



# Firefly Cosmetics

## Scenario 6: Introducing the Living Product Challenge

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# Introduction

Firefly Cosmetics is a small company with a microbiome friendly cosmetic and cleansing line. After finding success, the company has begun to explore its environmental impact and would like to explore how to further their reputation for innovation in the sustainability space.

The Living Product Challenge is a framework that helps companies create products with a net zero—or even positive—impact on the environment and surrounding community. By following the principles laid out by the Living Product Challenge, Firefly Cosmetics could become a leader in cosmetic sustainability.

As a company well-known for its design-forward thinking, Firefly Cosmetics is a qualified candidate for the Living Product Challenge and by setting achievable goals based on LPC guidelines, it can become the most sustainable cosmetic company.

## Goals

CREATE PRODUCTS THAT ARE HEALTHY AND FREE OF TOXINS

BE A COMPANY THAT IS SOCIALLY RESPONSIBLE AND RESPECTS THE RIGHTS OF WORKERS

NET POSITIVE AND BENEFIT BOTH PEOPLE AND ENVIRONMENT



# Living Product Challenge

## HISTORY

The Living Product challenge debuted in 2015 after the success of The Living Future Institute's Living Building Challenge, launched in 2006.

Turning its focus towards products, the Living Product Challenge provides guidelines to revolutionize how products are designed, made, and sold. The LPC encourages companies to think beyond reducing their negative impact (footprint) and instead prioritize increasing their positive impact (handprint).

The goal of the Living Product challenge is to create products whose handprints are greater than their footprints thus generating a net positive impact.

### FOOTPRINT



Total negative impacts caused by a company's processes and products.

### HANDPRINT



Total positive impact across a product's lifecycle.



