

## The Industry Takes Action

The diverse segments that comprise the U.S. travel industry are approaching sustainability in different ways – and with different levels of commitment

BY FRED GEBHART

**S**USTAINABILITY IN TRAVEL and tourism has as much to do with image and communication as it does the triple bottom line of environmental, socio-cultural, and economic impact. Passenger jets have cut emissions by 75% in the past 40 years, but air travel is still blasted as an unrelenting environmental marauder.

It's all too easy to point to massive tourism development from Pattaya, Thailand to Benidorm, Spain to Cancun, Mexico and the accompanying environmental, social, cultural and economic problems. It's just as easy to point to places like Costa Rica where tourism provides an economic base to support the environment, society, culture, and economy – but almost no one does.

“Travel can be a benefit for social, environmental and economic productivity and resources,” said Kelly Bricker, acting executive director and board chair of the International Ecotourism Society. “If we don't stay on top of this, people may take the opposite position that travel is wrong and bad.”

The problem is that travel produces obvious and measurable negative consequences. Travel contributes about 5% to global greenhouse gas emissions, according to a 2007 technical report from the United Nations World Meteorological Organization. If travel and tourism were a nation, it would rank between Russia (5.6% of global emissions) and India (4.9%).

Just moving travelers from place to place accounts for 75% of industry emissions, according to the UN report. Commercial aviation accounts for 40%, car transportation 32%, and other transportation such as buses and ships 3%. Accommodation is responsible for 21% and activities for 4%.

In the grand scheme, a 5% travel industry contribution of carbon emissions is fairly low. According to the Pew Center on Global Climate Change, agriculture produces 8% of U.S. greenhouse gas emissions, residential and commercial sectors 17% each, and heavy industry (steel, chemicals, forestry, etc.) 30%.

But with the exception of industrial eyesores like livestock feed lots and oil refineries, it's hard to beat the visual impact of a cruise ship letting out a stream of black smoke into a pale blue Alaskan sky. The massive parking lots surrounding Disney World or the wall of hotels and shopping malls hiding Waikiki Beach can be just as visually jarring.

The benefits that travel can bring are much harder to visualize.

Relatively few Americans have actually seen the cloud forests of Costa Rica that are preserved by tourist dollars. Even fewer have

laid eyes on destinations such as Bhutan that use tourist dollars to support a unique index called Gross National Happiness. And when they think “sustainable”, almost no one considers the tourist dollars and taxes that provide social, cultural and economic support to destinations from San Francisco, Calif., to Newport, R.I.

One reason is the lack of common terminology on sustainability. There are dozens of green certifications and seals in the marketplace. Some of them are genuinely useful, but they are based on different definitions of sustainability and different ways to measure it. “We all have to use the same words and they have to mean the same thing to all of us,” said Megan Eppler Wood, principal with EplerWood International.

Many companies, including cruise lines, are using ISO 14001, created by the International Organization for Standardization in Geneva. ISO 14001 allows organizations to identify, control and reduce the environmental impacts of their products and services in a systematic manner.

Even more companies are using an ecology-driven building certification program run by the U.S. Green Building Council called Leadership in Energy and Environmental Design, or LEED. LEED concentrates its efforts on improving performance across five key areas of environmental and human health.

Neither ISO 14001 nor LEED are specific to the travel industry – but travel-specific criteria and definitions are on the way.

Among them is the Sustainable Tourism Criteria, which will provide a global baseline for what is, and what is not, sustainable. More than two-dozen travel firms and environmental groups plus the United Nations Foundation have taken the criteria through four rounds of public comment and revision. Release is set for October 2008. “The industry is ready to tackle the issue and get through the confusion about what sustainable travel really is,” said Kate Dodson, deputy director of sustainable development for the United Nations Foundation. “Nontravel sectors are leading the sustainability movement for now, but consumers are asking for sustainable travel. That means suppliers are moving.”



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## CRUISE LINES

**T WASN'T LONG AGO** that cruise ships made the evening news for all the wrong reasons: crew members filmed dumping trash over the side; raw or partially treated sewage discharged into coastal waters; vessels casting a pall of exhaust across otherwise clear skies in Alaska and the Caribbean.

“The mindset within the industry has changed dramatically,” said Bill Morani, vice president of environmental management systems at Holland America Line. “Things that used to happen 35 years ago don’t happen today. You could legally pump the bilges, you could bury hazardous waste. Then we got smarter and realized that if it’s not good for the environment, it’s not good for our business. We could put a neon sign on top of our building in Seattle to tell our story, but that could create a backlash.”

