**Santéé Manufacturer QCMI Completes Inaugural Program on Sustainable Practices**

**By Tom York**

Rick Urban, a top executive at Quality Controlled Manufacturing Inc. (QCMI) in Santee, is always seeking better ways to keep his complex machining business on the leading edge of new practices and processes.

With innovation top of mind, QCMI recently completed an inaugural six-month sustainability program under the auspices of San Francisco-based consulting firm True Market Solutions in partnership with San Diego Gas & Electric Co.

Two QCMI employees met with representatives from eight other businesses in a "sustainability circle" to find new sustainable ideas such as installing sustainable lighting in the 65,000-square-foot shop.

Organizations Join Together in Innovative Sustainability Circles

**By Marion Webb**

Last week, representatives from nine handpicked small- to mid-size San Diego organizations met with local experts to learn how they can create sustainability and long-term success by "doing more with less."

Elliot Hoffman, founder and CEO of San Francisco-based consulting firm True Market Solutions (TMS) which together with San Diego Gas & Electric Co. (SDG&E) created the sustainability circle program to help small- to mid-size businesses inspire changes in the environmental, social and economic aspects, said that the program’s early successes are already visible.

"The goal of the program is to help companies improve their profitability by fully embracing and embedding sustainable business practices," Hoffman said.

“There is a myth that sustainability will cost you a lot of money when in truth, it will make you money.”

TMS persuaded California’s utility companies—SDG&E, Pacific Gas and...
This is how it works:
- A sustainability circle runs six months and includes nine to 10 organizations.
- Each business typically sends two managers to the monthly, all-day seminars where they learn from the sustainability experts, TMS’ coaches and each other.
- During this time, each company typically develops 25 initiatives they can implement into a company-specific action plan.
- Hoffman added.
- “Each of the sessions deal with different initiatives that the companies can implement and around different subjects,” Hoffman said. “We bring in local experts that talk about lighting, water, how to make products that use less packing and how to make real change.”
- QCMi, for instance, calculated that by investing a total of $850,000—the bulk of which will go toward converting to solar energy—it will save $750,000 annually on becoming more energy and resource efficient, Hoffman said.
- “Turning off all the electronics at night will save QCMi $2,600 a year; going to double-sided printing will save more than $12,000 a year and adding Big Ass Fans’ fans) in their facility, can save them $20,000 a year by cooling more efficiently,” he added.
- Hoffman noted that the above figures are estimates, but said the action plan aims to give each participant a good analysis of the cost savings in materials and energy.

Doncasters Group Ltd., an engineering firm in Chula Vista; the City of Chula Vista, Neighborhood House; Cobham Defense Electronics; Monterey The Natural Choice; and Francis Parker School in San Diego.

This firm is completed the first San Diego-based sustainability circle on Dec. 16, 2013 and came up with a total of 246 initiatives with 75 being gas and electric-specific, Hoffman said.

The first San Diego sustainability circle comprised nine local companies, including Ken Blanchard Cos., a developer of leadership training programs for large corporations (3,500 local employees); the Balboa Park Cultural Consortium, (1,500 employees); Carlsbad-based flower grower Mellano & Co. (250 employees); and Sanutter-based machining business Quality Controlled Manufacturing Inc. (QCMi) (100 employees); MG Properties, (60 employees); Hunter Industries, Irrigation and Control Manufacturer, (400 employees); North County Health Services, (500 employees); Mitchell Industries, (1,000 employees); and CDC Small Business, (100 employees).

These firms completed the first San Diego-based sustainability circle on Dec. 14, 2013 and came up with a total of 246 initiatives with 75 being gas and electric-specific, Hoffman said.

“This is a very action-oriented program,” Hoffman said. January 11th marked the third session of the second sustainability circle with nine San Diego-based organizations, including San Diego’s Anthony’s Fish Grotto restaurants; Doncasters Group Ltd., an engineering firm in Chula Vista; the City of Chula Vista, Neighborhood House; Cobham Defense Electronics; Monterey The Natural Choice; and Francis Parker School in San Diego. By year-end, Hoffman hopes to run eight circles in San Diego, five in the Bay Area; and four in Los Angeles County.

“Our goal is to launch 10 circles in California this year alone,” Hoffman said.

Hoffman, whose passion about sustainability issues shines through, said it took time to persuade SDG&E and other utility companies to buy into the program. Erin Coller, SDG&E’s communications manager, said that SDG&E and TMS worked together on integrating the energy efficiency resources and services available to SDG&E clients, such as On-Bill Financing and other incentive programs.

“Initial efforts focused on recruiting mid-sized business customers who would most likely benefit from the auditing process and assistance with identifying ways to save energy and cut costs with minimal capital investment,” Coller said.

Hoffman credits SDG&E for being a large part of the program’s early success.

“The utility companies have been generous to support their customers by making it almost free to them,” Hoffman said.

The participating groups, therefore, also need to be committed and willing to invest their time and money to implement the various initiatives. “It’s about changing the culture of the companies and being conscious of the resources they are using,” Hoffman said. “We want to help them change, so it becomes their natural way of doing things.”

Hoffman, a former small business owner, said he knows the challenges well.

