



SUSTAINABILITY IN SUPPLY CHAIN MANAGEMENT CASEBOOK

APPLICATIONS IN SCM



STEVEN M. LEON

Sustainability in Supply
Chain Management
Casebook

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Applications in SCM

Steven M. Leon

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Contents

Part 1	Disaster Response: Social and Financial Impacts	1
Chapter 1	The Armenia Earthquake: Grinding Out an Effective Disaster Response in Colombia’s Coffee Region <i>Alfonso Pedraza Martinez, INSEAD; Catalina Estrada Mejia, UniAndes School of Management; Orla Stapleton INSEAD; Luk Van Wassenhove, INSEAD</i>	3
	Introduction	4
	The Earthquake	4
	The Relief Chain	6
	Planning and Preparedness	6
	Assessment	8
	Resource Mobilisation	9
	Financial	9
	Human Resources	9
	Organisational Set-up	10
	Procurement and Donations	12
	Transportation	13
	Tracking and Tracing	15
	Stock Asset Management	15
	Extended Relief to Beneficiaries	17
	Monitoring, Evaluation and Reporting	18
	Coordination and Collaboration	19
	Conclusion	21
	Appendix 1	22
	Glossary of Organisations	22
Chapter 2	Resilient Response and Recovery at Western Digital: After the Thai Flood <i>Joe Bunya, Western Digital; Christopher Tang, UCLA</i>	27
	Thailand Floods in 2011	30
	Western Digital in Thailand	31
	Before the Flood—Identifying, Assessing, and Mitigating Risks	33

	During the Flood—Resilient Response	34
	After the Flood—Speedy Recovery	37
	The Sun Shines Again	38
Chapter 3	Global Effect of a Natural Disaster on a Lean Supply Network	
	<i>Mark Dolsen, Wayne State University and Tokai Rika Group North America-Quality Safety Systems Company (TRQSS), Dr. Ratna Babu Chinnam and Dr. Kenneth Chelst, Wayne State University</i>	43
	Breaking News—Friday, March 11, 2011	43
	Background of TRQSS, Inc.	46
	Assessment of the Supply Base	48
	Trouble from the Other End of the Chain	49
	Preserving the Culture in a Downturn	52
	What’s Next?	55
Chapter 4	Honda Automobile (Thailand) and Its Supply Chain Disruption	
	<i>Kraiwinee Bunyaratavej, Wesley College</i>	63
	Honda Automobile (Thailand) History	63
	The Big Flood	64
	Financial Impact	66
	Other Plants	69
Part 2	Organizational Change, Environmental Sustainability, and Financial Analysis	71
Chapter 5	Going Green: The Pfizer Freiburg Energy Initiative (A)	
	<i>Sam Aflaki and Paul Kleindorfer, INSEAD</i>	73
	Pfizer and the Pharmaceutical Industry	74
	Becker’s Portfolio: The Freiburg Energy Master Plan	77
	The Wood-Pellet Boiler Project	82
	Role of the Portfolio of Projects within Pfizer’s Sustainability Agenda	86
	The Decision	88
	Appendix 1	89
	Kyoto Protocol, CO ₂ and Emissions Trading	89

Chapter 6	Sandvik Coromant Recycling Concept	
	<i>Gal Raz and Michel Schlosser, University of Virginia. . . .</i>	97
	Industry Overview.	98
	Tungsten and Cobalt.	100
	Company Overview.	101
	Sandvik Tooling's Supply Chain.	103
	Manufacturing.	103
	Logistics.	103
	R&D and New Product Development.	103
	Multibranding.	104
	Cooperation with Customers.	104
	Quality.	105
	Organization and Culture.	105
	Organization.	105
	Culture.	105
	The CRC at Sandvik Tooling.	106
	Cemented Carbide Recycling.	106
	History.	107
	The Reverse Supply Chain.	108
	In-house or Outsource?.	109
	Environmental Impact.	110
	Pricing of Scrap.	110
	Local Sales Organizations: The U.S. Example.	110
Chapter 7	HeidelbergCement: Technology Choice	
	Under Carbon Regulation	
	<i>David Drake, Paul Kleindorfer, and Luk Van Wassenhove,</i>	
	<i>INSEAD.</i>	123
	History, Growth and Landscape.	125
	The History of HeidelbergCement.	126
	The Competitive Landscape.	128
	The Emergence of a Carbon Economy.	129
	From Kyoto to Carbon Credits.	129
	The European Union Emissions Trading Scheme.	131
	Emissions Regulation in European Cement.	133

	Cement Operations and Carbon Impacts	136
	Kiln Operations	136
	Fossil, Alternative and Biomass Fuels	137
	Cement Blending and Clinker Substitution	140
	On the Horizon—Carbon Capture and Storage.	142
	The Benelux Cluster.	144
	A Question of Impact and Survival	146
Chapter 8	Electronic Waste: What to Do with It?	
	<i>Steven Leon, University of Central Florida.</i>	161
	A Day at the Office	161
	Technology Changes.	162
	Repercussions of Changing Demand for CRTs	163
	Industry Responsibility.	164
	Government Intervention.	165
	Supplier Oversight	167
	Good News	169
Part 3	Sustainability Throughout the Supply Chain	171
Chapter 9	Better Tomorrow at Sodexo North America	
	<i>Jan Bell, S. Sinan Erzurumlu, Holly Fowler, Babson College</i>	173
	Introduction	173
	Sodexo: Corporate Overview	175
	Supply Management Group	177
	The Better Tomorrow Plan	179
	Sustainability Strategy and Priorities at Sodexo North America	180
	“ <i>We Do</i> ” Protect the Environment at NORAM	183
	Energy and Emissions	184
	Water and Effluents.	186
	Local, Seasonal, or Sustainably Grown or Raised Products	187
	Sustainable Fish and Seafood	188
	Moving Forward	190

