

Enhancing Furniture's Environmental Culture EFEC



Sustainable Growth and Development

‘Problems cannot be solved at the same level of awareness that created them’.

- Albert Einstein



AHFA's Environmental Policy Statement

The home furnishings industry has an obligation to help manage our world's natural resources for future generations.

In response to this policy statement, AHFA has developed two furniture industry specific environmental programs.

These programs are designed to help AHFA member companies implement *sustainable business practices* that are consistent with the environmental policy statement.

These programs provide a systematic approach to evaluate at a micro level the facility's environmental footprint and a macro level evaluation of the company's overall sustainable business practices and environmental performance.

EFEC

‘The nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased, and not impaired in value’.

-Theodore Roosevelt



EFEC Sets the Course

EFEC is an environmental management system that evaluates the impact of a facilities operations to air, land, and water.

The program is designed to *evaluate and measure* the environmental footprint of any type of facility, i.e., warehouse, plant, office, retail store and the impact of the footprint to the air, land, and water.

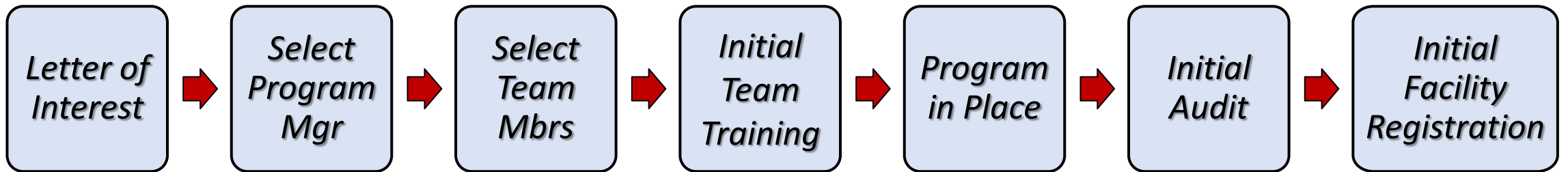
There are *12 elements to the program* – all design to focus the facility and align its operations with their environmental policy statement.

It is *proactive*, designed to be a '*drop in solution*' to existing continuous improvement programs, creates new opportunities to *increase value*, showcases a commitment to *sustainable business practices*, and can serves as a foundation to *ISO 14001*.

The 12 Elements of EFEC

<i>Intent to Register</i>	<i>Incident Preparedness Plan</i>
<i>Environmental Policy Statement</i>	<i>Public Education/Communication</i>
<i>Facility GAP Analysis</i>	<i>Work with Suppliers</i>
<i>Facility Impact Analysis (FIA)</i>	<i>Inform Regulatory Agencies</i>
<i>Goals</i>	<i>Information Technology Exchange</i>
<i>Employee Awareness</i>	<i>Measurement of Progress/Corrective Action Plan</i>

The Registration Process



You can have an *internal auditor* for the program who is an employee of Ashley Furniture – however, the auditor *can not be a program manager* for the facility being audited.

The facility must be audited *annually* to maintain active registration.

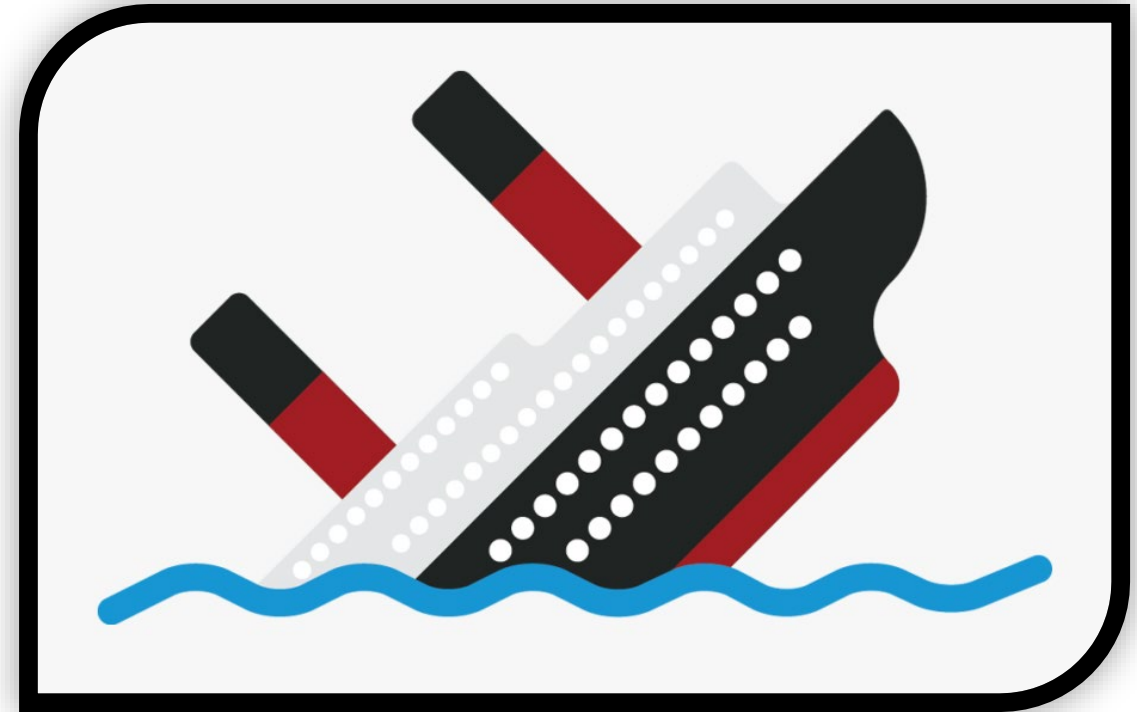
The team should be more than *5 but no more than 12* and very diverse with mbrs selected from several different plant disciplines, e.g., product engineering, accounting, purchasing, customer service, etc.