Jamie Sweeting, now vice president of environmental stewardship at Royal Caribbean International, saw similar changes. But he saw them from the environmental side of the table as a lead researcher for Conservation International. He was the driving force behind reports from CI and the group’s Center for Environmental Leadership in Business that lauded the cruise industry for moving toward more sustainable practices and chastised cruising for not moving faster and farther.

“Most lines are more than willing to admit that they made mistakes in the 80s and early 90s,” Sweeting said. “They changed their ways in the mid-90s. Very often, we are discharging water today that is purer than what we could take on board in the same location. We use the same purification technology that Dasani uses to purify bottled water.”

Cruise lines continue to mend their ways, Sweeting said, but most changes are invisible from passenger decks. Grinding down welding seams to create a smoother hull reduces fuel consumption. The newest hull coatings cut the fuel burn by 1%. Changes in stern and steering design add another 1% to 2% to fuel efficiency.

Many cruise lines have adopted ISO 14001 to systematically identify and reduce their environmental impacts. That led HAL to target a 2% annual reduction in fuel consumption starting in 2006. The company expects to beat its target for the third time in a row in 2008.

“A lot of the industry is doing just as much,” Morani said. “If you’re burning less fuel, you’re emitting fewer greenhouse gases – and you’re not spending as much money.”

Cutting fuel consumption is just the beginning. Painting is a never-ending job on cruise ships. A HAL employee dreamed up a low-tech system to reclaim and reuse paint solvent and dissolved paint. That one step reduced both painting costs and hazardous solvent disposal. Some cruise ships use water condens-

ing from shipboard air conditioners to wash the decks, reducing the need to make water. And, a growing number of ships can plug into power grids at dock to turn off onboard generators and reduce emissions.

HAL is also testing an exhaust scrubber that removes sulfur and particulates. Tests in 2007 monitored by Environment Canada saw sulfur emissions cut by 75%

and particulates reduced by 57%. The manufacturer’s goal is to achieve greater than 90% reduction in sulfur.

Royal Caribbean ships have used compact fluorescent bulbs since the 1990s, Sweeting said, and are now converting to LED (light emitting diodes) lighting. Two-watt LEDs produce as much light as 40-watt incandescent bulbs and virtually no heat, which reduces the air conditioning load.

The line is refitting windows to block infrared and ultraviolet light while admitting visible light. Blocking infrared reduces interior heating from sunlight. Blocking UV cuts light damage to cabin fittings, which extends the useful life from three to four years to four to seven years.

RCI is also boosting recycling programs at ports around the world to handle glass, cans, plastics, paper and other waste.

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“We don’t want to be in the recycling business,” Sweeting said, “but we would like to support local entrepreneurs. We can partner with hotels and other cruise lines to create significant local business opportunities. Economic development is part of sustainability, too.”

So why don’t cruise lines talk more about their sustainability initiatives?

“Nobody wants to stick their neck out,” Sweeting said. “We all pride ourselves on not seeing the environment as a competitive issue. It is very much a collegial, supportive atmosphere. The reality is that we all get judged by the lowest performance.”

According to Martha Honey, co-founder and co-director of the Center on Ecotourism and Sustainable Development (CESD), cruise lines are lagging behind other supplier segments in developing sustainable initiatives. A joint project between Washington, DC, and Stanford University, CESD conducts in-depth research on the impact of mass tourism, cruise tourism, resort tourism, and the growing wave of ‘residential tourism.’

Noting that her definition of “green” includes social standards, Honey said one of the primary challenges cruise ships face in the push to sustainability is that, “they’re just so big, and becoming

bigger. These big cruise ships pull into small and oftentimes pristine areas, like the southern Yucatan, and basically destroy those areas over time, because it's just too many people. There's no way to handle them in ways that are really sustainable, with sustainable also meaning beneficial to the host community.

"It's probably the most centralized part of the tourism industry, in terms of ownership, and the economic model is one that increasingly tries to keep all the money spent within," she added. "How it can ever be truly greened is a question."

Steve Collins, director of environmental and health programs for the Cruise Lines International Association, is more optimistic. CLIA is launching a new partnership with Conservation International to design a verifiable carbon offset program for the cruise industry.

