

Conservation 'green' toilet causes a flap

Global Attention; Still many obstacles on the road to greener business

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Peter Redman, National Post/Phil Hennessy demonstrates a see-through sample of his flapperless water-saving toilet.

Phil Hennessy, the man behind the first flapperless toilet, is just waiting to hear a stranger say, "Excuse me, I have to go for a Hennessy," because then he will know his invention is as successful as Thomas Crapper, inventor of the first flush toilet.

Kidding aside, his flapperless toilet has already gained international attention, winning the United Nation's technology award in 2005, as part of its International Year of Fresh Water campaign. Unlike all other toilets, which employ a seal and therefore inevitably lose water, the flapperless toilet is designed so water can never seep out. Studies show as much as 11% of municipal water is being wasted through leaking flappers.

That's a lot of water. Even low-flow, eco-friendly models use flappers and over time face the same problems as the traditional water-guzzling toilets. They will, after a few years, waste water and money, too. We decided to address that issue, Mr. Hennessy says. To do that, he cofounded Niagara Flapperless Inc., and took on a U.S. partner to handle distribution to the south.

A smart idea that's good for the environment -- even recognized as such by no less than the United Nations -- a solid business plan and distribution partner. It should be a no-brainer. Innovation in perhaps the hottest market ever for all things green has to equal success, right?

Welcome to the world of green business. While green entrepreneurs face all the challenges more traditional entrepreneurs face -- financing; establishing a market; finding distribution channels; hiring the right talent -- they also face less obvious but equally daunting hurdles.

Eric L. Cook, chief executive of Fredericton, N.B.-based RPC, an independent contract research and development and technical services organization, works with a lot of green companies and sees many of their struggles first-hand. In his mind, one of the big questions facing green companies is: Are consumers willing to pay for it, particularly when the cost will likely be higher?

It's a tougher sell, says Eric Shabsove, owner and founder of Mountain View Estates Coffee Co. in Toronto. He launched the niche coffee roaster company 10 years ago and was a founding member of TransFair Canada, an organization focused on promoting sustainable development and fair compensation for workers in developing countries.

"We pay more so the farmers can spend more on improving the quality of their lives, but at the same time we are getting great-quality coffee beans," Mr. Shabsove says. "Of course, that also means customers have to pay more."

Mountain View Estates Coffee is one of the leaders in the field of fair trade organic coffee, selling organic coffee to about 2,000 cafes and restaurants in Ontario. "We believe in fair trade coffees. At the beginning, though, it was a tough sell. There was price resistance. With time, that resistance has subsided," he says.

Now, the company is facing the same curve with its biodegradable and compostable line of products -- everything from cups to paper towels made 100% from what's in your blue box. It took almost four years of researching suppliers to finally come out with the line this year. "The biodegradable cups cost 20% more than traditional disposable cups," Mr. Shabsove says. "So we are saying, use this as a marketing tool. Tim Hortons and Starbucks aren't here yet, set your coffee shop apart. It doesn't make sense to sell organic, fair trade coffee in cups that take years to break down. Add 25¢ to your prices. Customers will pay."

At least, that is the hope, although it is not always realistic. Ian Lipton is vice-president in business development at Carbon Zero, a Toronto-based company whose customers are willing to pay to offset their greenhouse gas emissions. "They come to our Web site, use our calculator, which puts a dollar value on their emissions, and we sell carbon offsets," he says. "We use that money to fund projects that have the effect of removing the equivalent tonnage from the atmosphere." Those projects are usually with small and medium-sized businesses in the sustainability sector. "Our objective is to nurture companies that are engaged in business activities which reduce our dependency on fossil fuels."

Carbon Zero's secondary objective is to increase the demand for renewable technologies, thereby making them more competitive. The reality, though, is the payback on something such as wind power is long and it's tough to find customers willing to make that kind of investment.

Ten years in, Mr. Hennessy is still struggling: "How do you get the consumer to demand they want something that will save them money and for that to filtrate all the way back through the system so the distributor wants to buy our toilet because the consumer wants it?"

He started by approaching major players such as American Standard, Kohler and Orion to buy his idea and incorporate it into their lines. No one was interested. So Niagara Flapperless went solo and those

same multinationals have distribution deals with major retailers that make it difficult for him to break in.

"It's an uphill battle," Mr. Hennessy says. "We can't be priced as competitively. We are going to win but it's a lot harder road than what we thought it would be. The push to go green -- we are right there and hoping to be part of that."

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