

Carpet - PVC-free, Recycled-Content, Recyclable, and Beyond

Environmental and Human Health Impact: Reduce consumption of **1.25 million gallons** of water and **220,000 kilowatt hours** of energy per average year of new carpet installation

Business Impact: A 12 percent cost savings over previous contract

Challenge

Kaiser Permanente has a long history of pushing the envelope in the environmental life-cycle specifications of carpet. Our supplier, Tandus, has continually met our challenges since 1993 by designing and manufacturing carpets that exceed our ever expanding sustainability expectations.

- In 2002, carpet underwent a rigorous sourcing process to identify
 manufacturers that met Kaiser Permanente's performance and recycling
 needs. We put a challenge out to the market to create a greener, PVCfree carpet, which did not exist in the market at that point.
- Tandus, in competition with Interface Inc., was successful in meeting this challenge.
- In 2009, Kaiser Permanente identified a new challenge for Tandus: to create a branded product that decreases costs but doesn't limit choice.

Aim/Goal

- Develop branded designs that support the total health environment
- Reduce and simplify the number of stock-keeping units (SKUs) currently at plus or minus three hundred
- Further reduce product costs
- Standardize to a single construction method and yarn system to simplify installation and maintenance

<u>Team</u>

Barbara Denton, Team Manager, National Facility Services Jon Goldberg, Sourcing Director, Procurement & Supply Dennis Noecker, Sourcing Manager, Procurement & Supply Linda Raker, Project Principal, National Facility Services Abelardo Ruiz, Project Principal, National Facility Services Charisma Goudreau, Account Manager, Tandus Flooring Tandus Flooring Design Team

Actions Taken

- Procurement & Supply and National Facilities Services challenged Tandus to develop a branded carpet portfolio that compliments the total health environment initiative
- ✓ In collaboration with Kaiser Permanente, Tandus creates the "Farmer's Market" collection which consists of nine styles in nine coordinating colors. In other words, a manageable eighty-one SKUs.

✓ Tandus further simplifies the product line, and its installation and maintenance by using a single construction method and the same solution-dyed yarn type for the entire line.

Results

Unlike traditional yarns which get surface dyed after the nylon yarn is produced, "solution-dyed" incorporates the color into the molten nylon. This offers two benefits:

- The color is locked into the yarn and is impervious to most caustic chemicals which further extends the life of the product
- The yarn no longer needs to undergo additional processing, thereby reducing water and energy consumption, along with the associated costs of wastewater treatment

Purchasing solution-dyed yarn for an average year of new carpet installation saves:

220,000 kilowatt hours of energy or energy consumed by 20 American houses in one year

1.25 million gallons of water or 36,000 bathtubs full of water



Lessons Learned

- Partnering with manufacturers is a critical step towards product innovation
- ✓ Collaboration and open creativity can turn a simple request to brand product and reduce costs into an unexpected opportunity to advance environmentally sustainable purchasing and operational goals
- Reducing the volume of SKUs and product catalog to maintain can yield the potential for product enhancement without limiting end user choice, and can produce added savings

Next Steps

- ✓ Investigate with current supplier potential opportunities for further innovations towards additional sustainability
- ✓ Continue to test marketplace for latest advancements to encourage competition and ongoing innovation