CI's Center for Environmental Leadership in Business also

is working with CLIA and cruise lines to create more sustainable models for tour operators who run shore excursions in cruise ports. "We have new and expanded ports in areas like Belize and Cozumel that need preservation efforts from tour operators and from our guests," Collins said. "Cruise lines can introduce the need for preservation and for limiting activities or the numbers of visitors. It can be interesting to educate local tour operators about their own environments. They may not recognize the impact of dropping an anchor on top of a coral reef or tossing their own trash overboard. Cruise lines are in a special position to help these operators and guests recognize the advantages of snorkeling without standing on the coral.

"When you come back to a place day after day," Collins added, "it doesn't take much to realize that good stewardship is in your own best interest."



## TOUR OPERATORS

**T**OUR OPERATORS HAVE GREEN measles. Spots of sustainability have broken out, but much of the sector is unconvinced and uncommitted. Sunny Land Tours sustainability advisor Jose-Louis Cabada and the rest of the United States Tour Operators Association green travel committee spent three years getting sustainability workshops on the annual meeting agenda for 2008.

USTOA president Bob Whitley, CTC, has been meeting with the United Nations Tour Operators Initiative and forwarding UN materials to USTOA members. But he's skeptical.

"What's going on now reminds me of a few years ago when the hot word was branding," Whitley said. "Green is the buzzword. Everybody wants green, but will they pay for it? That's the real question."

Robin Tauck, president of Tauck World Discovery, has a different take. She believes tour operators must lead, not follow.

"Sustainability isn't just about green and reducing your impact," Tauck said. "It's about enhancing and maintaining the entire experience. In order for our industry to remain vibrant, our environment, our natural wonders, and our cultural treasures all need to be protected. If we hasten the destruction of the world's ecological wonders and its cultural treasures by bringing people to experience them, we've positioned our industry in a downward spiral. We have an ethical and a business responsibility to educate the customer and the travel agent."

Tauck takes sustainability seriously enough to limit the number of visitors taken to sensitive yet popular destinations like Tortuguero National Park in Costa Rica. Better to limit visitation

and preserve the resource than to maximize profits and destroy the very thing visitors come to see, Tauck said.

Tauck also founded one of the travel industry's largest sustainability programs, Tauck World of Giving. The company has donated more than \$2 million to community and environmental projects from Alaska to South Africa. Tauck herself is bringing the tour operator perspective to the United Nation's international Sustainable Tourism Criteria initiative, to be rolled out in October 2008.

Smaller operators are even more heavily involved. Myths and Mountains, which specializes in cultural adventures, founded READ Global to promote rural education and development with village libraries and community education centers. Projects are run locally, staffed locally, and stock local-language books. Every library creates five new jobs in the community, said M&M vice president Allie Almario, and helps bolster local-language publishing houses.

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"What we are doing today will make a difference to what our grandchildren see — or don't," she said. "If it weren't for the work of wildlife conservationists 50 years ago, we wouldn't be seeing anything in Africa today."

Julian Harrison, president of Premier Tours, is in business thanks to those pioneering wildlife conservationists. "Sustainability is not only good for the environment, it's necessary for the existence of our business," said Harrison, a South African. "If we

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don't practice sustainability, we won't have any business because the animals and other attractions will be gone."

Harrison includes local villages in all of Premier's tour programs. It's the right thing to do, he said, and it's the practical thing to do.

Rather than excluding villagers, Premier recruits them. Cutting invasive trees provides fuel and helps native plants re-grow. Helping villagers to collect grass gives them roofing materials and opens areas for better game viewing. Teaching modern farming techniques creates jobs and provides fresh fruits and vegetables for game lodges.

Jodi Bente is a small operator based in Oakland, Calif., who conducts community development tours and wildlife rehabilitation programs. In Belize, she uses Casa de Caballo Blanco eco-lodge to support a bird rescue and rehab center. About two-thirds of the 26-acre property is re-growing into tropical habitat for migratory birds. Bente also monitors power and water usage, recycles aggressively, and pushes suppliers to move away from plastic and other non-reusable packaging.

"Sustainable is a big, scary word," Bente said. "We believe sustainable is 60% internal, things guests never see like water conservation or

building to use prevailing breezes instead of air conditioning. It's essential that tour operators fold green into their operations. If they don't, they won't have any operations to worry about."

Brian Mullis, president of Sustainable Travel International, in Boulder, Colo., believes that the tour operator segment is "perhaps the most challenged" when it comes to developing sustainable business practices.

"That model is quite a bit more complex, because they're subcontracting out all sorts of different services, whether they be transportation, hotels, local activities or sales and marketing," said Mullis, who was a tour operator for close to a decade. "It makes it more complex for a business to green up what it's doing."

