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# The Sustainable Firm

*Environmental lawyers, who possess the knowledge and an in-depth understanding of the legal framework, the political culture, and the attitudes of industry clients and government regulators toward sustainability, can be a key component of this process*



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**L**awyers and law firms have long recognized a professional responsibility to act as agents of change, using their legal skills and influence to improve statutes and regulations and governmental and corporate activities, and contribute to the common good. Most large firms spend considerable resources on pro bono work, community service, diversity initiatives, and other socially conscious activities. One area where the industry has been slower to act is the realm of environmental responsibility. Over the last five years, this has been rapidly changing.

Many large law firms now have environmental sustainability initiatives. They are using these campaigns to distinguish themselves in the marketplace and to align with stakeholders, from renewable and clean technology clients to corporations ranging from Apple to Wal-Mart whose customers are demanding it. In March 2007, the American Bar Association and the Environmental Protection Agency created the ABA-EPA Climate Challenge. Over two hundred law firms have committed to reducing their environmental impact by participating in Best Practices in Office Paper Management, Energy Star, Green Power Partnership, and WasteWise programs.

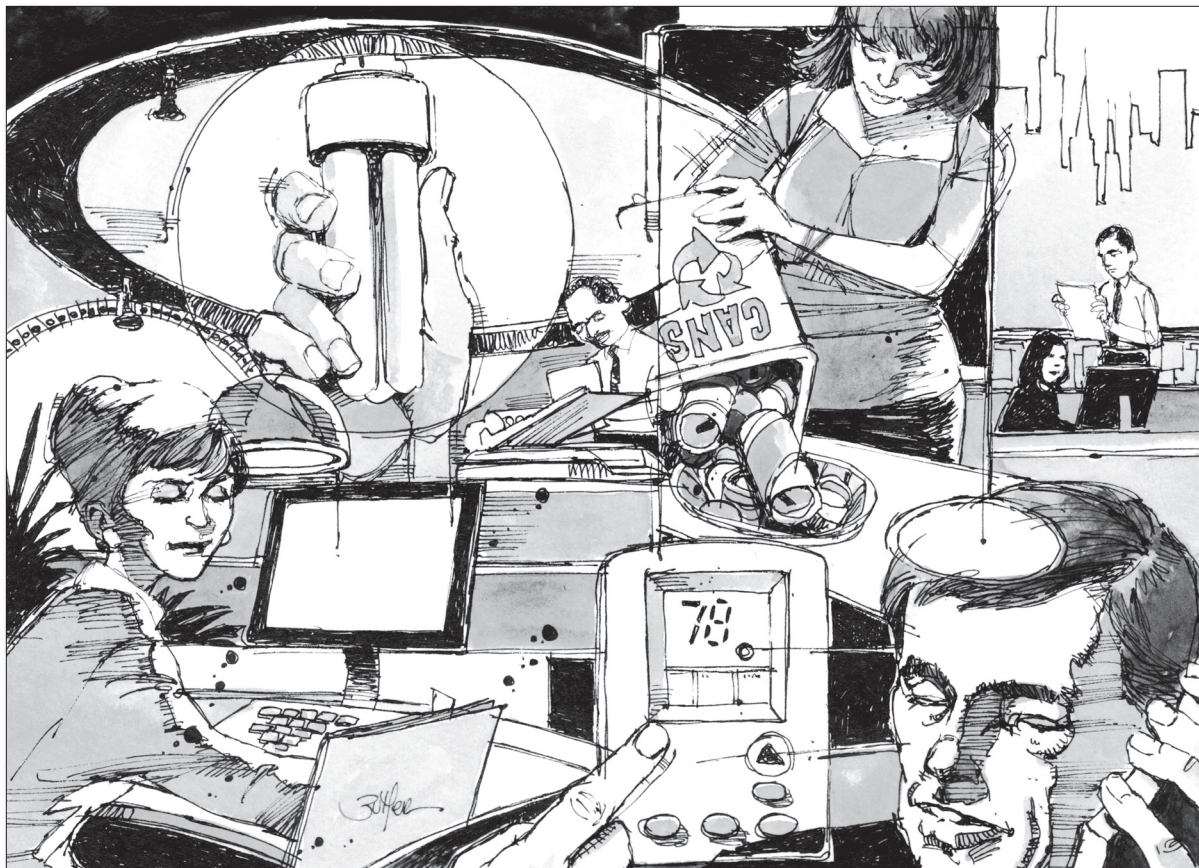
Numerous state bars, including those in California, Massachusetts, Michigan, Oregon, and Pennsylvania, have programs that encourage law firms to behave sustainably. The recently formed Law Firm Sustainability Network, comprising a third of the ALM Law 100, meets on a monthly basis to dis-

cuss sustainability in their member firms and share case studies and best practices. Later this year, the network will launch the American Legal Industry Sustainability Standards, allowing firms to earn recognition for environmental activities.

