

Overall, the product take-back agreements, as well as other company environmental initiatives, enable Nortel to improve its competitiveness and trade position through:

- obtaining access to competitive bid situations;
- building better customer relationships;
- making customers more successful and sustainable;
- working more efficiently within Nortel's own manufacturing process.

An example of efficiencies gained within Nortel is the company's elimination of ozone-depleting chloro-fluorocarbon-113 solvent. The company devised a completely new manufacturing process which eliminated the need for cleaning. For a \$1 million investment, the company gained \$4 million in savings over a three-year period.

Conclusions

Nortel's environmental initiatives appear to be well-integrated into overall company strategy. The company has realized cost efficiencies through its environmental initiatives. Also, the marketplace is driving certain developments such as producer responsibility and Nortel is anticipating these developments. Although Nortel's environmental initiatives are not the sole reason for winning particular contracts, they appear to be strong "differentiators" and provide a vehicle for improved customer relationships.

References

Virginia Snyder, Vice President, Environment and Sustainability, Nortel
Mark Brownlie, Nortel