In the best-case scenario for this segment of the industry, tour operators will focus on greening up their own offices, and greening their supply chain.

"It's not going to happen overnight," Mullis said, "but clearly some of the bigger, more powerful tour operators are in a great position to influence their suppliers to make changes. Even so, at the end of the day they can only control so much. When you are subcontracting, it's a bit more challenging."

## Corporate Travel Leads the Way

**M**UCH OF THE INITIAL demand for sustainable travel came from corporate meeting and incentive planners. That's no surprise, said Michelle White, director of environmental affairs for Fairmont Hotels and Resorts.

"A lot of these key accounts have their own environmental mandates to meet," she explained. "They want to work with suppliers, including hotels, who are green. RFPs (requests for proposals) now have sections for environmental information and they aren't as simple as 'do you recycle?' Expectations are quite detailed. Meetings have really stepped up to the plate."

Fairmont has been focusing on green meetings since about 1990. Wyndham, Marriott, and most other chains have responded to similar client demands by making back-of-the-house operations more sustainable. Front-of-the-house moves include replacing bottled water with coolers and washable glasses, using tableware and cutlery instead of disposable items, and reworking food and beverage operations.

Meeting sponsors, for their part, have cut back dramatically on paper use. Meeting bag stuffers are shrinking. Session handouts are increasingly available electronically rather than being printed by the ream (and then discarded). Convention giveaways are being scaled back. Exhibitors, too, are being asked, if not required, to cut back on waste and increase recycling.

### NBTA Success Story

But not the National Business Travel Association. NBTA's International Convention & Exposition is the world's largest business travel industry event. And it generated mountains of waste — until this year.

"It all started after I witnessed the high level of waste generated by my first NBTA convention in 2007," said NBTA's travel analyst Jorge Caamano. "I wasn't thinking so much about sustainability as I was thinking about the waste we created. I heard complaints from members are registration and I heard complaints about the handouts we put on chairs. People would come in, throw the paper on the floor, and sit down. It was very inefficient."

When Caamano suggested adding "green" questions to the annual member survey, NBTA leadership said the survey was already too long. Caamano added sustainability questions anyway.

The results were telling. "The prevailing perception was that the members were not interested in a greener event," he said. "But about 80% of respondents were very interested in paperless alternatives as well as other eco-friendly options to reduce the footprint of the event."

Once Caamano's numbers came in, NBTA promptly decided to green its July 2008 convention in Los Angeles. Some of the major changes made: registration bags made of recycled materials; sharp reductions in the number of handouts in the bags; just one 144-page Convention Journal per attendee instead of two; electronic handouts for all 40 education sessions instead of paper; water coolers instead of single-serving water bottles; zero food waste; recycling bins throughout the convention center; all convention materials printed on recycled paper using vegetable-based inks; and carbon offsets purchased for the entire convention footprint.

"Green is a very effective motivator for changing traveler behavior," Caamano said. "If you try to force change, you create resistance. But when you identify green programs, when you point the way to green hotels, travelers change their ways happily."



## AIRLINES

**A**IRLINES HAVE A TOUGH job. The industry has boosted fuel efficiency and cut emissions by 35% over the past decade. Even so, as recently as 2006, Richard Chartres, the Anglican Bishop of London, called flying on holiday a sin.

“Flying is a sin” lives on in blogs and websites. Few outside the airline industry have heard about reductions in emissions, carbon offsets, recycling, alternative fuels, or other ways carriers reduce their environmental footprint.

“Air can never be carbon neutral, but we can get much better,” said Lelani Latimer, director of sustainability initiatives for Sabre Holdings. “Air’s reductions in environmental impact are the equivalent of taking 17 million cars off the road every single year. I have yet to find another sector in any industry that has seen such tremendous growth as air travel at the same time as it has shown such amazing reductions in environmental impact. That’s a communications and messaging problem that we have to fix.”

One of the biggest bloopers was the announcement by the International Air Transport Association earlier this year that paper airline tickets are dead. The blooper was not the move to electronic ticketing, but the failure to mention the environmental impact of e-tickets. “The IATA electronic ticketing mandate was not environmentally driven,” Latimer said. “But we are saving 500,000 trees a year just by not printing tickets. There are some amazing things that have been done in this sector.”

