



Sustainable Ventures

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Sustainable Ventures Addresses Relevance of True Cost Pricing to Sustainability

Candidates in SV's Prize Program, "Our Daily Bread," discuss impacts of true cost pricing on financial, social and environmental systems

BERKELEY, Calif., July 29, 2006—In seeking solutions to the ongoing degradation of human and environmental resources and systems, participants in Sustainable Ventures' "Our Daily Bread: What Does It REALLY Cost?" Prize Program recently met to consider the impacts of true cost pricing of products and services on financial, environmental and social systems. As Albert Einstein once said, "problems cannot be solved by the same level of thinking that created them."

"We held this mid-project Candidates' Forum to provide greater context and understanding of the issues surrounding true cost pricing so Prize Program candidates can write high-quality, richly diverse papers," said Theo Ferguson, the prize creator, Board Chair and Executive Director of Sustainable Ventures. "This context will help candidates develop papers focused on analytical frameworks that measure social, environmental and financial performance so the public can make more informed choices in their selection and use of products and services. Ultimately, more conscious decision-making can help protect and restore our world."

Financial cost was at the core of the discussion since the free market system has traditionally externalized costs on human and environmental systems without looking at the impacts of "true costs" – upstream (production) costs and downstream costs – for instance, the nutrition and health effects of what we eat.

Themes that emerged related to true costs included consumers' market power as well as metrics (who frames the discussion, what is measured, who measures it, and how it is measured). Since U.S. consumers have enormous purchasing power –

farmers, small businesses and consumers pour 70% of the money into our economy – collectively they could effect substantial change by leveraging their market positions.

Candidates also discussed how to measure and communicate what we value qualitatively and quantitatively so we can better understand how to capture the real costs that go into products and services. “Although it is impossible quantify everything we value, metrics based on true costs (vs. externalized costs) will provide a more realistic and humane approach to knowledgeable decision-making,” said Ferguson.

As important as winning studies are to the Prize Program, the conclusions must also be communicated in ways that inform consumer’s decision-making practices and inspire action. The public must understand how these metrics are aligned with their values while knowing they can leverage their purchase power in the marketplace. To accomplish this, SV will convene a group of market professionals to strategize how these findings can be effectively disseminated.

To access the Findings from the Candidates’ Forum, please visit: www.SustainableVentures.us/download/Candidate_Forum_Findings.pdf. For more information about how to apply for the Prize Program, contact: Theo.Ferguson@SustainableVentures.us.

About Sustainable Ventures

Sustainable Ventures is a non-profit organization dedicated to inspiring and educating beneficial owners – the people who have pension and trust funds invested in their names – to take an active role in the management of their investments. The outcomes of "Our Daily Bread" will enable beneficial owners – as well as the general public – to have more influence in their financial affairs by enrolling fund managers to use integrated performance for a sustainable "bottom line."

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