Chapter 10 GroBaby Foods: Green Sourcing
Sheneeta W. White, University of St. Thomas 197

- Introduction 197
- Company Background 198
 - Competitive Pressures 199
 - Infant Purée Production 200
- The Supply Chain 200
- The Sourcing Strategy 201
- Developing a Green Sourcing Strategy 203
- The Challenge 204
- Discussion Questions 205

Chapter 11 Reducing Pollution Through Green Logistics
Tom McNamara, ESC Rennes School of Business and Erika Marsillac, Old Dominion University 209

- Sources 213

Part 4 Social Sustainability Through Innovation. 215

Chapter 12 Bosch: Creating Innovations Through Active Collaborations
Marina Mattera, Universidad Europea de Madrid 217

- The Base of the Pyramid (BoP) 217
- Open Innovation 220
- Open Innovation: Robert Bosch GmbH 222
- Continued Financial Success 222
- Business Sectors 224
 - Automotive Industry 224
 - Industrial Technology 225
 - Consumer Goods and Power Tools 225
- Social Responsibility 226
- Innovation Production: R & D and Operations 227
 - Bosch’s R & D Infrastructure 228
 - How to Proceed When Conducting R & D and Operations 229
 - Collaborations 231
- Innovation Production: Processes and Products 233
 - Processes and Procedures 233
 - Products 235

	Conclusion	239
	Questions	240
	References	241
Chapter 13	Max Foundation (A): Saving Children's Lives Through Business Model Innovation	
	<i>Martijn Thierry, Strategy Consultant and Luk Van Wassenhove, INSEAD</i>	243
	I. Creating Something Positive Out of a Tragedy	244
	II. The Vision and the Search	245
	III. Building the Base in the Netherlands	247
	IV. The First Steps in Bangladesh: Learning While Doing	248
	V. Challenges at Home	251
	VI. Increasing Presence in Bangladesh	253
	VII. Envisioning the Next Step	255
	Max Foundation: Saving Children's Lives Through Business Model Innovation (A) and (B)	257
	Appendix 1	264
	Pictures of Joke and Steven in Bangladesh	264
	Appendix 2	266
	Additional Information on the Implementation Partners in Bangladesh	266
	Overview	266
	Some Partner Specific Information	267
Chapter 14	Max Foundation (B): What Is the Best Route Forward?	
	<i>Martijn Thierry, Strategy Consultant and Luk Van Wassenhove, INSEAD</i>	269
	I. Finding Partners for Growth	270
	II. Measuring and Analysing Impact for Better Performance	271
	III. Developing One Marketing Strategy for a Specific Donor Segment	273
Chapter 15	NH: Innovation and Knowledge Production Through Active Stakeholder Management	
	<i>Marina Mattered, Universidad Europea de Madrid</i>	275
	Creation of Innovations	275

Knowledge Production and Diffusion	
Life Cycle	277
Tourism Industry	279
NH Hoteles History Overview.	281
Corporate Profile: Mission, Vision, and Values	283
Knowledge Life Cycle at NH.	284
Business Process Environment	288
Questions.	295
References.	296
Index.	299

About the Author

Steve Leon is a Clinical Professor at the University of Central Florida and teaches supply chain and operations management in the executive M.B.A., M.B.A., and undergraduate programs. His research focuses on sustainability, supply chains, and air transportation, which appear frequently in both academic journals and industry publications. He routinely presents his research at both academic and industry forums worldwide. He is a member of various associations including the Council of Supply Chain Management Professionals (CSCMP) and is on the board of the Central Florida CSCMP Round Table. Prior to his academic career, Steve had an 18-year career in the airline industry, principally in flight operations, training, and satellite communications, in such roles as an airline pilot flying internationally and various management positions. Steve earned his Ph.D. in Transportation and Logistics from North Dakota State University, an M.B.A. with an International Business concentration from Loyola University Maryland, and a B.S. in Aeronautical Studies from the University of North Dakota.

Preface

I am delighted to bring you *Sustainability in Supply Chain Management Casebook: Applications in SCM*. We have distinguished authors and researchers from prestigious institutions bringing you sustainability cases from real world events that challenge the brightest minds. Sustainability in the supply chain isn't new, however the focus on sustainability in supply chains is on the rise. From corporate social responsibility, protecting the environment, managing scarce resources, maximizing stakeholder value, social and employee preservation; cases in supply chain sustainability are ripe for discussion.

We look at sustainability from the vantage point of the triple bottom line: social, environmental and financial (people, planet and profit). There are literally hundreds of sustainability decisions that can be made in which we have an incredible impact. Executives and managers have the opportunity to make these decisions in at least five areas of the supply chain: plan, source, make, deliver, and return. Sustainability decisions are made regarding the design of products and services, packaging and materials, which suppliers to use, location of suppliers, production methods to reduce waste, how much inventory to carry, what transportation modes to use, how much capacity to maintain, and what to do with products once they reach the end of their life cycle. As you can see, as a supply chain professional, if you want to make an impact in the area of sustainability, you can. There is no shortage of potential areas to make an impact; all you have to do is look for it.

Companies and organizations are faced with a myriad of conflicting objectives and goals. Business leaders must stay on top of fast moving parts that often move in different directions. Increasing commodity prices, scarce resources, and increasing tax payments can hinder sustainable profits. Worker safety initiatives, fair wages, employee training, community health and hazardous waste disposal can be costly. Executives will continue to find it necessary to manage drivers

that add costs, while at the same time try to increase margins. This is not new however, what is becoming more essential is to include sustainability initiatives into organizational strategies. Sustainability strategies are necessary because customers, politicians and entire communities won't stand for anything less.

