.

Together with our member organisations we fully support the genuine efforts of corporations to go green and seek out sustainable alternatives to carbon intensive business practices. We are, however, highly critical of any attempt to overstate the impact of such green initiatives in an attempt to appeal to environmentally conscious consumers.

It seems that many of the world's biggest green house gas emitters think they can cover up their dirty tracks by trumpeting minor 'green' schemes through glossy PR and advertising. Not only can this mislead consumers, it often encourages them to spend money unnecessarily.

Greenwashing simply erodes consumer trust in businesses and undermines genuine moves towards greener lifestyles. In such a situation everybody loses.

Bad Company Awards 2009 – the 'Winners'

Audi – for suggesting its diesel cars are clean and green.

BP – for talking up its renewable ambitions, but investing next to nothing.

EasyJet – for claiming its planes are greener than a hybrid car.

Microsoft – for marketing Windows 7 as green whilst encouraging consumers to buy new PCs.

CO2 is Green – special award for greenwashing carbon emissions

Audi – for suggesting its diesel cars are clean and green



In a far-reaching TV and Internet advertising campaign this year, Audi appeared to be claiming that its Audi A3 TDI could be run on 'clean diesel' and was as friendly to the environment as cycling or catching the bus. We think the campaign makes Audi highly deserving of a greenwash award.

Audi is not the first car company to be accused of greenwashing, and neither will it be the last, but we thought the latest advertising was quite astounding. The TV advert, broadcast in late 2009 to US audiences, shows cyclists and bus passengers struggling on their journeys, while an Audi A3 whizzes off into the distance. A voice-over says: 'Many people are trying to do their part...some just have more fun doing it,' before the words 'clean diesel' are splashed across the screen.

Audi's website also shows an emotive montage of environmental concerns that seems to imply the new Audi A3 would have little effect on someone's carbon footprint. Slogans in the montage, which we deduce are the reasons why someone would supposedly drive the car, include 'I want to do something to reduce my carbon footprint', 'minimising my impact on the environment is important to me', 'the effects of greenhouse gases are becoming increasingly evident to me', and 'I want to do my part to reduce global warming'.

A site visitor might easily think diesel is a green fuel, but would be confused if they happened to click on the small 'vehicles' section at the bottom of the page. Here, they would see that the diesel A3 releases 25% less emissions than gasoline and does 42mpg (several 'green' cars do 50+mpg).

It doesn't take a genius to work out that this means 75% of the emissions that are released through driving a car on gasoline are still being released when you drive a diesel powered Audi A3. Which makes the company's next statement on the page – 'the only impact it leaves is with you'— even more baffling.

We would understand if Audi used the words 'cleaner diesel', but calling it 'clean diesel' in glossy advertising and inferring it is as environmentally friendly as cycling is highly misleading and a very bad case of greenwash.

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BP – for talking up its renewable ambitions, but investing next to nothing





In public, BP talks about its commitment to renewable energy and its tree-planting carbon offset schemes, but this year the company has pulled out of several major renewable projects and reduced its investment in renewable energy substantially, while continuing to invest heavily in fossil fuels – we think a greenwash award is most definitely in order.

On the face of it, BP appears to be doing lots to reduce its carbon footprint. We read stories such as <u>'BP goes green with tree planting deal'</u> in Scotland and learn that the company is to spend US\$2.3 million on planting trees in Australia to offset its carbon emissions.

We see <u>adverts claiming that BP now stands for Beyond Petroleum</u>, that the energy giant has <u>led industry recognition of climate change</u>, and on BP's website there is plenty of talk about how much it cares about carbon footprints. The company has also spent £50 million on becoming a London 2012 Olympics sustainability partner. Surely an ideal way for the public to see BP as synonymous with carbon reduction?

And yes, we could be forgiven completely for thinking BP's business is now all about moving away from oil and into renewable energy, and that it is ploughing its vast profits into clean energy to protect the future of the planet.

Sadly, BP's efforts in terms of genuine investment in renewables are woefully miniscule for a company that reported profits of nearly US\$2.4 billion for the first quarter of 2009.