While direct benefits may not be immediately apparent, simple research on law firm sustainability indicates that they can reap substantial return on their internal investment. Law firms that benefit most are the ones that leverage their sustainability initiative by incorporating it into their practices, partnering with communities, hiring professionals to lead their efforts, structuring internal programs to engage employees, and creating marketing materials that highlight their policies. For environmental law firms and lawyers, these issues are of even greater importance.

Nixon Peabody LLP, a global law firm considered to be a pioneer in sustainability, exemplifies an organization that takes a holistic approach to environmental sustainability. The firm's Legally Green initiative is a unique program that encompasses environmental responsibility, thought leadership and legal practice. In 2007, Nixon Peabody tapped attorney Carolyn Kaplan, a 15-year veteran of the firm's energy and environmental practice, to lead its efforts as chief sustainability officer. Environmental lawyers possess a wealth of related knowledge and an in-depth understanding of the legal framework, the political culture, and the attitudes of industry clients toward sustainability.

The intersection of these critical components



will vary for every firm depending on its practice, clients, and reputation. Having participants who are knowledgeable of all three components can directly impact the direction of a firm's sustainability program and will ensure it fits with its culture. For example, if a firm has a reputation for working with clients in environmental litigation, it may focus on connecting with groups that impact the political landscape surrounding clients' core businesses. If the firm has a reputation in emerging markets, whether in technologies, life sciences, or renewables, it may want to focus on external PR actions that communicate the firm's value alignment and expertise, directly influencing both clients' and the firm's branding. A large, full-service firm covering many industry sectors and geographies may choose a mixed approach, partaking in activities that build bridges with emerging markets, while maintaining a broad external message.

Some firms have done this well, including Wendel, Rosen, Black & Dean LLP, a San Francisco-based firm that helped to write and pass California's benefit corporation law, and another Chicago-based firm that publicly committed to reducing its

greenhouse gas emissions through participation with the Chicago Climate Exchange. Developing a program that both reduces environmental impact and enhances business is not as simple as printing on double-sided paper; it requires perspective about the end results, the internal culture of the firm, and an external landscape characterized by varying, sometimes conflicting, opinions. Environmental lawyers knowledgeable about these factors should lead their firms in this endeavor.

**A** baseline measurement of environmental impacts is important for determining the direction, support, competitive position, and internal requirements for a firm's sustainability initiative. Assessing the level of interest within the firm is paramount; success often depends on engagement on the part of both leadership and employees. Moreover, substantial internal and external stakeholder interest makes it easier to develop a program; lower levels require greater effort to justify the program to leadership. Informal conversations with leadership, em-





employees, and clients are all crucial. It is important to understand their interest in sustainability and the firm's program, and to identify internal champions who can help advance the firm's initiatives. Alston+Bird LLP initiated its sustainability program by first seeking to empower employees on an individual basis — its Personal Sustainability Program focused on grassroots initiatives and challenged all employees to adopt sustainable practices that they were motivated to pursue. The process helped identify internal champions who have subsequently become leaders of the firm's more traditional sustainability program.

Understanding what is already working well — and what isn't working at all — is key to developing an effective action plan. Conducting an office audit highlights existing sustainability actions on the part of firm members. Employees may have established an informal "green team," set up recycling stations, or encouraged double-sided printing. Some offices purchase recycled content paper, use meters that measure reductions in energy and resource consumption, or provide organic and local products in their cafeterias. Sustainability may be incorporated in purchasing decisions or office design, or by joining with the wider community in environmental initiatives. Paul Hastings LLP partners with The Nature Conservancy on pro bono projects and Earth Day fundraising efforts.

Another part of the discovery stage includes assessing which activities contribute most to the firm's carbon footprint. By identifying main con-

tributors, a firm has benchmarks by which to measure program-related reductions. By showing it has taken steps to quantify its carbon position, these activities also protect the firm from accusations of greenwashing. Key areas of focus include energy consumption, business travel, paper usage, and commuting, as well as less significant factors, such as fluid loss in the HVAC system. Some firms utilize government and local programs, like Paul Hastings, which is taking advantage of New York City and state incentives for auditing, and developing options for reducing, the firm's energy use.