Customers increasingly care about where products and services are made, how they are produced and delivered, what they are made of and who made them. Governments increasingly change regulations and implement new sustainability policies and regulations that impact both profit and non-profit organizations. Community leaders and their constituents demand that the welfare of their communities is sustainable. Communities expect companies to pay fair wages, pay fair taxes and dispose of hazardous materials or waste in an environmentally friendly manner.

Organizations are reviewing their strategies and operations from not only within their organizations; they are taking hard looks along their supply chains to include suppliers, customers, and ultimate consumers. We have identified key areas in which our cases provide many opportunities for in-depth discussions regarding sustainability in supply chains. As with many business decisions, there are no clear cut, one best decision for every company in every situation. Many factors need to be addressed and as such, we have compiled a list of excellent cases where executives and managers must decide what is best for them, their supply chain partners and the communities in which they reside and operate.

In closing, I would like to thank all of the case authors for their hard work and exceptional cases. Without them we would not have been able to provide this engaging publication to you. I would like also to thank Pearson Publishing for all of their support. I hope you enjoy the cases we have provided. I am sure you will find them full of discussion topics which will engage your students and class participants.

Thank you,

Steve Leon, PhD

University of Central Florida

Index

A

- AAUs (Assigned Amount Units), 130
- ABC News Business website, 66
- Aloshikha Rajihar Social Development Centre, 267
- ANDI (National Business Association of Colombia), 22
- Armenia earthquake
 - aid
 - asset management, 16*
 - distribution, 17-18*
 - donations and procurement, 12-13*
 - monitoring, 18-19*
 - tracking, 15*
 - transportation, 13-15*
 - assessment, 8
 - conclusion, 21
 - coordination/collaboration, 19-21
 - organization, creating, 11
 - overview, 4-6
 - planning and preparedness, 6-8
 - resources
 - financial, 9*
 - human, 9-10*
- assessing disasters, 8

assets

- recovery (e-waste), 165
- management (disaster response), 16
- Assigned Amount Units (AAUs), 130
- auditing suppliers, 201
- Aungkur Pali Unnayan Kendra, 268
- automotive e-equipment innovations, 238-239

B

- B2B (business-to-business) collaborations, 233
- Bangladesh Development Society (BDS), 268
- Base of the Pyramid. *See* BoP
- battery cells, 237
- BDS (Bangladesh Development Society), 268
- Benelux cluster, 144-146
 - annual demand, 146
 - annual requirements, 146
 - cement blends by types, 146-155
- Better Tomorrow Plan. *See* BTP
- BoP (Base of the Pyramid), 218
 - defined, 219
 - goals, 218

- Open Innovation. *See* Open Innovation models
- Bosch**
- business sectors, 224
 - automotive industry*, 224-225
 - consumer goods and power tools*, 226
 - industrial technologies*, 225
 - company overview, 222
 - financial success, 223
 - innovations
 - production processes*, 233-235
 - products*, 235-239
 - R&D, 228
 - collaborations*, 231-233
 - culture/belief standards*, *establishing*, 229-231
 - infrastructure*, 228-229
 - social responsibility, 226-227
 - sustainable company, creating, 239-240
- BTP (Better Tomorrow Plan)**
- changes, implementing
 - energy and emissions*, 184-186
 - local, fair, and responsibly produced products*, 187-188
 - sustainable seafood*, 189-190
 - water conservation*, 186-187
 - fourteen commitments, 175
 - global code of conduct
 - compliance, 180
 - impact from changes, measuring, 183-184
 - overview, 179-180
 - Supplier Code of Conduct, 180
 - supplier sustainability
 - practices, 179
- business model innovations (entrepreneurial-style social ventures)**
- community involvement, 247, 250
 - donor propositions, 248
 - fundraising, 248
 - growth partners, finding, 270-271
 - impact, 256, 272
 - local partners, managing, 255
 - marketing strategies, 273-274
 - no overheads model, 247
 - presence, increasing, 253-255
 - publicity, 248
 - return per dollar spent, *maximizing*, 249-251
- business-to-business (B2B) collaborations**, 233
- C**
- California electronic waste regulations**, 167
- carbon capture and storage (CCS)**, 142-144, 146
- carbon emissions**
- alternatives, 140-142
 - Benelux cluster, 144-146
 - capture and storage (CCS), 142-144, 146
 - cement operations
 - cement blends*, 140
 - clinker alternatives*, 141-142
 - kilns*, 136-137
 - fuels*, 138-140
- EU-ETS**
- European cement industry*, 133-136
 - implementing*, 132-133
 - prices*, 92
 - regulations*, 124-125
 - overview*, 131-132

- GroBaby Foods, 206
- idling truck engines (cargo docks), 211-213
- Kyoto Protocol, 129-131
- National Allocation Plans, 131
- NORAM, 186
- production innovations, 234
- reductions, 86
- supply chain sustainability, 184-186
- transport modes, 120
- carbon tax to curb global warming
 - article website, 135
- cargo container facilities operational efficiency
 - examples, 213
 - industry overview, 209-210
 - OECD findings, 210
 - problems, 211
 - resource websites, 213
 - solutions, 211-212
- CCS (carbon capture and storage), 142-144, 146
- cement. *See* HeidelbergCement
- cemented carbides, 98
 - prices, 121
 - recycling, 106-107
- Centre for Research on the Epidemiology of Disasters website, 33
- CHCs (chlorinated hydrocarbons), 234
- clients
 - business risks, reducing, 178
 - changes, implementing
 - energy and emissions, 184-186*
 - local, fair, and responsibly produced products, 187-188*
 - sustainable seafood, 189-190*
 - water conservation, 186-187*
 - impact from changes, measuring, 184
- climate change program (Pfizer), 87
- clinker alternatives, 141-142
- cobalt, 100-101
 - market prices, 110-113
 - recyclability, 113-114
- collaborations (R&D)
 - B2B (business-to-business), 233
 - finance research institutions, 231
 - governments, 233
 - P2P (peer-to-peer), 231
- Colombian Institute for Family Welfare (ICBF), 22
- communication (disasters), 36, 38
- congestion pricing, 212
- CRC (Coromant Recycling Concept), 97
 - cemented carbide recycling, 106-107
 - culture, 106
 - customer cooperation, 104
 - environmental impact, 110
 - history, 107
 - in-house versus outsourcing, 109-110
 - local sales organizations, 111-112
 - carbon emissions by transport modes, 120*
 - cemented carbide prices and quantity collected, 121*
 - closing the loop, 119*
 - environmental impact data, 120-121*
 - recyclability of tungsten and cobalt, 113-114*
 - sales, operating profit and numbers of employees by business area, 115*
 - tungsten and cobalt market prices, 110-113*

