

# Global Climate Change Creates Opportunities

A little more than a decade ago a discussion about global warming involved some scientists, three tree-huggers and a spotted owl. Then came the KYOTO ACCORD and the topic was thrust on the world stage, to be a topic of debate for years. Fast forward to the present and the phrase GLOBAL WARMING is on the nightly news, the cover of Time Magazine, the Discovery channel, the Weather channel and the PTA newsletters --- and 9 out of 10 Americans say they are aware or concerned about the issue!

And, yes, except for a few holdouts who just seem to love to argue, the debate is over.

Even BIG OIL, devoted as it is to fossil fuel and huge profits, is GOING GREEN. Shell's president, John Hofmeister, said recently "It's a waste of time to debate it. Policymakers have a responsibility to address it. We'll adjust." Chevron is working with forestry giant Weyerhaeuser to develop new BIOFUELS. Conoco has given a grant of \$22.5MM to Iowa State to fund research in alternative fuels.

Clearly, American business is ready to end the debate and focus on something much more important : the emerging market which the World Bank estimate will grow to \$3 trillion for goods, services, and technologies to address the concerns and challenges raised by climate changes and extremes. And nobody cares about whether the documentation is pristine science, purely anecdotal or some mix of the two.

This, then, is a new era for business --- one which some venture capitalists have already started describing as bigger than anything ever seen and taking in earlier "hot properties" like telecom, biotech, and genetic engineering. Companies like GE, DuPont, WalMart, Home Depot, Citicorp, Ford, Bank of America were already gearing up to be major players in this new environmental market long before the Oxford Dictionary tagged CARBON NEUTRAL the 2006 "word of the year.

So the big question today, whether you are a mom'n'pop grocery store or a multi-national powerhouse, is this : what's the bottom

line on global climate change and what do you need to know to get your company into the game?

Here is a starter list to help you get your business headed in the right direction :

1) GLOBAL WARMING is a misnomer. All the different climate changes and weather extremes which are occurring throughout the world are lumped together under this one phrase. Forget the hype, ignore the scare tactics, dismiss the inaccuracies --- and focus on the opportunities.

2) Get involved now! The market is wide open and crying for innovation.

The US did not sign the Kyoto Accord, and that means that --- for now --- market-based responses are shaping the game. But at every level --- federal, state, and local --- regulation is coming, and you need to have your strategy in place if you are going to flourish. There are options and opportunities for every type and size of business; doing nothing is the worst option of all.

3) Environmental stewardship is simply good business --- the wise use of natural resources. Continuing to argue over the who and why of global warming is simply bad business.

4) Not only are there opportunities for all businesses to flourish by going green, but there are also powerful new tools (like carbon credits about which we'll talk later) to help you develop these opportunities.

5) Simply doing things like changing light bulbs from incandescent to CFL, turning off your computer for the night, improving insulation, planting trees around your establishment --- the common sense bits and pieces of your grandma's injunction to "waste not - want not" --- can save your business 10% or more in operating expenses. And if you go beyond the basic savings and enter new lines of business, create new kinds of joint ventures, exploit new technologies --- the sky's the limit. Companies like GE and DuPont claim that will save 15% by becoming operationally "lean and green" but their new revenue streams are in the "knock your socks off" category with DuPont projecting an added \$2-3 billion in revenues by 2010 and GE expecting in excess of \$10 billion by 2012.

True --- that's stunning. But would you really be unhappy at a similar percentage of growth in your own business, no matter what its size today?

The message, in brief : the opportunities created by global climate change are varied, numerous, exciting --- and accessible to all. What will you do to seize them?

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