Given how firms lease commercial office space, it is also important to reach out to building managers to discuss opportunities for collaboration on improving sustainability. For example, at the Washington, D.C., office of Beveridge & Diamond, P.C., an environmental law boutique, the building's pursuit of LEED certification enabled the firm to work with building managers to identify and implement improvements in office sustainability, including improvements to the building's paper recycling program, the installation of more energy efficient lighting, and the implementation of battery and electronics collection programs.

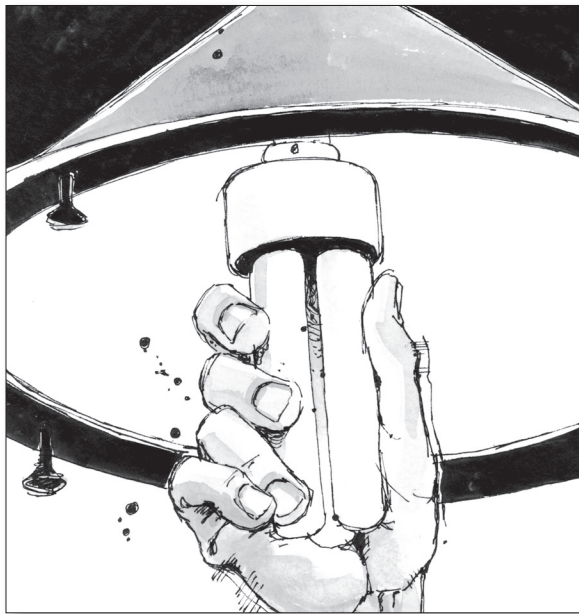
Once discovery is completed and the baseline is established, it is necessary to build consensus with firm leadership and to identify business justifications for a sustainability initiative. The sustainability committee can have a variety of programs to engage employees, including a green tip of the month written by associates from rotating offices, a green suggestion box where all employees may send their sustainability ideas to be discussed at the monthly committee meeting, and various office-specific initiatives. Dissenters may have important reasons for not supporting a particular program. For example, an individual may object to proposed sustainable travel services, without specifically voicing concerns about accrual of reward miles. Management should anticipate these objections and work to assuage them, so that employees can commit to the message.

Acceptance and success of a sustainability program is greatly enhanced by showing both benefits to the environment and solid business justifications that have a direct impact on the firm's bottom line. Exemplifying the latter, cost savings are achieved through altering behavior that generates waste. The

program must be shown to be either cost neutral or cost beneficial and to have credible external benefits for the firm in aligning with clients' core values. Presenting basic quantitative models to show the benefit of the initiative is helpful. Converting those saving into dollars delineates the benefits clearly.

The sustainability committee at Alston + Bird found this metric to be of particular use. Demonstrating to firm leadership that double-sided printing had saved the firm over \$160,000 in paper costs over two years generated significant support for the committee's broader efforts. Nixon Peabody highlighted the cost benefit when it spent \$30,000 to retrofit its printers, decreasing paper purchases by 15 percent. Some firms, such as Morrison Foerster, have also included composting, e-waste recycling, eliminating the use of bottled water, and reducing paper cup usage through the "adoption" of reusable glass and ceramic mugs.

A firm needs a green team composed of representatives from all parts of the firm who will have the breadth of knowledge to identify its environmental impacts, as well as the relationships to disseminate throughout the firm not only the sustainability measures adopted but also the reasons why. Ideally, the team should consist of partners, associates, and, in the case of larger firms, other key staff members from facilities, marketing, purchasing, technology, etc. Team composition should demonstrate breadth and depth of firm experience and interest, as well as wide geographic coverage, all of which will greatly enhance team effectiveness and



help spread key messages throughout the firm. Successful examples are Morrison Foerster's Internal Sustainability Committee, formed in 2007, which has 38 members firmwide including attorneys and professional staff. Nixon Peabody has a management level "Green Ops" steering committee to address firmwide issues and volunteer "local sustainability teams" in each office.

In ecoAnalyze's Law Firm Sustainability Benchmark Survey, a direct correlation exists between firm leadership participation and employee engagement. To amplify positive outcomes, Wendel Rosen created a presentation that explained the "what" and "why" that was viewed by everyone in the firm, from the receptionist to the managing partner. As an internal attorney champion explained, "Most people want to be environmentally responsible. We showed them that the firm shares that commitment. And that did more to enhance loyalty, improve retention, and attract new talent than anything we've ever done before, all the while earning us recognition throughout the legal and broader community." Normal firm communications such as monthly newsletters or specific updates on the program are useful vehicles. Alston + Bird employs a "greenmail" email address that distributes sustainability-related messages firmwide.