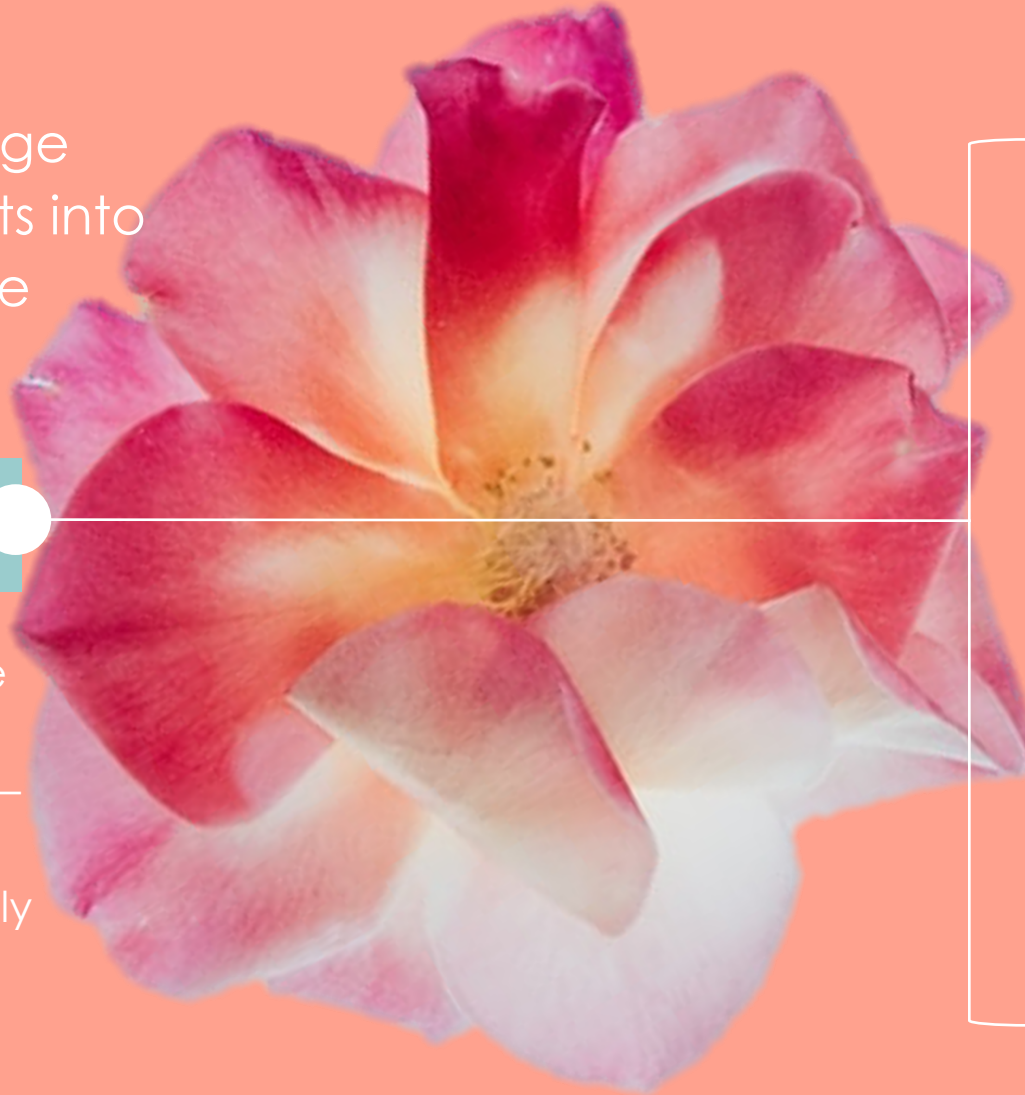
# Living Product Challenge

## COMPONENTS

The Living Product Challenge groups its core components into a set of seven performance categories known as

### THE PETALS

The challenge's goal is to change the way we think about every aspect of product development—from design to production to consumption—in order to positively impact the environment and surrounding community.



PLACE

WATER

ENERGY

HEALTH & HAPPINESS

MATERIALS

EQUITY

BEAUTY



# Living Product Challenge

## COMPONENTS: PETALS

### PLACE

Place calls for a company to have a positive impact on the environment on the community. Products should be manufactured where responsible, protect that place, and source locally whenever possible.

### WATER

Companies need to conserve water use by reducing when necessary and restoring the water it does use.

### ENERGY

Energy calls for reliance on solar and renewable energies with companies producing more energy than they consume.

### HEALTH & HAPPINESS

The Health and Happiness Petal encourages creating products that protect the health and well-being of those who make and use them.

### MATERIALS

Supplies and materials often have a significant impact on negative environmental effects. This petal supports a sustainable materials economy that considers product creation, lifespan, and waste.

### EQUITY

The Equity petal stresses that a company must not put its consumers over the world around them and thus advocates for supply chain responsibility and contributions to the local community and greater society.

### BEAUTY

Design, in its essence, exists to create beauty. Those companies adhering to this petal keep in mind the delight of its users and inspire others to make positive changes.



# Living Product Challenge

## COMPONENTS: CORE IMPERATIVES

Within each of the Petals are a total of 20 imperatives that speak to specific areas that fall within each category. Of these imperatives, seven stand out as the **Core Imperatives**; companies that wish to reach any level of Living Product Certification need to, at the very least, meet these seven requirements.

### RESPONSIBLE PLACE

#### PLACE

Products are manufactured so as to not negatively impact the ecological habitats surround the facility.

### WATER FOOTPRINT

#### WATER

Monitor onsite water use to identify opportunities to decrease water use or improve how it's used.

### ENERGY FOOTPRINT

#### ENERGY

Monitor onsite energy to learn how and when energy is used and identify where use can be decreased.

### RED LIST

#### HEALTH & HAPPINESS

Refrain from using any banned materials and chemical substances

### RESPONSIBLE INDUSTRY

#### MATERIALS

Advocate for sustainability practices, including using organic materials and no animal products from endangered or at-risk species

### ETHICAL SUPPLY CHAIN

#### EQUITY

Commit to responsible practices across business operations and through the supply chain.