Since 2005, BP has said it is investing US\$1.5bn a year in 'alternative energy' (which includes natural gas – a fossil fuel), equating to about 7% of its total investment in fuels. However, in 2009 the budget was cut to between \$500m and \$1bn. Investment in UK wind power has also been dropped, as has investment in wind power in India, along with a lot of other renewables investment, such as a range of solar-power manufacturing plants in Spain and the US.

Meanwhile, BP is making a highly <u>controversial investment</u> of US\$5.8 billion in the energy-intensive process of extracting oil from Canada's Tar Sands.

It's shocking that BP is claiming to be concerned about reducing carbon emissions while making such pitiful and dwindling investments in renewables. We believe it's pure greenwash to trumpet your tree planting activities and suchlike when these will not make any kind of dent in the CO₂ emissions of a company, which according to its own 'sustainability review', is emitting more than 60 million tonnes of carbon a year.

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EasyJet – for claiming its planes are greener than a hybrid car



Right: Comparison chart taken from easyjet.com on 11 November 2009.



🛊 = Data based on 1 person

For persistently making dubious claims that flying with easyJet is not as bad for the environment as driving a hybrid car, we would like to crown the European budget airline one of our top five greenwashers of 2009.

EasyJet has received repeated requests to remove a page on its website which claims that flying with the company is more energy efficient than driving a Toyota Prius. In the summer of 2009, one of its spokesmen even promised to get the website changed to reflect reality when he was caught unaware in a BBC documentary called Britain's Embarrassing Emissions. But the page lives on.

Now, we all know that an airline is never going to be green, but in an age of heightened concern about carbon emissions, these companies are desperate to persuade consumers that flying with them is somehow not quite that bad. Hence the comparison with one of the most respected greener cars out there - the Prius.

The Prius/easyJet chart on the site claims that the average person travelling on one of its flights is responsible for 95.7g of carbon emissions per kilometre, whereas a person travelling in a Prius is responsible for 104g per kilometre.

There are several flaws in this calculation. Firstly, as stressed in reaction to the BBC documentary, easyJet is basing its statistics on a plane being full and a Prius only having one occupant. But, easyJet actually claims on its own webpages that its planes are, on average, 85% full. And statistics put car occupancy in Europe at between 1.3 and 1.58 persons per vehicle. We believe easyJet's figures are disingenuous at best.

Secondly, budget airlines, by their nature and charging tactics, encourage people to fly more often than they normally would, thus increasing emissions. And thirdly, how many people would do the journeys they do by air, by car instead anyway? Probably very few. So we feel the comparisons are limited and misleading for the consumer.

EasyJet has already been in trouble once for greenwashing, after stating on an advert in a UK newspaper that its modern planes created 30% fewer emissions per passenger than other airlines. It was ordered by the Advertising Standards Authority to stop making the claims, after it was found that the reason the planes caused fewer emissions per passenger was because the flights had more passengers on average, not because of the design of the aircraft. However a similar claim is still being made on its website.

So, for encouraging the public to believe that its flights are an energy efficient way to travel, we find easyJet guilty of total greenwash.

Microsoft – for marketing Windows 7 as green whilst encouraging consumers to buy new PCs



This year, Microsoft has been advertising its new 'green' version of Windows with a widespread campaign, but it has also been encouraging consumers to increase their carbon footprint by buying a new computer early in order to make the most of the 'green' software. We therefore charge this global giant with greenwashing.

Microsoft's new version of its flagship package, known as Windows 7, seems like a great option for green consumers. The company claims the package reduces <u>carbon footprints</u> because it is more energy efficient than its last version, Vista.

The greenness can be achieved through little touches such as allowing users to more easily dim their screens, and enabling companies to run power-efficiency tests.

We could congratulate Microsoft on such advancements, even though it's surprising those technological geniuses couldn't come up with these changes long ago. However, we are more concerned that Microsoft is encouraging users to go out and <u>buy a new computer</u> in order to be able to use the package to full effect. Some UK stores have even created their own Windows 7 posters carrying the slogan 'Time for a new PC'. And, the company's director of consumer product management has been quoted as saying that the vast majority of people that get Windows 7 will <u>move to new hardware</u>.

So, Microsoft has created a situation where millions, or even billions, of consumers are being urged to go green by buying new machines, when they might have been perfectly happy to have used their existing computer for several more years.

