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The Premier Energy Training Workshop
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A River of Energy Solutions

USDA BioPreferred®

Growing Preference: A work in progress

Background

- Authorized by the 2002 Farm Bill
- Expanded by the 2008 Farm Bill
- Led by the USDA



BioPreferred[®] Goals

- Spur development of biobased industry
- Enhance nation's energy security
- Reduce nation's environmental impact



Biobased Products



Products composed wholly or significantly of biological ingredients – renewable plant, animal, marine or forestry materials.

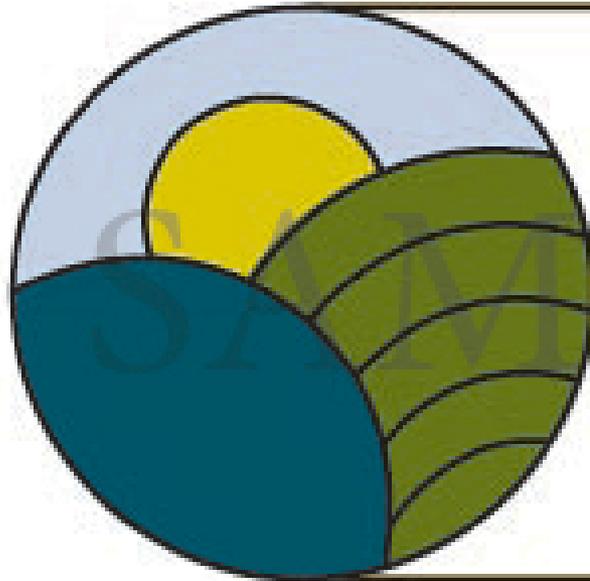
The two sides of

BioPreferred[®]

Government
procurement
program



USDA Certified
Biobased
Product label



USDA CERTIFIED BIOBASED PRODUCT

PRODUCT 57%
PACKAGE 32%

Challenges

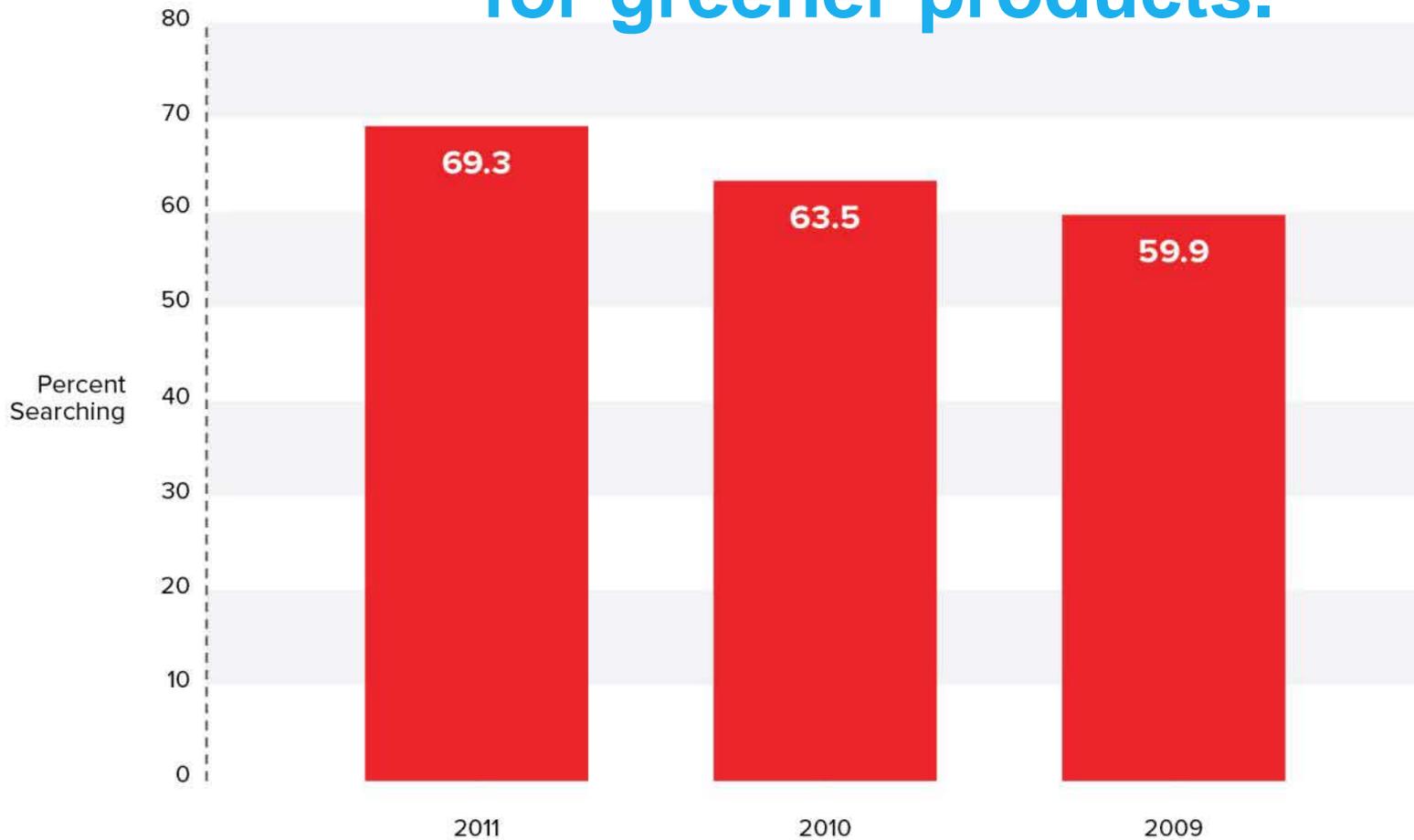
- Biobased has limited meaning to consumers
- Will be perceived as an ecolabel
- Three distinctly different audiences
 - Government Procurement Agents
 - Manufacturers (Partners)
 - Consumers