Many of them are being done at Continental Airlines. The Houston-based carrier will test biofuel in passenger aircraft in 2009. Passengers can already buy Sustainable Travel International carbon offsets based on their itinerary at Continental’s website. Continental is also using LEED standards in airport construction and ratcheting up recycling programs for aircraft and ground operations. In 2007, Fortune named Continental the most admired Airline world-

wide and put the carrier in the Top 10 of its Community/Environmental category.

“Continental is doing everything we can do minimize our impact on the environment,” said Leah Raney, managing director of global environmental affairs. “All of the airlines are motivated by efficiency, especially when it comes to fuel.”

Fuel shot up from 14% of operating costs for airlines in 2003 to nearly 35% in 2008, said Giovanni Bisignani, IATA director general and CEO. IATA estimates that cutting one kilo of weight from every commercial flight would reduce carbon dioxide emissions by 170,000 metric tons yearly. Carriers are reducing weight every way they can imagine, from downsizing teaspoons to removing magazines and switching to electronic flight manuals. They are washing aircraft exteriors to reduce drag, washing engine interiors to increase efficiency, even replacing engine fan blades.

“A more efficient fan blade increases fuel efficiency by 1%,” Raney

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— Lelani Latimer, Sabre Holdings

said. “On long distance flights on an aircraft like a 777, even 1% makes a huge difference in fuel consumption and emissions.”

Other parts of the air sector are helping. Sabre Airline Solutions works out more fuel-efficient ways to load aircraft – shifting the center of gravity toward the rear reduces drag and uses less fuel. Other specialists work with airlines and national governments to take the kinks out of air routes to reduce flying time and fuel consumption. Case in point: modernizing the crumbling U.S. air traffic control system could save 17 million tons of CO2 by reducing delays.

“Being clean and efficient was always business as usual for us,” Raney said. “Now that green is cool, we’re finally starting to talk about it.”



## HOTELS

**H**OTELS ARE THE POSTER children of sustainability. Starwood is launching a green brand, Element Hotels, this year. Marriott donated \$2 million to preserve a Brazilian rain-forest earlier this year.

Others have been at it for decades, like Aramark, which runs park accommodations, or Fairmont, which launched its first green

product in 1990 when the company was known as CP Hotels. “We had, and have, a lot of properties in national parks, biosphere preserves, world heritage sites,” said Michelle White, Fairmont’s director of environmental affairs. “We were well acquainted with the need to manage our environmental impact.”

Energy use is a key focus for any sustainable lodging program, White said. In 2006, the Sonoma Mission Inn & Spa, a Fairmont property, replaced 4,400 incan-

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descent bulbs with fluorescents for an annual costs savings of \$61,000. About \$55,000 of the \$65,000 project cost was covered by California state rebates, allowing the hotel to recover its entire investment in just 60 days. A similar lighting retrofit at the Fairmont Orchid saves over \$130,000 yearly. Water use is another target for the company. In Hawaii, the Fairmont Kea Lani saves \$10,000 monthly by recycling laundry water. The Fairmont Dubai has cut total water use by about 35% by installing faucet aerators.

“Green is an easy sell for hotels,” White said. “It’s the right thing to do environmentally and it also has a very strong return

Marriott is also donating a percentage of group room revenue to the project and channeling guest donations to offset greenhouse gas emissions. The company is also greening its own \$10 billion supply chain.

Wyndham is tackling environmental initiatives on multiple fronts. Properties are installing compact fluorescent bulbs, cutting energy and water consumption, and switching to green cleaning products. Green programs are being rolled out at corporate properties, then introduced into franchise operations.

“Customers are saying they believe lodging companies should take the lead on sustainability,” said Faith Taylor, vice president of innovation and development and sustainability worldwide. “It’s a new way of doing business, but at the end of the day, it adds economic benefit.”

“You have to be honest,” Taylor continued. “We don’t claim to be 100% green. We say we’re on the journey to becoming green. Consumers understand that. They’re on the same journey themselves at home.”

Sustainability is a journey that never ends. Bruce Fears has been greening Aramark Harrison Lodging his entire career. He is now president. “We measure all of our sustainability elements every month,” Fears said. “If you don’t measure, it’s hard to know if you are having an impact or not. We’re not where I want to be, but we’re making steady progress. Customers want to see a company trying to do the right thing.”

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on the investment.”

Customers expect sustainable operations, too. Marriott launched resource and energy conservation measures during the last energy crisis, said Mari Snyder, vice president of corporate responsibility and community engagement. Green became a strategic focus over the past 18 months as key corporate accounts began greening their own supply chains, including hotels.

