University of New Hampshire University of New Hampshire Scholars' Repository

Media Relations

Administrative Offices

6-11-2001

NH Manufacturers Say Environmental Regulations Not a Hindrance

Janet Lathrop

Follow this and additional works at: https://scholars.unh.edu/news

Recommended Citation

Lathrop, Janet, "NH Manufacturers Say Environmental Regulations Not a Hindrance" (2001). UNH Today. 2510. https://scholars.unh.edu/news/2510

This News Article is brought to you for free and open access by the Administrative Offices at University of New Hampshire Scholars' Repository. It has been accepted for inclusion in Media Relations by an authorized administrator of University of New Hampshire Scholars' Repository. For more information, please contact nicole.hentz@unh.edu.

<u>NH Small</u> <u>Business</u> <u>Development</u> <u>Center</u>

Whittemore School of Business and Economics at UNH

N.H. Manufacturers Say Environmental Regulations Not a Hindrance

By Janet Lathrop

UNH News Bureau 603-862-1460

June 11, 2001

DURHAM, N.H. -- Most New Hampshire manufacturers report that the cost of environmental programs such as recycling and pollution prevention do not have a negative effect on company growth, according to a survey conducted for the New Hampshire Small Business Development Center's (SBDC) Manufacturing Management Center at the University of New Hampshire.

In fact, results released this week suggest that when Granite State manufacturers adopt waste reduction and other environmentally friendly practices, they make themselves more attractive to their larger customers.

New Hampshire manufacturers tend to be small -- 90 percent have fewer than 100 employees -- and much of their business comes from supplying tailor-made products to larger manufacturers. Going "green" positions them well in a niche market, says Maureen Sirois, a doctoral candidate in economics at UNH's Whittemore School of Business and Economics, who analyzed responses on environmental topics from more than 400 New Hampshire manufacturing firms.

"It is increasingly important to the large firms -- who are under a lot of competitive pressure on environmental issues in the marketplace -- to find suppliers who can show that they have pollution prevention, recycling and waste management programs in place," she says. "If the cost of complying with environmental regulation appears to be a problem, New Hampshire manufacturers should feel reassured that addressing such issues is important and will be costeffective in the long run." Companies here are doing one important thing well now, according to survey results analyzed earlier by Sirois's advisor, Linda Sprague, professor of operations management at the Whittemore School. As the lead investigator for the survey of 2869 manufacturers, Sprague found from the 674 responders that Granite State firms already work very closely with customers, assisting with product design and seeking feedback on quality. Sirois is analyzing responses from 409 manufacturers who completed questions on environmental issues.

She found that customer-responsive businesses were more likely to invest in "green" practices. "In terms of growth, the cost of such an environmental management program did not have a negative effect," she added. Being certifiably "green" may add product value, win more contracts, reduce liability, and avoid potential hazards and fines, she added.

Sirois sees one other factor on the horizon which could enhance New Hampshire manufacturers' competitive edge in the future: ISO 14000 standards. These voluntary guidelines -- at present more popular in Europe, but catching on in North America -- ask that companies track their raw material use, for example, as well as documenting their generation, treatment and disposal of hazardous waste. Participation demonstrates a commitment to improving environmental performance. Bigger manufacturers have the clout to demand that their suppliers embrace environmental quality programs, Sirois says.

She believes that New Hampshire firms doing business with large companies and those who export to Europe will find ISO 14000 standards increasingly important.

Overall, the goal of the UNH-SBDC survey, sponsored by the SBDC with a grant from the U.S. Small Business Administration, is "to help New Hampshire manufacturers identify things they can do to grow their companies," says Mary Collins, SBDC state director. Through the survey, Sprague and Sirois identified such strategies as building stronger relationships with customers, aiding in product development, offering expertise and committing to high product quality, as keys to growth. Also, "starting an environmental management program and working toward ISO 14000 is worth considering if a firm wishes to expand its customer base," Sirois notes.

Back to UNH News Bureau