



Frequently Asked Questions

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Q. What is By-Product Synergy?

A. The concept of *By-Product Synergy* (BPS) is turning one company's waste, or by-product, into a valuable resource for another company, creating a synergy. The BPS project brings together 10 to 20 companies and organizations in the area to look for profitable synergies.

Q. How is BPS different from a waste exchange?

A. BPS is active, while a waste exchange is passive. Additionally, BPS is a process, whereas materials exchanges tend to be static tools. With a waste exchange, you need to know exactly what material you are looking for at the outset. Also, in a waste exchange you have to take what you can get. The material available may not meet the specs required for your process, the material may not be available in the quantity you need, or the future supply of a material may be uncertain.

BPS can overcome all these barriers to using by-products as inputs. For one, you may discover synergies between your materials and those of other companies that you would never have thought of outside of the program. The BPS project may also identify process changes that will allow certain synergies to occur that otherwise would not be feasible. Also, all synergies that are implemented in the BPS project are implemented as business agreements between the interested parties, and therefore incorporate quality and supply issues, mitigating those risks. Experience has shown that it is not usually sufficient to simply identify opportunities in an impersonal format; there are usually barriers to be overcome before results can be achieved. BPS provides the process for communication and resources to overcome some of these barriers.

Q. How can our company benefit from BPS since we are already very efficient?

A. Many of the companies that have benefited from our BPS projects were already leaders in efficiency, and often have benefited to a greater extent than less efficient companies. You may have exhausted the efficiency gains you can achieve within your own operations, however, BPS gives you access to new markets in which to find profitable homes for your by-products or less expensive raw materials. BPS also expands the search for synergies beyond materials to include items like transportation, space, logistics, and other resources. Investigating synergy opportunities with other industries can provide a new way to improve your facility's efficiency. Some of the most profitable synergies have been discovered between very diverse industries. In today's corporate environment, downsizing trends tend to preclude interaction among diverse industries unless they are in the supply chain. BPS creates and fosters this link to diverse industries.

Q. We tried something like this and it didn't work. Why would your program work if we couldn't do it on our own?

A. There are three keys to this program's success, and why it can provide you with new opportunities. The first is diversity. The companies we bring together in these projects represent a wide variety of industries, broadening the markets in which our participants find business opportunities. The second is communication. Our project provides a forum in

which participants are comfortable sharing ideas, and stimulates creative thinking to look beyond their company fence-line for opportunities. The third is partnerships. By-product synergy leverages relationships with technical consultants, regulatory agencies, research organizations, and funding sources to assist participants in overcoming barriers to implementing the synergies they identify. Participating in the project also exposes you to opportunities for synergies with companies in other BPS projects.

Q. How do we know that other companies won't learn our trade secrets?

A. All participants in the BPS project sign a participation agreement, which includes a confidentiality clause. All data collected in the material synergy database is treated as confidential, and participants choose what data they wish to report. In addition, participants have complete control of what they discuss about their company's products and processes in the working meetings.

Q. How much time will be required of my staff?

A. A representative of your staff will need to attend three project working meetings, which occur every four to six weeks during the first stage of the project. They will participate in task groups that form around company-relevant synergy opportunities. And they will need to coordinate the data collection effort for your company, the bulk of which can be delegated to a junior engineer.

Q. We have another facility in the area—can they join, too?

A. You may include as many facilities as you wish in the project, all for the same subscription fee. However, we will only visit one facility per organization, and one representative of the entire organization should be designated as the main participant in the working meetings. You will want to weigh the monetary investment of having each facility join separately versus the investment in staff time to coordinate data collection and participation of all your area facilities under one subscription fee.

Q. Will joining the project guarantee that my company will find a synergy?

A. We cannot guarantee you will find a synergy. However, between our material synergy database and the facilitated brainstorming sessions with all the participants, we attempt to identify all the possible synergies that can be created. We also leverage all of our technical, regulatory, and financial partner relationships to maximize the potential for identified synergies to be implemented.

Many of our past participants have stated that monetary benefits from implemented synergies were not the only reasons they joined the BPS project. For many, the opportunity to network with sustainability-oriented business leaders, the introduction to new markets in which they may find business opportunities and being provided a tool for implementing sustainable development within their organization were as valuable benefits as financial gains.