- reverse supply chain, 108-109
- scrap, pricing, 110
- sustainability policy, 116-118
- CRT recycling**
 - changing demand repercussions, 163-164
 - global dumping, 168
 - government intervention, 165-167
 - industry responsibility, 164-165
 - stockpiles, discovering, 161
 - supplier oversight, 168-169
 - technology changes, 162-163
 - websites, 162, 166
- culture**
 - preservation during downturn, 53-55
 - Sandvik Tooling, 106
- customers**
 - base assessment, 50-52
 - cooperation (Sandvik Tooling), 104
- D**
- de-manufacturing electronics, 165
- DEFRA (UK Department for Environment, Food and Rural Affairs), 120
- disassembling electronics, 165
- disaster response
 - aid
 - asset management*, 16
 - distribution*, 17-18
 - donations and procurement*, 12-13
 - monitoring*, 18-19
 - tracking*, 15
 - transportation*, 13-15
 - ANDI (National Business Association of Colombia), 22
 - Armenia earthquake, 4-6
 - assessment, 8
 - communication consistency, 36
 - coordination/collaboration, 19-21
 - employee safety, 35
 - financial impact (Honda), 66-69
 - FOREC (Fund for the Reconstruction of the Coffee Region), 22
 - future considerations, 41
 - global effects on lean supply chains
 - culture preservation in downturns*, 53-55
 - customer base assessment*, 50-52
 - future workforce reduction policies*, 56-57
 - Honda cuts news article*, 60-61
 - Japanese earthquake and tsunami overview*, 44-46
 - supply base assessment*, 48-49
 - ICBF (Colombian Institute for Family Welfare), 22
 - IFRC (International Federation of Red Cross), 22
 - multiple plant production adjustments, 69-70
 - operations, restoring, 39-40
 - organization, creating, 11
 - planning and preparedness
 - earthquakes*, 6-8
 - floods*, 33-34
 - recovery
 - managing*, 37-38
 - operations, restoring*, 39-40
 - time, reducing*, 36
 - Red Cross, 22
 - resources
 - financial*, 9
 - human*, 9-10

RSS (Social Solidarity Network), 22
 supply chain disruptions, minimizing, 35
 Thailand floods, 29-31, 64-66
 Western Digital factory flood, 27-29
 distribution (disaster aid), 17-18
 donations
 disaster responses, 12-13
 donor propositions, 248

E

ecommeeting, 293
 EcoPlusHome, 235-236
 EIA (Electronic Industries Alliance), 165
 electronic waste
 2009 end-of-life statistics, 167
 EPA recycling information website, 169
 hazardous trail website, 163
 managing
 asset recovery, 165
 de-manufacture/disassembly, 165
 recycling/salvaging, 165
 refurbish and reuse, 165
 RERA (Responsible Electronics Recycling Act), 168
 stockpiles
 changing demand repercussions, 163-164
 discovering, 161
 global dumping, 168
 government intervention, 165-167
 industry responsibility, 164-165
 supplier oversight, 168-169

technology changes, 162-163
websites, 162

Electronics Take Back Coalition website, 163
 employee safety
 disasters, 35
 NH Hoteles, 287
 energy efficiency
 450 ppm scenario, 95
 changes, implementing, 185-186
 energy price growth per IEA scenarios, 95
 EU-ETS
 European cement industry, 133-136
 implementing, 132-133
 prices, 92
 regulations, 124-125
 overview, 131-132
 Freiburg Energy Portfolio, 77-82
 benefits, 88
 geothermal heating/cooling, 80-82
 principles, 77-78
 profit sources, 79-80
 representative projects, 79
 scope, 77
 sustainability agenda role, 86-87
 Wood-Pellet Boiler Project, 82-85
 innovations, 237
 Kyoto Protocol, 89-92
 NH Hoteles, 292-293
 NORAM site-level efficiency actions, 194
 reference scenarios, 94-95
 supply chain sustainability, 184-186
 energy sources, environmental regulation challenges, 138-140

entrepreneurial-style social ventures

- community involvement, 247, 250
- donor propositions, 248
- fundraising, 248
- growth partners, finding, 270-271
- impact, 256, 272
- local partners, managing, 255
- marketing strategies, 273-274
- no overheads model, 247
- presence, increasing, 253-255
- publicity, 248
- return per dollar spent,
 - maximizing, 249-251

environmental protection

- electronic waste stockpiles
 - changing demand*
 - repercussions, 163-164*
 - discovering, 161*
 - global dumping, 168*
 - government intervention, 165-167*
 - industry responsibility, 164-165*
 - supplier oversight, 168-169*
 - technology changes, 162-163*
 - websites, 162*
- energy efficiency. *See* energy efficiency
- greenhouse gases
 - agriculture, 187*
 - Pfizer, 76*
- NH Hoteles, 291-292
- operational challenges due to government regulations
 - CCS costs, power, emissions, 146*
 - competition, 128-129*
 - EBITA with carbon costs, 134-152*
 - electric power impacts, 146*