“Together with his wife, Hoffman started a bakery in their Bay Area home kitchen in 1974. Working 24/7 the bakery Just Desserts grew to 350 workers. In 2003, Hoffman sold the business to a private equity fund. In 2004, he became a member of the San Francisco-based Presidio School of Management, which runs a graduate program in sustainability management.

“I saw that the world of sustainability was growing in the United States and there was a lot of focus on the larger companies where the money is,” he said.

“I took my passion for smaller companies and attached sustainability to create a company that is devoted to small to mid-size companies.”

He founded TMS in 2011 and now has 12 employees. For 2014, he hopes to reach $5 million in revenues, up from $400,000 in 2013. He expects the rising demand for sustainability circles will be the driving force behind TMS’s own sustainability.

At the same time, Hoffman knows he has a big task ahead. “It will take another generation or two before real change is being made,” he said.

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conservation features designed into the Student Union with the goal of reaching LEED Platinum certification, the highest rating for green buildings given by the U.S. Green Building Council. “This rooftop is unique,” said Tom Hawkins, owner of Florasource and the Southern California representative of LivestRoof. „All of the storm water runoff, including from the green roof area, will be directed to three large 50,000-gallon tanks resting below the inner courtyard at ground level. This water will be stored for reuse in the landscape, including irrigation of the green roof as needed.” The plants for the green roof are flowering succulents chosen specifically for their resistance to the harsh conditions a rooftop in San Diego will face. Though the roof will be closed during normal operating hours, guests will be able to enjoy the garden during special events and activities held at the union.

SDSU will “Welcome Home” the Aztec community with the grand opening of the Aztec Student Union on March 7, 2014. The 206,000-square-foot “campus living room” will be the site for special events during The “Grand Dedication Week” March 5 through 8.

Submitted by San Diego State University. Beth Duckworth Choo is media relations manager for San Diego State University. Article photos courtesy of SDSU.

SDSU’s new Student Union’s Sustainable Features Include:

1. Nearly 80 percent of the materials from the original student union, Aztec Center, have been recycled or will be reused in Aztec Student Union.
2. Wood used in the feature wall of the Café Dining area is reclaim from a previously demolished structure and has been given a second life in this new facility. This wood qualifies as 100 percent recycled material.
3. A minimum of 50 percent of all new wood on the project (not including reclaimed wood in the Dining Hall and any wood from the old sycamore tree) was specified to achieve Forest Stewardship Council (FSC) certification.
4. All wood floors on the project are actually not wood, but bamboo. These highly durable compressed strand-woven bamboo floors qualify as a rapidly renewable material, made from plants that are typically harvested within a 10 year or shorter lifecycle. Composite wood, agri-products, and laminating adhesives used in the project contain no added isocyanates, helping indoor air quality and reducing occupants’ exposure to carcinogens and irritants in the indoor environment.
5. Natural daylighting and operable windows which reduces dependence on artificial lighting, increases ventilation effectiveness and control.
6. Solar panels on on-site renewable energy to reduce carbon consumption.

THE SUSTAINABILITY CIRCLE EXPERIENCE

- Six-month duration with cadenced progression — Collaboration, content, and coaching
- Time to plan and execute — ROI well beyond classes, consultants, certifications, etc.
- Expert coaching

Following the monthly meetings, QCM’s staff closely examined its processes to develop ways to reuse waste material from manufacturing that has previously been thrown into the recycling bin. For example, waste material from fusers (equipment used to bring air into an auxiliary generator on board an aircraft) is now used to make another part, saving money and boosting profits. We figured out how to cut the center out of the fuser, and make another part from it,” he said. We were previously able to recycle that material, which was good, but now we’ve come up with a better use.

QCM specializes in producing components with complex shapes and contours all with a high degree of quality required for precision equipment. Customers come from aerospace, heavy equipment industries, oil and gas and power generation industries as well as the military. To name one project, QCM makes a special door for passenger jets modified to carry freight. The door allows the flight crew to enter the aircraft from underneath the cockpit. "The aerospace industry had been in a down cycle for quite some time, but is now coming out of that," said Urban. "And this is trickling down to us." QCM does business with so-called Tier 1 suppliers to the two major aircraft makers Boeing and Airbus. Those Tier 1 customers include $13 billion UTC Aerospace Systems, which emerged after the merger of Hamilton Sundstrand and Goodrich.

QCM is taking the lead along with many customers who already have sustainability programs in place. The 36-year-old QCM was named one of the San Diego Business Journal’s fastest growing private companies in 2012, coming in at No. 100, and reached another milestone about the same time when the company announced the hiring of its 100th employee. In November 2012, the San Diego Society for Human Resource Management honored QCM for its workplace practices, an award based on nominations from its employees.

Urban said adopting sustainable practices is part of an overall approach to increase sales and profits. "As a manufacturer, we’re always asking how to do it more efficiently, so getting involved with an outside sustainability circle, we felt like we would get outside views of what we were taking on," he said. "We wanted to see what other people were doing.”

“Our customers provide us feedback, since they’re trying to do the same thing,” he added.

QCM has installed evaporators to pull hazardous materials from water used in the manufacturing process into a dry product. Trucks no longer have to haul the toxic water in drums to a treatment facility. "Now we just have to deal with the residue," he said.

Urban said sustainable practices have become important with water and power in short supply in drought-stricken Southern California. "It’s what our customers have come to expect," he said.