“It is coming to be expected that you are green,” Snyder said. “It’s a constant effort to identify ways to be greener.”

One of the ways is a \$2 million deal with the Brazilian state of Amazonas to protect 1.4 million acres of endangered rainforest.



## CAR RENTALS

**S ‘GREEN CAR RENTAL’** an oxymoron? Not to car rental companies. EV Rental Cars has nothing but hybrid-electric vehicles in its fleet. Enterprise claims the biggest green fleet in the world. Hertz claims the largest percentage of green vehicles.

“The EV name, environmental vehicles, says it all,” said Erin Davis, vice president of marketing and communication. “Other providers have green vehicles in their fleets. Green is the very backbone of who we are.”

But EV’s fleet is just 350 vehicles strong, spread from San Diego to San Francisco, plus Phoenix and Las Vegas. Enterprise and Hertz both have more than ten times as many hybrids in their respective fleets, plus thousands of more traditional gas-powered high mileage vehicles.

“Being the only green provider sets us apart,” Davis said. “It’s a concept that people get. Customers come to us because they are making a positive choice. It’s an attitude, a change in behavior, and we want to be a part of it.”

Whether EV can survive in a green market dominated by Enterprise and Hertz is an open question. Enterprise started its green fleet in 2006 when CEO Andy Taylor decided that green is the only way to assure the long term survival of his, or any, car rental company.

“Business interests are aligned with environmental interests,” explained Pat Farrell, Enterprise’s vice president of corporate responsibility. “In order to remain in business, we have to have vehicles that are acceptable to the environment, to regulators, and to the public. We made the decision to have the world’s most fuel-efficient rental car fleet.”

Enterprise’s fleet is about 1.1 million vehicles. That includes 440,000 that average 28 mpg or better and 237,000 that average 32 mpg or better, 70,000 flex-fuel vehicles that can use either gasoline or E85, and more than 5,000 hybrids. Farrell wants at least 10,000 hybrids, but car makers can’t meet demand.

Enterprise also introduced a carbon offset program last January. Renters can offset the pollution produced by any vehicle in the Enterprise fleet, right up to a 5,000 pound Cadillac Escalade, for \$1.25 per day. Enterprise will even match the first \$1 million of

renters' carbon offset purchases.

Renters snap up every hybrid available despite higher prices. But only about 1,000 non-hybrid renters a day, 5% of Enterprise's daily customer count, actually buy a carbon offset. Farrell said numbers are growing.

Hertz takes a different approach. It has fewer vehicles than Enterprise, but 64% of the fleet gets 28 mpg or better, and 42% of the fleet gets 34 mpg or better. Like Enterprise, Hertz can't get enough hybrids.

Where Hertz shines is behind the scenes. Over 80% of car wash water is recycled, said Sue Pinera, director of environmental programs for Hertz. Engine oil is recycled. So are parts and brake cleaner fluids. Chlorinated solvents have been replaced with a nontoxic cleaners. All electronic equipment at U.S. locations is resold or recycled. Paper waste is recycled.

"Airports have had an impact on greening this industry," Pinera said. "They are mandating a lot of moves like green building practices and certifications. Airports like San Francisco charge less if you have a green fleet."

So far, green has been good for business for Hertz. Hybrids cost more to acquire, but higher rental rates produce better yields than gas-powered vehicles. Between 10% and 15% of all renters are will-

ing to pay a premium for green vehicles. But renters across the board are declining those traditional upgrades from economy to midsize or mid to fullsize vehicles.

"Three or four years ago, I had never heard of carbon footprint or sustainability," said Hertz' marketing vice president Frank Camacho. "Now I go to meetings about them. Green is not a fad."

As far as the car rental industry as a whole, Camacho said that although it has come a long way and is "making a sizable reduction"

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— Frank Camacho, The Hertz Corporation

in its carbon footprint, "There's certainly more to do in the cars themselves. But that depends a little on our suppliers."

Camacho cites two barriers to greening up the car rental industry: the upfront capital expense required to purchase fuel-efficient cars and things like car wash equipment that recycles water; and lack of supply.

"The supply chain hasn't adapted yet to the need for more sustainable alternatives," he said. "Whether you're an airline or car rental company, we really buy our product from a limited number of suppliers. The lack of diversity of the suppliers we deal with is a challenge."



## PAYMENT CARDS

**W**HAT DO PAYMENT CARDS have to do with sustainable travel? A lot. Cards don't control travel buying decisions, but the information and incentives that cards offer can nudge decision makers into more sustainable travel choices.