emissions regulations, 133-136

EU-ETS (European Union Emission Trading Scheme), 124-125, 131-133, 150

EUAs, 133, 149-150

fuel classes, fuels, emissions impacts and costs, 139-144

fuel recipe costs and emissions efficiency, 145

Kyoto Protocol, 129-131

National Allocation Plans, 131

off-shore capacity, 146

off-shore electric power impacts, 146

take-back recycling (Sandvik CRC)

carbon emissions by transport modes, 120

cemented carbide prices and quantity collected, 121

cemented carbide recycling, 106-107

closing the loop, 119

culture, 106

customer cooperation, 104

environmental impact, 110, 120-121

history, 107

in-house versus outsourcing, 109-110

local sales organizations, 111-112

recyclability of tungsten and cobalt, 113-114

reverse supply chain, 108-109

sales, operating profit and numbers of employees by business area, 115

sustainability policy, 116-118
tungsten and cobalt market
prices, 110-113

EPA (Environmental Protection

Agency) websites, 169-170

ethics, 53-55

EU-ETS (European Union

Emission Trading Scheme)

European cement industry,
 133-136

implementing, 132-133

prices, 82-84

regulations, 124-125

overview, 131-132

EUAs (European Union

Allowances), 132

pricing, 149

surplus, 133

F

federal e-waste export

legislation, 168

financial impact and resources

(natural disasters), 9, 66-69

food procurement after

disasters, 12-13

FOREC (Fund for the

Reconstruction of the Coffee

Region), 22

Freiburg Energy Portfolio, 77-82

benefits, 88

geothermal heating/cooling, 80-82

principles, 77-78

profit sources, 79-80

representative projects, 79

scope, 77

sustainability agenda role, 86-87

Wood-Pellet Boiler Project, 82-85

central elements pre-project

cost estimates, 92

maintenance costs, 92

G

GAA (Global Aquaculture Alliance),
 189

gCab, 294

geothermal heating/cooling, 80-82

GHG (greenhouse gas)

emissions, 76

agriculture, 187

Pfizer, 76

global logistics efficiency (cargo

container facilities), 210

examples, 213

problems, 211

solutions, 211-212

GroBaby Foods

carbon footprint, 205

competitors, 199

history, 198-199

infant purée production, 200

sourcing strategy

challenges, 204

compliance failure, 197-198

creating, 203-204

performance metrics, 207

selection, 202-203

supply chain

auditing, 201

overview, 200

sustainability objectives, 202

total cost of ownership, 207

gross margins, increasing, 178

H**HeidelbergCement**

- Benelux cluster, 144-146
 - annual demand*, 146
 - annual requirements*, 146
 - cement blends by types*, 146-155
 - portfolio serving Benelux*, 145-154
- cement history, 125-126
- CCS costs, power, emissions, 146
- competition, 128-129
- EBITA with carbon costs, 134-152
- electric power impacts, 146
- emissions regulations, 133-136
- EU-ETS (European Union Emission Trading Scheme), 124-125, 131-133
 - European cement industry*, 133-136
 - implementing*, 132-133
 - regulations*, 124-125
 - overview*, 131-132
- EUAs
 - pricing*, 149
 - surplus*, 133
- fuel classes, fuels, emissions
 - impacts and costs, 139-144
- fuel recipe costs and emissions
 - efficiency, 145
- history, 126-128
- income statement, 148
- Kyoto Protocol, 129-131
- National Allocation Plans, 131
- off-shore capacity, 146
- off-shore electric power
 - impacts, 146

- operations
 - cement blends*, 140
 - energy sources*, 138-140
 - future improvements (CCS)*, 142-144
 - kiln*, 136-137
- regulations impact, 146-147

history

- cement, 125-126
- CRC, 107
- GroBaby Foods, 198-199
- HeidelbergCement, 126-128
- Honda Automobile Thailand, 63-64
- Max Foundation, 244-245
- NH Hoteles, 281-283
- Sodexo, 176-177

Honda

- Automobile Thailand
 - financial impact*, 66-69
 - flood overview*, 64-66
 - history*, 63-64
 - multiple plant production adjustments*, 69-70
- cuts news article (Japanese earthquake and tsunami), 59-62
- worldwide production data, 67

human resources

- coordination/collaboration, 19-21
- disaster response, 9-10
- organizing, 11

I

- ICBF (Colombian Institute for Family Welfare), 22
- idling engines article website, 213
- IEA (International Energy Agency), 93
 - 450 ppm scenario, 95

- energy price growth per IEA scenarios, 95
- reference scenario, 94-95
- IFRC (International Federation of Red Cross), 22**
- IH&RA (International Hotel & Restaurant Association), 280**
- innovations**
 - business model. *See* entrepreneurial-style social venture
 - defined, 275
 - Open Innovation, 220-221
 - production processes*, 233-235
 - products*, 235-239
 - R&D*, 228-233
 - social
 - creating*, 276-277
 - defined*, 276
 - implications*, 276
 - knowledge-based communities*, 277
 - knowledge life cycle*. *See* *knowledge life cycle*
 - NH Hoteles*, 288-295
 - Social Innovation Capital*, 279
- International Energy Agency.**
See IEA
- International Federation of Red Cross (IFRC), 22**
- International Hotel & Restaurant Association (IH&RA), 280**
- J**
- Japanese earthquake and tsunami**
 - culture preservation in downturns, 53-55
 - customer base assessment, 50-52
 - future workforce reduction policies, 56-57
 - Honda cuts news article, 60-61
 - overview, 44-46
 - supply base assessment, 48-49
- JIT (just-in-time) manufacturing, 44**
- K**
- kiln operations, 136-137**
- KMCI (Knowledge Management Consortium International)**
 - knowledge life cycle*, 277-279
- knowledge-based communities, 277**
- knowledge life cycle, 277-279**
 - defined, 277
 - integration, 279
 - NH Hoteles, 284-288
 - integrating ideas from collaborators, partners, and other stakeholders*, 285
 - internal organization (NH University)*, 285-287
 - safety training*, 287
 - specialized services training*, 288
 - production of knowledge, 278
 - Social Innovation Capital, 279
- Kyoto Protocol, 89-92, 129-131**
- L**
- layoffs (TRQSS), 53-55**
- LCA (Life Cycle Assessment) tool, 203-204**
- lean supply chains, natural disaster effects, 44-46**
 - culture preservation in downturn, 53-55
 - customer base assessment, 50-52

future workforce reduction
 policies, 56-57
 Honda cuts news article, 60-61
 supply base assessment, 48-49
 local, fair, and responsibly produced
 products, 187-188