### INSPIRATION & EDUCATION

#### BEAUTY

Inspire others to educate themselves and make positive changes.

# Case Study: LUSH

FRESH  
HANDMADE  
COSMETICS



Started in 1995, LUSH cosmetics has been a unique entrant into cosmetics. From its inception, it has been a company committed to sustainable values and has increased its foothold as a leader in the space. Lush has long been committed to a set of values that mimic those put forth by the Living Product Challenge and constantly evaluates their products' impact their surroundings.

## Energy

- Committed to addressing climate emergency by transitioning from fossil fuels to lower-carbon sources, invested in renewable energy projects for direction operations
- Improve energy efficiency across manufacturing, distribution, and retail shops
- Prioritize cleaner transport
- Protect and plant forests to sequester emissions and support communities that grow ingredients

## Water

- Being regenerative for communities and watersheds they operate in
- Optimizing water use directly and by suppliers
- Improve products to use water-efficient and non-ecotoxic ingredients
- Protect water quality
- Inspire customers to become water stewards

## Materials

- Packaging reduction, avoiding single-use, using regenerative in favor of new, buying quality materials
- Avoid exporting waste, recover legacy materials from environment
- Collaboration with suppliers and partners to follow suit

## Equity

*(fka Sustainable Lush Fund)*

LUSH INVESTMENTS: Lush contracted Terra Genesis International to explore a path to a regenerative supply chain which led to:

- Allocating resources to transition supply and ingredient pathway towards regeneration
- Investing in supply systems development through SEED Grants, Permaculture Farming, and Supplier Partnership
- LUSH PROJECTS: Build ethical ag businesses with environmentally minded practices at their core
  - Lush uses some grown ingredients, while others supply additional cosmetic or natural food ingredient businesses.
  - Investing in deforested areas to restore biodiversity and revive damaged environments

## WE BELIEVE

**We believe** in making effective products from fresh, organic\* fruit and vegetables, the finest essential oils, and safe synthetics.

**We invent** our own products and fragrances. We make them fresh by hand using little or no preservative or packaging, using only vegetarian ingredients, and tell you when they were made.

**We believe** in buying ingredients only from companies that do not commission tests on animals and in testing our products on humans.

**We believe** in happy people making happy soap, putting our faces on our products, and making our mums proud.

**We believe** in long candlelit baths, sharing showers, massage, filling the world with perfume, and in the right to make mistakes, lose everything and start again.

**We believe** that all people should enjoy freedom of movement across the world.

**We believe** our products are good value, that we should make a profit and that the customer is always right.

\*We also believe words like "fresh" and "organic" have honest meaning beyond marketing.





# Benefits & Limitations

Companies that use the Living Product Challenge framework are designing for the future. Looking forward has more of an impact than staying stagnant, but the process of doing so still has its limitations.

## BENEFITS

- **Provides a framework rather than a set of rules**
  - Companies work within themselves and with consultants in order to determine what the appropriate steps are for their company.
- **Focuses on fewer, high level needs**
  - The core imperatives call on companies to determine where they have the most impact on Water, Energy, etc. which allows them to prioritize the larger issues before tackling the more granular
- **Can allow for industry-wide change**
- **Three Certification levels** provide a set of achievable goals

## LIMITATIONS

### Cost

- Costs to upgrade company and perform additional research and analysis add up, depending on where company is in sustainability journey
- Program registration fees (\$5-\$15,000)
- Products need to be recertified every three years, per LPC 2.0 guidelines

### Subjective

- The openness of the framework lacks clear guidance and best practices. Because every company is different in its structure and output, this allows for some flexibility, but does not provide clear examples on how a company can achieve success





# Certification Process

The Living Product Challenge provides three pathways to certification:

## Living Product Imperative Certification

Meets the seven Core imperatives, at a minimum

## Living Product Petal Certification

Meets the seven Core imperatives as well as three of the seven Petals, one of which must be Water, Energy, or Materials

