

UL Environment Teams Up with EcoLogo

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September 1, 2010

In a major consolidation among the crowded field of green product labels, Underwriters Laboratories (UL) has acquired Terrachoice, the manager of the EcoLogo Program. The move sets up a close partnership between EcoLogo and UL Environment, with EcoLogo being one of the oldest (since 1988) and most-respected eco-labels, and UL Environment being a new player (since 2009) with the granddaddy UL (since 1894) at its back.



The majority acquisition of the Ottawa, Canada-based for-profit Terrachoice was completed through ULC Standards, a Canadian affiliate of UL. According to Scott McDougall, president of Terrachoice, both brands will continue, but “from a client’s [a manufacturer’s] perspective it will be like talking to one organization.” Both McDougall and Chris Nelson, director of commercial development for UL Environment, told *EBN* that the EcoLogo brand would be emphasized in Canadian markets, where it is most pervasive, while the UL Environment brand would be emphasized in the U.S. and globally. Products carrying one brand will be qualified to carry the other. The EcoLogo

mark belongs to the Canadian government, which started the program and licenses it to Terrachoice. In addition to running EcoLogo, Terrachoice provides environmentally focused marketing advice for companies.

The partnership is “part of the solution,” says McDougall, for a green marketplace that is crowded with green labels with varying degrees of rigor and consumer and manufacturer buy-in. “It hopefully sends a signal to other labeling organizations that consolidation is not a bad thing from a mission perspective,” he added. “We will advance the environmental cause more rapidly.”



While some observers have been looking for a legislative solution to the green label glut (see [“Federal Eco-Labeling Law Taking Shape,” EBN Feb. 2009](#)), the consolidation represents the promise of a market solution, said Scot Case, former vice-president at Terrachoice and now director of market development for UL Environment. “This announcement is the kind of thing that will

give people pause," he said. "There might be an opportunity for the market to sort out this problem of label proliferation."

As an ISO 14024 Type I program (one of two in North America—along with Green Seal), EcoLogo evaluates products with multiple attributes, using a life-cycle approach. (Single-attribute certification programs are more common.) An audit process verifies that each product complies with the criteria established in EcoLogo Standards, which restrict certification to only the top 20% of products within a specific category. More than 7,000 EcoLogo-certified products are currently available on the market. TerraChoice regularly writes multi-attribute standards for new product areas, as requested by manufacturers.

McDougall noted the significance of the partnership between EcoLogo as a standard following ISO rules, which are more significant worldwide, and UL Environment, which is aligned with ANSI (American National Standards Institute), which has more buy-in in the U.S. "It multiplies our ability to meet the needs of all markets," he said.

Green building products are a major—but not exclusive—focus for both EcoLogo and UL Environment, which also have worked on standards for coffee and cell phones, respectively, among many others. Eight of the first ten standards announced by UL Environment have focused in buildings, said Nelson.

Financial details of the move were not disclosed. According to the two groups, TerraChoice's Canadian operations, office location and staff will remain in place.