M

MAN cutting tools survey
 website, 104
 manufacturing. *See* operations
 Marine Stewardship Council
 (MSC), 189
 Max Foundation
 cause, finding, 246-247
 community involvement, 247, 250
 donor propositions, 248
 fundraising, 248
 health return, maximizing, 249-
 251
 history, 244-245
 impact, 256
 implementation partners
*Aloshikha Rajihar Social
 Development Centre*, 267
*Aungkur Pali Unnayan
 Kendra*, 268
*BDS (Bangladesh
 Development Society)*, 268
growth, finding, 270-271
*PARAS (Palli Rakkha
 Sangstha)*, 268
similarities, 266-267
*SLOPB (Stitching Land
 Ontwikkelings Project
 Bangladesh)*, 268
 local partners, managing, 255
 marketing strategies, 273-274
 measuring impact, 272

no overheads model, 247
 pictures, 257-266
 presence, increasing, 253-255
 publicity, 248
 vision, 245
 medicine procurement after
 disasters, 12-13
 metal cutting tools. *See* Sandvik
 Tooling
 minimizing supply chain
 disruptions, 35
 monitoring disaster aid, 18-19
 MSC (Marine Stewardship
 Council), 189
 multibranding (Sandvik Tooling),
 104

N

National Business Association of
 Colombia (ANDI), 22
 National Disaster System, 22
 natural disasters. *See* disaster
 response
 Network for Transport and
 Environment (NTM), 120
 new energy finance website, 95
 NH Hoteles
 history, 281-283
 innovations, 288-295
ecometing, 293
*electric vehicle charging
 points*, 294
electronic products, 290
energy conservation, 292-293
environmental protection,
 291-292
gCab, 294
Nhube, 289
restaurants/buffets, 288

- pecially tailored hotels (Nhow), 290-291*
- supply chain sustainable development, 295*
- Woman Style rooms, 288*
- knowledge life cycle, 284-288
 - integrating ideas from collaborators, partners, and other stakeholders, 285*
 - NH University, 285-287*
 - safety training, 287*
 - specialized services training, 288*
- mission, 283
- values, 284
- vision, 283
- NORAM (Sodexo North America)**
 - carbon footprint, 186
 - changes, implementing
 - energy and emissions, 184-186*
 - local, fair, and responsibly produced products, 187-188*
 - sustainable seafood, 189-190*
 - water conservation, 186-187*
 - energy efficiency site-level actions, 194
 - fourteen commitments, 175
 - future, 190
 - impact from changes, measuring, 183-184
 - local produce purchases, 188-195
 - operational challenges, 191
 - organizational chart, 176
 - revenue, 176
 - seafood purchases, 189-195
 - stakeholder engagement, 182
 - subject matters experts, hiring, 181-182
 - sustainability
 - issues, 182-183*
 - priorities, 181*
- NTM (Network for Transport and Environment), 120**
- O**
- OECD (Organization for Economic Co-operation and Development)**
 - website, 296
- Open Innovation models, 220-221**
 - production processes, 233-235
 - products, 235-239
 - R&D, 228
 - Bosch infrastructure, 228-229*
 - collaborations, 231-233*
 - culture/belief standards, establishing, 229-231*
- operations**
 - challenges, 191
 - changes, implementing
 - energy and emissions, 184-186*
 - local, fair, and responsibly produced products, 187-188*
 - sustainable seafood, 189-190*
 - water conservation, 186-187*
 - efficiency
 - problems, 211*
 - solutions, 211-212*
 - energy efficiency, 194
 - environmental regulation
 - challenges
 - alternatives, 141-142*
 - energy sources, 138-140*
 - future improvements, 142-144*
 - impact of changes, 146-147*
 - kilns, 136-137*

impact from changes, measuring, 183-184
 just-in-time manufacturing, 44
 process innovations, 233-235
 restoring after disaster, 39-40
 Sandvik Tooling, 103
 suppliers, reviewing, 178
 water conservation, 187
 workforce reduction policies, 56-57

Organization for Economic
 Co-operation and Development
 (OECD) website, 296

P

P2P (peer-to-peer) collaborations, 231
 PARAS (Palli Rakkha Sangstha), 268
 Pfizer
 company overview, 74
 Energy and Climate Change Programme, 76
 Freiburg Energy Portfolio, 77-82
 benefits, 88
 energy consumption, 75-76
 geothermal heating/cooling, 80-82
 overview, 74
 principles, 77-78
 profit sources, 79-80
 scope, 77
 sustainability agenda role, 86-87
 Wood-Pellet Boiler Project, 82-85
 PierPass, 213
 planning for disasters
 earthquakes, 6-8
 floods, 33-34

pollution. *See* carbon emissions
 procurement (disaster responses), 12-13

products

innovations (NH Hoteles), 235-239
 automotive e-equipment, 238-239
 battery cells, 237
 EcoPlusHome, 235-236
 energy consumption, 237
 security technology, 236
 software, 236