Preparing-the-Soil Discoveries

- Biobased is not yet a familiar term to consumers
- Our target consumer will **want** this to be an ecolabel
- Almost 70% of consumers are looking for greener products

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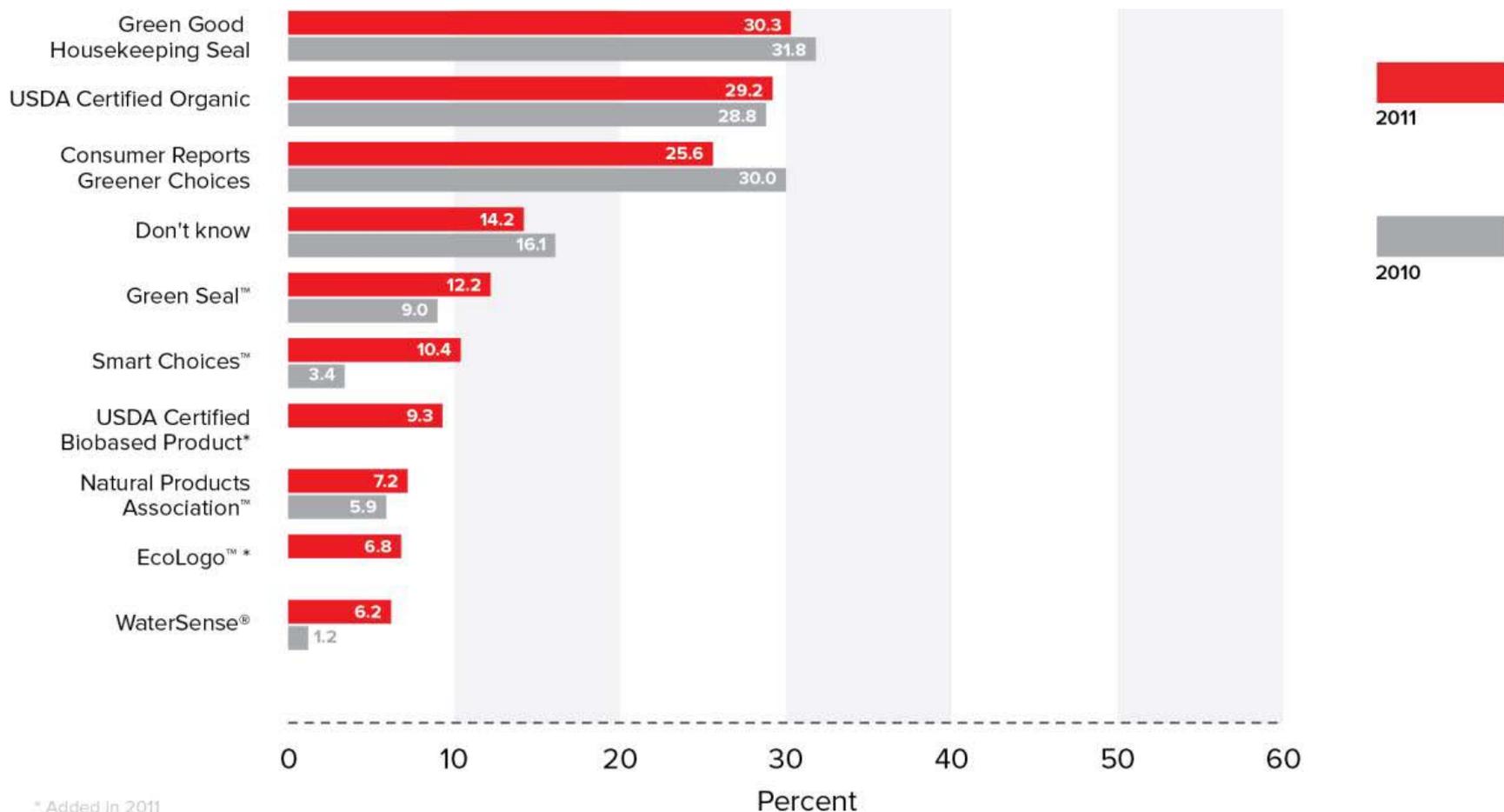
Are you searching for greener (more energy-efficient, natural, sustainable, etc.) products these days?

ecopulse
2011

Preparing the Soil Discoveries

- Biobased is not yet a familiar term to consumers
- Our target consumer will *want* this to be an ecolabel
- Almost 70% of consumers are looking for greener products
- **USDA Certified Biobased Product label has some instant credibility with consumers**

ENERGY STAR® is considered the best third-party certifier, while USDA Biobased pulled over 9%.



* Added in 2011

Which of the following are the best third-party certifiers to ensure a product is green?

ecopulse
2011

Our Primary Target Consumer: Actives



- More likely to be female
- Well-educated
- HHI: \$75K+
- White-collar workers
- Predominantly Caucasian
- Homeowners
- Married with kids

Source ecopulse 2011

Actives-Behavior

- 90% said they are searching for greener products.
- Even with the recent economic environment, 46% said they are buying more green products.
- They are willing to pay more for a product that is environmentally safe (84% vs. 65% overall).
- **They would be very likely to change their behavior if they learned that some of their activities were not very environmentally friendly (29% vs. 13% overall).**

Planting the Seed

- Position of the USDA Certified Biobased Product label in the marketplace:



The USDA Certified Biobased Product label provides consumers with a trusted verification for products that contain biobased alternatives to petroleum.

Growing Solutions



Messaging: Government

- Compliance
- Raise awareness and educate in order to increase program participation

Messaging: Manufacturers

USDA Certified Biobased Product label

- Communicate meaning of label
 - The science is confusing – low percentage numbers will look less desirable to consumers
 - We must make it simple for them to use the right messaging
- Must make a strong business case for increased consumer demand

BioPreferred procurement program

- The main advantage for manufacturers is increased sales opportunities with the government.

Messaging: Consumers

- Educate on the meaning of biobased
- Educate on the meaning of the label and communicate benefits clearly

Going-to-Market Considerations

- Partner with stakeholders
 - Make access to proper messaging simple
 - Create partnership opportunities
 - Monitor promotion
- Leverage PR
- Educate consumers at the point of purchase



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Thank You.