That's why MasterCard is dipping its toe in sustainable travel by supporting Travelocity's Travel for Good program, a volunteerism tour opportunity that matches travelers who want to do good with groups that can use their volunteer help. MasterCard doesn't have a broad sustainability agenda, but it's interested enough for a test run; customers who buy a Travel for Good program on Travelocity get a \$50 discount if they pay by MasterCard.

The card company sees its link with the program as a good way to test a new-to-them concept that ties in with the company's core business and its "priceless" marketing message, said Xavier James, MasterCard's managing vice president for travel, sports and entertainment. "We know there are people out there who might want to take a more altruistic vacation," he said. "We want them to let MasterCard give them an added incentive to make that choice."

American Express has taken a much more active role. One

reason is employees like Donna Flora, CTC, CTIE, vice president of travel industry relations, who have been encouraging sustainability for years from the inside. "We cannot afford to view sustainability as merely another trend," Flora said. "On this issue the travel industry must keep pace with the rest of the world, and we must make a long term commitment to encouraging responsible tourism."

Inside advocates like Flora and Judy Tenzer, vice president for corporate social responsibility, have tens of thousands of allies in Amex customers. Some actively search out sustainable travel; many more are open to the idea.

"We want to provide opportunities for our customers," Tenzer said. "As a service provider, we don't have a big footprint ourselves, but we can have an impact on the kind of experiences our members have when they travel. The reality is that if we, as a company and as an industry, don't work on sustainable travel, the places our customers visit will deteriorate."

What a company can do is based in part on what its customers want it to do. Amex customers wanted to start by moving award points to a favorite charity and learning more about suppliers claiming to be green.

"We have had a lot of customers for a lot of years who want

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education and learning, trips where they leave less behind,” Tenzer said. “Now we have suppliers who offer products that take the natural environment into consideration. We can provide

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a valuable service by keeping our card members up to date on these kinds of products.”

Amex was one of the early corporate sponsors of the World Monuments Fund, which protects and restores monuments from Angkor Wat to the Yucatan, London, and Route 66. American Express has also committed to reducing its carbon footprint by at least 10% by 2012.

Now customers are asking about green hotels and resorts. They’re not asking simple questions, either, Tenzer said. They want details about water and power usage, construction, food sourcing, activities, community involvement, hiring practices, employee training and more.

That’s why Amex is partnering with the Travel Industry Association to develop a Travel Sustainability Initiative to be released at TIA’s Marketing Outlook Forum in October 2008. Look for a web portal with

links to the most relevant information, including consumer research, travel programs in different shades of green, case studies, efforts by other travel associations, pending legislation, case studies, and more.

“Sustainable travel is in the early stages for us,” Tenzer said. “It is something we expect to do more of, but you have to remember that not everyone’s approach is the same. We expect a lot of conversations in years to come.”



## ONLINE TRAVEL AGENCIES

**O**NLINE TRAVEL RETAILERS ARE finding plenty of reasons to go sustainable, most of them economic. Greening internal operations is good for the bottom line. Connecting travelers who want greener products with a growing array of greener suppliers is also good for the bottom line. Promoting greener travel practices, publicizing programs that let travelers give back, spreading the word that “we care,” that’s all good for the bottom line, too.

“Environmentally conscious consumers want more and more to steer their business to companies that share their values,” explained Jeff Glueck, chief marketing officer for Travelocity.

The trouble with sustainability is that it’s not a free ride. It’s more of a balanced equation. Researching and booking travel online has less environmental impact than the more familiar process that involves multiple brochures, catalogs and associated paperwork.

The other side of the equation is energy use. Web-based operations are voracious energy users. Pack a few hundred servers in a room and you can either crank up the air conditioning or watch the system melt down.

“Cooling data centers doesn’t do good things for your carbon footprint, not to mention the financial cost,” Glueck said. “We’ve reduced our carbon footprint and our energy bills 25% just by greening our data centers.”

A key move: cool the computer, not the computer room. Cold air is pumped into the base of each server and hot air is vented through a chimney at the top.

The result: cooler, more efficient computing and lower energy

use. Greening operations also helps build both marketplace visibility and customer loyalty, Glueck said.

Better visibility and customer retention are two reasons Travelocity introduced carbon offsets.