## Living Product Full Certification

Achieves all 20 imperatives, signaling the product as the most sustainable in the world

PETAL	IMPERATIVE
Place	Responsible Place
	Habitat Exchange
	Living Economy Sourcing
Water	Water Footprint
	Net Positive Water
Energy	Energy Footprint
	Net Positive Energy
Health and Happiness	Red List
	Transparent Material Health
	Human Thriving
Materials	Responsible Industry
	Regenerative Materials
	Net Positive Waste
	Net Positive Carbon
Equity	Ethical Supply Chain
	Equitable Investment
	Just Organizations
	Social Co-Benefits
Beauty	Inspiration and Education
	Beauty and Spirit



# Certification Process

The Living Product Challenge lays out a step-by-step process for beginning the challenge and ending with product certification.



- 1. Contact** The Living Future Institute about learning more and determining appropriate pathway
- 2. Determine Certification Pathway:** The LFI will help to determine which pathway is most appropriate for company
- 3. Select Assessor:** Companies are required to work with a third-party Assessor from the LPC Ecosystem to gather documentation, clarify requirements, and verify compliance with imperatives
- 4. Proposal and Timeline:** Institute provides proposal scoping work and fees required as well as estimated timeline
- 5. Document and Audit Compliance:** Assessor will audit facility; companies will have a chance to make changes before submitting final documentation
- 6. Certification and Promotion:** If certified, Institute will prepare LPC label and determine announcement schedule
- 7. Annual Check-in and Renewals:** Companies will check in with Institute and Assessor on a yearly basis to ensure they are on track to maintain designation as well as address any changes that need to occur. Products will need to be recertified based on current version of the Standard (every 3 years).



# Recommendations

Firefly Cosmetics is in a position to distinguish itself from competitors by becoming a leader in sustainability. The nature of their cosmetic offerings allow for manufacturing changes that will carry benefits across multiple product lines.

Before engaging in the Living Products Challenge, Firefly Cosmetics should take stock of their product offerings and evaluate which would be best suited to meet the challenge. Which components require change at a company level? Which are product specific?

Consider:

- **Product composition and material sourcing**
- **Manufacturing process**
- **Packaging requirements**
- **Transport and Distribution**

As a company at the beginning of its sustainability journey, achieving Living Product Imperative Certification will provide the best pathway for success and put in the place the building blocks to advance to Petal Certification and ultimately Full Certification, if the company so chooses.

- **Responsible Place:** Evaluate how and where products are made.
- **Water Footprint:** Track water usage at headquarters and any manufacturing plants. Collect information on usage at competitors and assess where Firefly Cosmetics compares.
- **Energy Footprint:** Monitor energy use at headquarters and manufacturing plants. Collect information on usage by competitors and explore pathways for energy reuse and incorporating renewal energy.
- **Red List:** Audit product ingredient lists, including packaging, to confirm no products use any materials or chemicals included on Red List. Explore substitutions for products that do.
- **Responsible Industry:** Commit to organic materials and eliminate any animal products from line. If unable to commit across entire product line, determine which products are best candidates for reformulation.
- **Ethical Supply Chain:** Audit supply chain and map full production pathway. Conduct profit analysis to explore where funds may be diverted to better serve greater community.
- **Inspiration and Education:** As a company known for its design, consider how package redesign and marketing campaigns will best communicate commitment to sustainability and how company will work with competitors to normalize sustainability within a traditionally wasteful industry.



# Conclusion

Achieving sustainability needs to be a common goal across consumer-focused industries. The exploitation of resources has brought the planet to a critical point that demands action. Firefly Cosmetics has shown the initiative to look at the cosmetics industry differently and is willing to re-evaluate their processes so that their profits do not destroy the planet.

By working towards their goal of becoming the most sustainable cosmetics company, Firefly Cosmetics will become a leader that can provide an industry-specific framework for others to follow and will have the opportunity to inspire their customers to commit to sustainability, first in the cosmetics they love and into the other products they use and consume.

