

SUSTAINABILITY

## Sustainable Products: Not Just Necessary, But Profitable

by David Salisbury



*It is impossible to deny the effects of the environmental crisis. But promising developments in food, energy, and other sectors have given hope to the idea that sustainable products can perform well in the market.*

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With scientists saying humanity has 5 to 10 years to dramatically change our environmental footprint to prevent irreversible climate change, finding sustainable methods of production and greener products is crucial. Thankfully, some greener products are not only gaining economic ground, but becoming more popular with the public than in the past. Here are some products that could outshine their less environmentally-friendly predecessors.

# The Improbable Rise of Impossible Meat

Go to any hipster beer-n-burger spot, chances are there's an "Impossible Burger" for sale. These meatless burgers are made of cellulose, coconut fat, wheat, and potato protein and are fashioned to look and taste exactly like the real thing. Not only are they succeeding in replicating beef, they are gaining serious ground with the public as sales have surpassed previous expectations. Beyond Meat Inc. shares soared 25% this June after beating Wall Street's expectations in its first earnings report since its initial public offering in May. They reported revenue of \$40.2 million, more than triple the prior year. That also beat Wall Street's forecast of \$39 million. The El Segundo company also said sales would exceed \$210 million this year, beating analysts' estimate of about \$205 million.

# The Electric Car's Road to Riches

Partly due to the arrival of Tesla's affordable Model 3, electric car sales have surged. In 2018, electric cars accounted for 13% of new passenger vehicle registrations in the Bay Area, up from 7% in 2017. The huge Los Angeles metro area has more electric vehicles overall, but its numbers still grew as well. In June this year, Renault announced they sold more than 5,000 electric cars for a third consecutive month. With carbon emissions a major factor in global climate change, consumers are growing more favorable to electric cars due to their lower emissions, fuel efficiency, and more affordable models being available.

# Fossil Fuels Going the Way of the Dinosaur

European and Asian energy companies are dedicating serious monies to creating renewable energy. Europe's big oil companies account for 70% of global renewable capacity. Norway's Equinor plans to spend 15-20% of its budget on renewables by 2030. The Oil and Gas Climate Initiative (OGCI), which brings together 13 of the world's top oil and gas companies, pledged in early 2018 to slash emissions of a potent greenhouse gas by a fifth by 2025.

Though big American oil companies like Shell, Statoil, and Exxon have announced a series of “green” investments – like wind farms, electric battery storage systems, and carbon capture and storage, American energy companies have been slower to embrace renewable energy overall. These top oil companies have jointly spent only 1% of their 2018 budgets on clean energy. This puts U.S. big oil in the position to be left behind economically for their reluctance to diversify and get on the ground floor with renewable energy’s probable market dominance.

## Lab Diamonds Now Valuable Gems

The civil unrest, human devastation, and ecological ramifications caused by diamond mining in Africa is well documented. However, advancements in creating lab-grown diamonds hopes to eliminate exploitative practices to produce quality diamonds at an even lower price point. Lab created diamonds, also known as engineered or cultured diamonds, are grown in highly controlled laboratory environments. They are basically identical to stones forged from the Earth. This has created much suppression for lab diamonds in the industry, particularly from diamond titan DeBeers, because they want to keep a lock on their market dominance through mining. However, seeing the inevitable industry shift towards lab diamonds that they need to be ready for, DeBeers also began selling synthetic stones for jewelry in late 2018. Since then, wholesale prices for lab-grown diamonds have fallen by up to 60% and are expected to fall further, making man-made diamonds more available and more affordable. Unfortunately, they are having a hard time finding favor in the public as “natural” diamonds are still regarded more favorably by women who desire them.

## Public Image Ltd.

Overall, overcoming ingrained public image continues to be one of the main obstacles in popularizing sustainable products. Impossible meat and electric cars may be on the upswing, but products like renewable energy and lab diamonds continue to be hampered

by unconvinced business owners and consumers. But one must have faith in the populace – If meat eaters can be satisfied with wheat and cellulose patties and gearheads can finally cozy up to cars you plug into the wall, anything is possible.

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