pricing, 177

production. *See* operations

Q

QSS way, 57-47
 quality, 105

R

R&D (Research and Development), 228
 Bosch infrastructure, 228-229
 collaborations, 231-233
 culture/belief standards, establishing, 229-231
 Sandvik Tooling, 103
 real energy price growth under difference IEA scenarios, 95
 recovery (disasters)
 future considerations, 41
 managing, 37-38
 communication, 38
 decontamination process, 37
 progress, monitoring, 37
 restoration, 37
 operations, restoring, 39-40
 time, reducing, 36

recycling**CRC**

carbon emissions by transport modes, 120

cemented carbide prices and quantity collected, 121

cemented carbide recycling, 106-107

closing the loop, 119

environmental impact, 110, 120-121

history, 107

in-house versus outsourcing, 109-110

local sales organizations, 111-112

metal cutting tools, 97-100

recyclability of tungsten and cobalt, 113-114

reverse supply chain, 108-109

sales, operating profit and numbers of employees by business area, 115

scrap, pricing, 110

sustainability policy, 116-118

tungsten and cobalt market prices, 110-113

electronics waste stockpiles

2009 end-of-life statistics, 167

asset recovery, 165

changing demand

repercussions, 163-164

de-manufacture/disassembly, 165

discovering, 161

EPA recycling information website, 169

global dumping, 168

government intervention, 165-167

industry responsibility, 164-165

recycling/salvaging, 165

refurbish and reuse, 165

RERA (Responsible Electronics Recycling Act), 168

supplier oversight, 168-169

technology changes, 162-163

websites, 162

Red Crescent Movement, 22**Red Cross, 22****refurbishing electronics, 165****RERA (Responsible Electronics Recycling Act), 168****Research and Development.**

See R&D

resources (disaster response)

financial, 9

human, 9-10

coordination/collaboration, 19-21

organizing, 11

reusing electronics, 165**reverse supply chain, 108-109****reviewing supplier operations, 178****risk assessment**

earthquakes, 6-8

floods, 33-34

RSS (Social Solidarity Network), 22**S****salvaging electronics, 165****Sandvik Tooling**

brochure website, 98

company overview, 102

CRC (Coromant Recycling Concept)

carbon emissions by transport modes, 120

- cemented carbide prices and quantity collected*, 121
- cemented carbide recycling*, 106-107
- closing the loop*, 119
- environmental impact*, 110, 120-121
- history*, 107
- in-house versus outsourcing*, 109-110
- local sales organizations*, 111-112
- recyclability of tungsten and cobalt*, 113-114
- reverse supply chain*, 108-109
- sales, operating profit and numbers of employees by business area*, 115
- sustainability policy*, 116-118
- tungsten and cobalt market prices*, 110-113
- culture, 106
- customer cooperation, 104
- industry overview, 98-100
- multibranding, 104
- organization, 105
- quality, 105
- scrap, pricing, 110
- supply chain
 - logistics*, 103
 - manufacturing*, 103
 - research and development*, 103
 - reverse*, 108-109
- tungsten and cobalt, 100-101
- Savannah port strike article
 - website, 213
- seafood (sustainable), 189-190
- security technology innovations, 236
- SLOPB (Stitching Land Ontwikkelings Project Bangladesh), 268
- Social Innovation Capital, 279
- social innovations, 276
 - creating, 276-277
 - defined, 276
 - implications, 276
 - knowledge-based communities, 277
 - knowledge life cycle, 277-279
 - defined*, 277
 - integrating ideas from collaborators, partners, and other stakeholders*, 285
 - integration of knowledge*, 279
 - internal organization*, 285-287
 - NH Hoteles*, 284-288
 - production of knowledge*, 278
 - safety training*, 287
 - Social Innovation Capital*, 279
 - NH Hoteles*, 288-295
 - ecomeeeting*, 293
 - electric vehicle charging points*, 294
 - electronic products*, 290
 - energy conservation*, 292-293
 - environmental protection*, 291-292
 - gCab*, 294
 - Nhube*, 289
 - restaurants/buffets*, 288
 - specialized services training*, 288
 - specially tailored hotels (Nhow)*, 290-291

- supply chain sustainable development*, 295
- Woman Style rooms*, 288
- Social Innovation Capital, 279
- social responsibility**
 - Better Tomorrow Plan. *See* BTP
 - BoP, 218
 - defined*, 219
 - goals*, 218
 - Bosch, 226-227
 - entrepreneurial-style social ventures
 - community involvement*, 247, 250
 - donor propositions*, 248
 - fundraising*, 248
 - growth partners, finding*, 270-271
 - impact*, 256, 272
 - local partners, managing*, 255
 - marketing strategies*, 273-274
 - no overheads model*, 247
 - presence, increasing*, 253-255
 - publicity*, 248
 - return per dollar spent, maximizing*, 249-251
 - Open Innovation models, 220-221
 - production processes*, 233-235
 - products*, 235-239
 - R&D*, 228-233
 - social innovations
 - creating*, 276-277
 - defined*, 276
 - implications*, 276
 - knowledge-based communities*, 277
 - knowledge life cycle. See knowledge life cycle*
- Social Solidarity Network (RSS)**, 22
- Sodexo**
 - BTP (Better Tomorrow Plan)
 - fourteen commitments*, 175
 - global code of conduct compliance*, 180
 - overview*, 179-180
 - Supplier Code of Conduct*, 180
 - supplier sustainability practices*, 179
 - changes, implementing
 - energy and emissions*, 184-186
 - local, fair, and responsibly produced products*, 187-188
 - sustainable seafood*, 189-190
 - water conservation*, 186-187
 - Corporate Citizenship Progress website, 174
 - future, 190
 - history, 176-177
 - impact from changes, measuring, 183-184
 - income statement, 192
 - NORAM (North America)
 - carbon footprint*, 186
 - energy efficiency site-level actions*, 194
 - local produce purchases*, 188-195
 - organizational chart*, 176
 - revenue*, 176
 - stakeholder engagement*, 182
 - subject matters experts, hiring*, 181-182
 - sustainability priorities*, 181
 - water conservation site-level actions*, 187
 - operational challenges, 191
 - revenue, 192