When messages and updates are consistent and regular, the sustainability program is ingrained in employees and becomes part of the fabric of the firm. An effective way to do this is to create a separate section of the firm's intranet site specifically to convey sustainability achievements. A formal environmental sustainability policy, or a wider corporate social responsibility statement, can be the central document for the intranet page. Listing office success stories, such as recycling events, Earth Day activities, and profiling employees who contribute is a great way to spread the word and get others involved. When Seyfarth Shaw LLP first started its Go Green initiative, they had one event per year on Earth Day. But the firm wanted to keep it top of mind, so it instituted a monthly "Green Your Routine" tip to circulate firmwide. For example, in July, National Parks and Recreation Month, everyone received links to find out how they could clean up a local park or attend conservation education programs.

Early leaders should expect to confront obstacles to their sustainability program. Working by consensus within a mission statement or vision that will guide the development of sustainability initiatives is critical and will give stakeholders a sense of pur-

pose and focus. Integrated into the firm's business strategy, the mission statement or vision should guide decisions throughout the firm. The team must prioritize projects, determine which initiatives can be implemented quickly, easily and successfully, and then pursue more difficult endeavors. Morrison Foerster's Internal Sustainability Committee has measured and tracked many of its initiatives, such as saving 90 tons of paper in its U.S. offices and reducing its domestic electricity usage by over 1.2 million kilowatt-hours in 2010 alone. Be it management, employees, clients or the wider community, all stakeholders should know about the firm's sustainability goals and success stories.

Law firms, particularly those practicing environmental law, can and should leverage sustainability activities with external stakeholders. Many firms have specific sections on their websites that convey their formal sustainability policy and activities; some list reduced consumption or the number of trees saved through their efforts, for example. Before embarking on a marketing program related to a sustainability initiative, it is advisable to conduct three tasks.

First, interview key stakeholders, including select partners, associates, employees, and clients, regarding the relevance of environmental sustainability to their values, the culture of the firm, its market brand, and client perceptions. This assessment will confirm positions and help align firm and client efforts. For some industries, environmental sustainability may not be relevant; others may address it seriously and may even be incorporating it into their procurement and selection process for outside counsel.

Second, assess competitor law firms, focusing on their market positions and environmental sustainability programs. Understanding the competition is imperative in developing a sustainability program that provides progressive and distinctive advantage. Competitor evaluation will identify opportunities to differentiate from, or surpass, peer firms and become a leader in the market.

Third, identify targets in green markets, such as renewable energy, carbon regulation and trading, clean technology, sustainable project finance, energy and infrastructure projects, green venture funds and capital raising. A cross-practice initiative will identify market opportunities by targeting specific client sectors, such as insurance, which are impacted by climate change or other environmental problems.

When Seyfarth Shaw first started its Go Green initiative, it had one event per year, on Earth Day. But people quickly forget, so now it has a monthly Green Your Routine tip that is circulated firm-wide. Alston + Bird initiated its sustainability program by first seeking to empower employees on an individual basis: its Personal Sustainability Program focused on grassroots initiatives and challenges. That practice identified internal champions who have become leaders of the firm's more traditional program.

Morrison & Foerster's Internal Sustainability Committee was formed in 2007 at the urging of the partners leading the firm's CleanTech and Environment + Energy practices and after receiving a charter from the firm's chairman, managing partners, and chief operating officer. In its initial phase, the committee was comprised of multiple partners from Morrison & Foerster's large offices in San Francisco, New York, Los Angeles, and London, as well as associates and staff from these and other offices. As a result, the firm has become a leader in the Law Office Climate Challenge. These accomplishments were initially pilot tested in the firm's San Francisco office with the help and strong advocacy of the managing partner and director of administration there, as well as a senior manager in the firm's technology services division. Based on lessons learned from the pilot test, the double-sided printing and copying program was expanded on a rolling basis to Morrison & Foerster's other offices with the close involvement and assistance of their respective managing partners and directors of administration, who led scheduling and communications efforts to prepare attorneys and staff for the change-over from prior practices.

With the growing popularity of sustainable business practices, it is not difficult to see why the legal field must follow suit. Clients are increasingly asking vendors to demonstrate their commitment to environmental sustainability, and law firms that distinguish themselves in this area can expect to reap rewards for their efforts. Law students graduating today are joining firms they perceive as sharing their values, and a successful sustainability program can help a firm attract and retain talent. In short, a sustainability program that is well developed and expertly implemented can create cost-savings, gain new business, attract talent, and build goodwill with stakeholders and the wider community. Furthermore, sustainable business practices restore environmental quality, encourage strong and healthy communities, and increase long-term profitability. For lawyers and law firms practicing environmental law, it's a no-brainer. •