You can have a *'train-the-trainer'* for training multiple facilities.

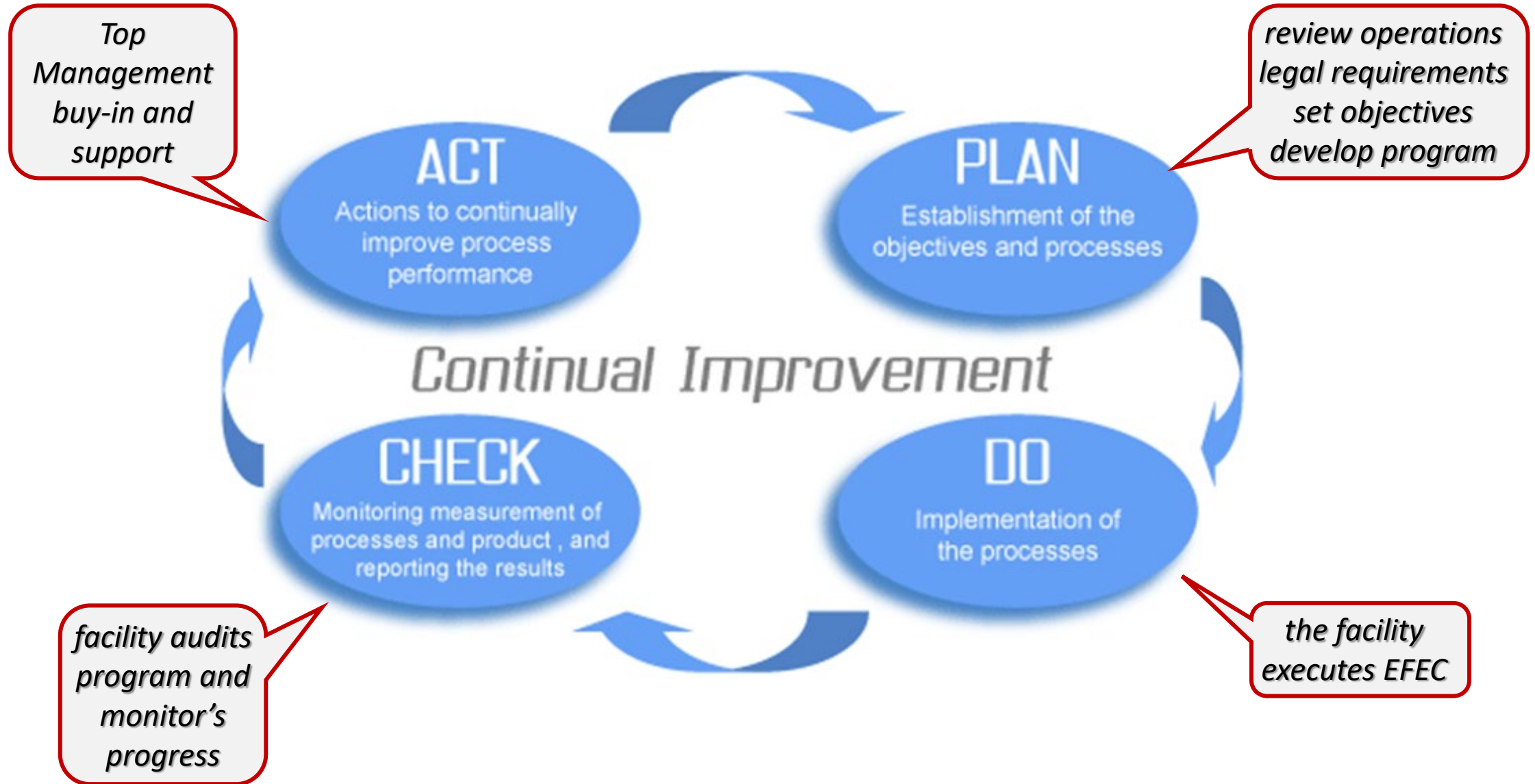
Core Principles

*‘Watch the little things;
a small leak will sink a
great ship’.*

- Benjamin Franklin



The Core Principles – Continuous Improvement



Integration

EFEC integrates with 'LEAN Manufacturing'

No additional resources required

Built on the core concept of continuous improvement

Programs 'drop-in' to existing projects



Savings and Benefits

Eliminate internal inefficiencies = **WASTE!**

Reduce landfill **waste disposal**

Reduced **air emissions**

Reduce **water consumption**

Reduced **energy consumption**

Reduce potential **risk**

Increase operational **efficiency**



Realized Cost Savings and Reductions

Reduced *electrical* use by more than *9%*
Reduced *natural gas* consumption by *25%*
Reduced *water* usage by 6.7M gal.
2M lbs. of *waste diverted* from the landfill
representing a 14.7% reduction
50M lbs. of material *recycled or reused*



Realized Cost Savings and Reductions

Total *energy* reduction 12%

Natural gas consumption reduced 50%

Water consumption reduced 23% or
5.2M gals.

9.5M lbs. of material reused

214,000 lbs. or 8.7% of landfill waste
diverted

*\$1.9M revenue generated by combined
recycling efforts @ the facility*



Realized Cost Savings and Reductions

Reduced *landfill waste* by 1.8M lbs.

- *\$40,000 cost savings*

Reduced *water* consumption by 6.3 million gallons

Reduced *electrical* usage by 3.6 million kilowatt hrs.

Reduced *fuel oil* consumption
344,000 gallons

Total company savings = \$250,000



Questions

Bill Perdue

336-884-1017

bperdue@ahfa.us