- SMG (Supply Management Group), 177
 - client business risks, reducing, 178*
 - gross margins, increasing, 178*
 - product pricing, 177*
 - seafood purchases, 189-195
 - sustainability issues, 182-183
- software innovations, 236
- sourcing. *See* suppliers
- South Carolina electronic waste regulations, 166
- stakeholder engagement, managing, 182
- suppliers
 - auditing, 201
 - challenges, 204
 - changes, implementing
 - energy and emissions, 184-186*
 - local, fair, and responsibly produced products, 187-188*
 - sustainable seafood, 189-190*
 - water conservation, 186-187*
 - Code of Conduct, 180
 - compliance failure, 197-198
 - e-waste oversight, 168-169
 - impact from changes, measuring, 183
 - operations, reviewing, 178
 - performance metrics, 207
 - selecting, 202-203
 - sourcing strategies
 - challenges, 204*
 - creating, 203-204*
 - objectives, 202*
 - sustainability practices, 179
- supply base assessment, 48-49
- supply chains
 - client business risks, reducing, 178
 - disruptions, minimizing, 35
- GroBaby Foods
 - auditing, 201*
 - overview, 200*
- gross margins, increasing, 178
- managing, 177
- natural disaster impact
 - culture preservation in downturns, 53-55*
 - customer base assessment, 50-52*
 - future workforce reduction policies, 56-57*
 - Honda cuts news article, 60-61*
 - Japanese earthquake and tsunami overview, 44-46*
 - supply base assessment, 48-49*
- product pricing, 177
- Supplier Code of Conduct, 180
- sustainability
 - supplier compliance failure, 197-198*
 - energy and emissions, 184-186*
 - global code of conduct compliance, 180*
 - impact from changes, measuring, 183-184*
 - local, fair, and responsibly produced products, 187-188*
 - NH Hoteles developments, 295*
 - objectives, 202*
 - Supplier Code of Conduct, 180*
 - supplier practices, 179*
 - sustainable seafood, 189-190*
 - water conservation, 186-187*

T

- TAM (truck arrival management), 212-213
- technology changes (electronic waste), 162-163
- Thailand floods in 2011, 29-31
- TMFs (Traffic Mitigation Fees), 213
- tourism industry, 280-281
 - See also* NH Hoteles
- tracking aid shipments, 15
- transportation
 - disaster responses, 13-15
 - pollution, reducing, 211-212
- TRQSS, Inc.
 - background, 46-48
 - culture preservation in downturns, 53-55
 - customer base assessment, 50-52
 - future workforce reduction policies, 56-57
 - Honda cuts news article, 60-61
 - Japanese earthquake and tsunami overview, 44-46
 - QSS way, 57-47
 - supply base assessment, 48-49
- truck arrival management (TAM), 211-212
- tungsten, 100-101
 - market prices, 110-113
 - recyclability, 113-114

U

- U.S. Geological Survey website, 113
- UK Department for Environment, Food and Rural Affairs (DEFRA), 120
- UNICEF Bangladesh child birth registrations website, 272

- University of San Diego e-waste collection facts website, 168

V

- Verizon e-waste recycling, 167
- VOCs (volatile organic compounds), 235

W

- water conservation
 - NH Hoteles, 292
 - NORAM, 186-187
- Wayne State University Doctor of Philosophy Global Executive Track website, 43
- websites
 - ABC News Business, 66
 - Aloshikha Rajihar Social Development Centre, 267
 - Aungkur Pali Unnayan Kendra, 268
 - BTP fourteen commitments, 175
 - carbon tax to curb global warming article, 135
 - cargo container facilities, 213
 - Centre for Research on the Epidemiology of Disasters, 33
 - CRT recycling, 166
 - DEFRA, 120
 - electronic waste, 162
 - Electronics Take Back Coalition*, 163
 - end-of-life management*, 165
 - EPA recycling information website*, 169
 - federal export legislation*, 168
 - global dumping*, 168

- University of San Diego*
e-waste collection facts, 168
hazardous trail, 163
- EPA (Environmental Protection Agency), 170
- Global Aquaculture Alliance, 189
- Honda worldwide production data, 67
- IH&RA (International Hotel & Restaurant Association), 280
- KMCI (Knowledge Management Consortium International), 277
- MAN cutting tools survey, 104
- Marine Stewardship Council, 189
- new energy finance, 95
- NTM (Network for Transport and Environment), 120
- OECD (Organization for Economic Co-operation and Development), 296
- Pfizer geothermal project, 82
- PierPass, 213
- Sandvik Tooling brochure, 98
- SLOPB (Stitching Land Ontwikkelings Project Bangladesh), 268
- Sodexo Corporate Citizenship Progress, 174
- South Carolina electronic waste regulations, 166
- Thailand flood news stories, 64
- U.S. Geological Survey, 113
- UNICEF Bangladesh child birth registrations, 272
- Verizon e-waste recycling, 167
- Wayne State University Doctor of Philosophy Global Executive Track, 43
- Western Digital Corporation, 32
- World Tourism Organization (WTO), 296
- World Travel & Tourism Council (WTTC), 296
- Western Digital Corporation**
 factory flood
communication consistency, 36
employee safety, 35
future considerations, 41
overview, 27-29
planning and preparedness, 33-34
recovery, 36-40
supply chain disruptions, minimizing, 35
- Thailand expansion, 31-33
- website, 32
- WooB (Wood-Pellet Boiler) Project**, 82-85
 central elements pre-project cost estimates, 92
 maintenance costs, 92
- workforce reduction policies**, 56-57
- WTO (World Tourism Organization) website**, 296
- WTTC (World Travel & Tourism Council) website**, 296