Environmentalists claim that the largest portion of a computer's carbon footprint is tied up in the manufacture and disposal of that product, rather than the way it operates. So, it is more likely that those buying new hardware for Microsoft Windows 7, will be increasing their carbon footprint rather than reducing it.

Microsoft needs to be much more responsible if it really cares about carbon footprints. If it genuinely can't make greener technology that works on existing machines, or that can't be installed through a simple upgrade (which is the case for Microsoft customers using versions older than Vista) it needs to let consumers know that to continue using their current machine until it reaches the end of its natural life might indeed be the greener option.

There is real concern among green consumers that many companies are intent on making us buy the latest version of their products through creating ones that either have a short shelf life or aren't compatible with other pieces of technology.

We are lambasting Microsoft for greenwashing consumers into feeling they need to fork out more money and ditch their old computers to be green, when sticking to their old machine could well be the lower carbon option.

CO2 is Green – special award for greenwashing carbon emissions





A new organisation backed by several key players in the US fossil fuel industry claims that increasing levels of CO2 are good for the environment. Although not a company as such, we feel this is corporate greenwashing of Oscar-winning proportions and deserves a special mention. Why bother trying to skew the truth about your CO2 emissions, or attempting to offset them, surely the easiest thing to do is just get people to believe that more CO2 is good for the planet?

And, that's exactly what an organisation called CO2 is Green is trying to do. Its 30 second advert, which aired in several US states late in 2009, tells viewers that 'there is no scientific evidence that CO2 is a pollutant'. The advert goes on to say that 'in fact higher CO2 levels than we have today would help the earth's ecosystems and support more plant and animal life'.

Many believed the advert to be a spoof since the scientific community, and any other reliable, independent, source is virtually unanimous in stating that growing levels of CO2 are causing harmful global warming. The United Nations Environment Programme and the World Meteorological Organisation, seem fairly sure that <a href="https://document.night-nigh

The advert has been brought out because, after years of George W Bush failing to take climate change seriously, the US Government's Environment Protection Agency has finally begun

officially stating that increasing levels of CO2 are bad for the environment. And, the US Government is currently working on its Climate Change Bill.

This is desperately worrying for the CO2 is Green organisation. Why? Because the group is backed by leading figures from the fossil fuel industry, who make their money from folks being happy to release more CO2 into the atmosphere.

The advert pleads: 'Congress is considering a law that would classify carbon dioxide as pollution. This will cost us jobs. Please take action, contact your senator and congressman today and remind them CO2 is not pollution and more CO2 results in a greener earth'.

One of the organisation's <u>very vocal founders</u> is Leighton Stewart, the retired vice chairman of oil and gas company Burlington Resources, which is now owned by <u>ConocoPhillips</u> – one of America's biggest energy companies. His fellow founders apparently include <u>Corbin J Robertson</u> Jr, CEO of and leading shareholder in coal company Natural Resource Partners.

The organisation has also set up 'Plants Need CO2' for education purposes, which has applied for charity status.

It would be easy to dismiss this organisation as a joke, but the truth is that it already has nearly two thousand supporters on social networking sites, and with a voice reaching millions and millions through its adverts, that number could easily grow.

All our winners challenge the consumer right to independently-verified, evidence-based facts about the environmental impact of the products and services they buy. But while the companies play up their low carbon credentials, CO2 is Green completely dismisses the scientific consensus and simply greenwashes the pollutant itself. Such an audacious piece of pro-fossil fuel lobbying could not go unchecked.

Note on Consumers International Bad Product Awards methodology. The Bad Product Awards 2009 are nominated by CI member organisations, CI staff and invited third party organisations. A judging panel made up of the CI secretariat and experts from CI member organisations selects the winners against a broad criteria intended to draw attention to the abuse of consumer rights around the world. Selection is based on the relative merits of entries and is not intended to be exhaustive.

Consumers International 24 Highbury Crescent London N5 1RX United Kingdom Tel: +44 20 7226 6663 Fax: +44 20 7354 0607 www.consumersinternational.org www.consumidoresint.org Consumers International (CI) is the only independent global campaigning voice for consumers. With over 220 member organisations in 115 countries, we are building a powerful international consumer movement to help protect and empower consumers everywhere.

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