Visibility and loyalty are also behind programs like Travel For Good, Travelocity’s volunteerism initiative that matches travelers who want to do good with groups that can use their volunteer help. Partners include Earthwatch for environmental programs, GlobeAware for

international volunteerism, Cross-Cultural Solutions for international community work, and Take Pride in America for U.S. National Park programs.

“People may be interested in taking a volunteer vacation, but it can be hard to get information and reviews from real travelers,” Glueck said. “We stepped in to fill the gap.”

Expedia is also moving greenward. One of the stumbling blocks is definitions. Just what is “green?” Is a green hotel the same as a

green airline or a green tour? Are big cruise ships more, or less, environmentally sensitive than small ships?

“Who is really green and to what degree?” asked Kim Solem, Expedia’s director of social responsibility. “Our travelers are concerned and our partners want us to promote their sustainable programs. We’ve seen the growing demographic of travelers who need a

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reliable portal for sustainable options. That's where we come in."

Expedia, like Travelocity and many of the other companies mentioned in this article, is backing the United Nations-sponsored Sustainable Tourism Criteria initiative that will be unveiled later this year. The Sustainable Baseline Criteria will help define different shades of green and begin a move toward uniform measures of sustainable travel.

Once generally accepted measures are in place, Expedia wants to be the place green travelers find, book, and buy sustainable

travel products. The company laid the groundwork by cofounding the World Heritage Alliance with the United Nations Foundation, building a LEED-certified headquarters building, sending volunteer employee teams to help communities near world heritage sites develop sustainable business plans, and advising business travelers how to stay green on the road.

"Our customers are telling us this is really important to them," Solem said. "Our reputation is linked to the travel industry as a whole. Sustainability is a business imperative for all of us."



## TRADITIONAL TRAVEL RETAILING

**T**RAVEL AGENTS ARE THE weak link in the chain connecting green travelers with sustainable and green travel suppliers. When *Travel Professional* contacted major consortia and leading agency groups to ask about their internal programs involving sustainable travel, the response was either a telling silence or, in one case, "Our green person is out for a few weeks. Can you call back?"

"You see tons of material on sustainable travel coming out of the supplier side," said Melissa Teates, director of research at the American Society of Travel Agents. "But I haven't heard of anything coming out of the consortia or the larger agent community. What we hear at ASTA is a lot of questions. Some agents see the economic advantages of sustainable travel. Some see customer demand. Some have heard about green travel but don't see it happening. That's why we created ASTA's Green Program. We want travel agents to be thinking about sustainability."

The Green Program is a combination self-assessment, education and promotional program. Once agents complete the program, they can display an "ASTA Green Member" logo that the association plans to promote to the traveling public. (Please see page 35.)

"This isn't a green certification program," Teates said. "That logo says the agency has done a self-assessment and set sustainable goals for the future. The real value of the program is helping travel agents think about and implement sustainability. That is far more valuable than a formal certification."

Individual agents with passion for sustainable travel are leading the way in the profession. Shelly Claflin has built a green travel agency in Kalamazoo, Missouri, without spending a dime on advertising or promotion. Her agency, Conscious Traveler, doesn't even have a website yet.

"I talked sustainable travel to everyone I met and let my customers spread the word for me," Claflin said. "There are green tour companies but there are not a lot of green travel agencies.

Travelers want green travel, they just don't know where to go to find it. While most of the travel world is seeing shorter and shorter booking windows, my clients are booking earlier and earlier because they know that I understand what they want."

Green travel is an established niche on the supplier side, Claflin said. Green agencies are still few and far between. "Most agents already have their clientele," she said. "They are not in any rush to change unless and until business plummets. My only real competition is the Internet and there isn't a website in the world that can compete with a real travel agent."

ASTA's Teates said the Green Program gives travel agents the information they need to move into green travel if they want to expand or shift their client base. The core of the pro-

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— Melissa Teates, ASTA

gram is a step-by-step guide to greening agency operations.

On the ethical side, she said, agents have to green their own operations before calling themselves green. There's also a practical reason to green your own house first: credibility.

"Any savvy eco-client will question the agent and the agency to make sure they're for real," she cautioned. "They will know in the first minute whether you're walking the green walk or just pretending. You have to demonstrate green commitment before you can get green clients."

The good news is that green is its own reward. Even the simplest steps like installing more efficient light bulbs, recycling, reducing paper use, and turning out lights in unused rooms bring immediate economic savings.

"A lot of these more sustainable choices can save you money," Teates said. "Just dropping energy use by 5% or 10%, that's a tremendous economic savings."