

## 'Going 'Green':

# A dream come true for entrepreneurs seeking new business ventures

By Katie Johnson  
Inside Tucson Business

**W**hen Natasha Winnik, owner and founder of natural building materials provider Originate, looks back on the past few years, it seems like all this business stuff happened overnight. Little did she know her warehouse district, boutique-style storefront would jump from grossing \$40,000 a year in 2004 to \$425,000 in 2007.

But Winnik isn't the only Tucson "green" business owner who has found enormous success recently. Green business owners who started their companies in the years before interest in green began are now seeing returns higher than they had expected when they opened their doors. For two of these owners — Winnik and Kevin Koch, owner of Technicians for Sustainability — the business side is the hardest part. But entrepreneurs who are entering the market now know that capitalizing on "green" is the best way to grow the market.

By her own account, Winnik found herself a little unprepared for the success. "I don't have a business background. My background is in architecture. I always say there are two classes I wish they had in the curriculum: a business class and a psychology class. A lot of architects work for themselves, yet they have no business background." Laughing, she added, "When I did design, having to send the bill to get [clients] to pay me was my least favorite thing. I kind of hoped that they

would just offer money. The business side of it sometimes is hard."

The renewable energy systems installation company Technicians for Sustainability — [www.tfssolar.com/](http://www.tfssolar.com/) — based at Koch's house near downtown, has also experienced rapid growth. When Tucson Electric Power stopped providing solar power systems for customers at the end of 2006, Koch had to begin providing customers with the systems himself, rather than just installing them. He also suddenly found himself at the helm of a business — that now grosses nearly \$1 million — literally overnight.

He said the company went from doing \$150,000 to \$200,000 a year to doing \$800,000 to \$1 million annually. "That was just in one day, as a result of TEP not selling the equipment," Koch said. Now that Tucson Electric Power doesn't subsidize solar power, he added, the same installation work is now worth much more.

"The cash flow coming through the company in 1996 was about \$3,500 for that system. The cash flow coming through my company now to sell that system is about \$20,000," he said. "It's the same work on our part, but it's more cash flow."

Koch and Winnik, two of Tucson's early adopters of green business practices, find themselves caught up in a wave of young entrepreneurs who care about the environment, but who don't mind making a profit in the process. Not only are "Green MBA" programs springing up in business schools across the country, National Public Radio's "Morning Edition," in an ongoing series about climate change, reports general concern for the environment, along with new scientific technology, has spawned niche careers. Entry-level carbon traders, for example, can start at \$60,000-\$100,000 per year.

Our local training ground for entrepreneurs, the University of Arizona's Chris and Carol McGuire Center for Entrepreneurship, has a hold on the latest trends in green business. Jim Jindrick, a mentor-in-residence at the Center, has found that McGuire students are increasingly attracted to environmentally-conscious ventures.

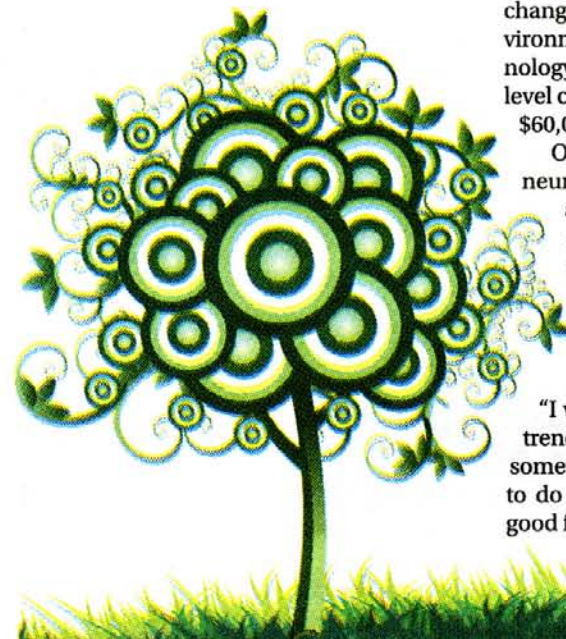
"I would say this year green is one of the trends. Quite a few students want to do something green," Jindrick said. "They want to do well, they want to do things that are good for the community."

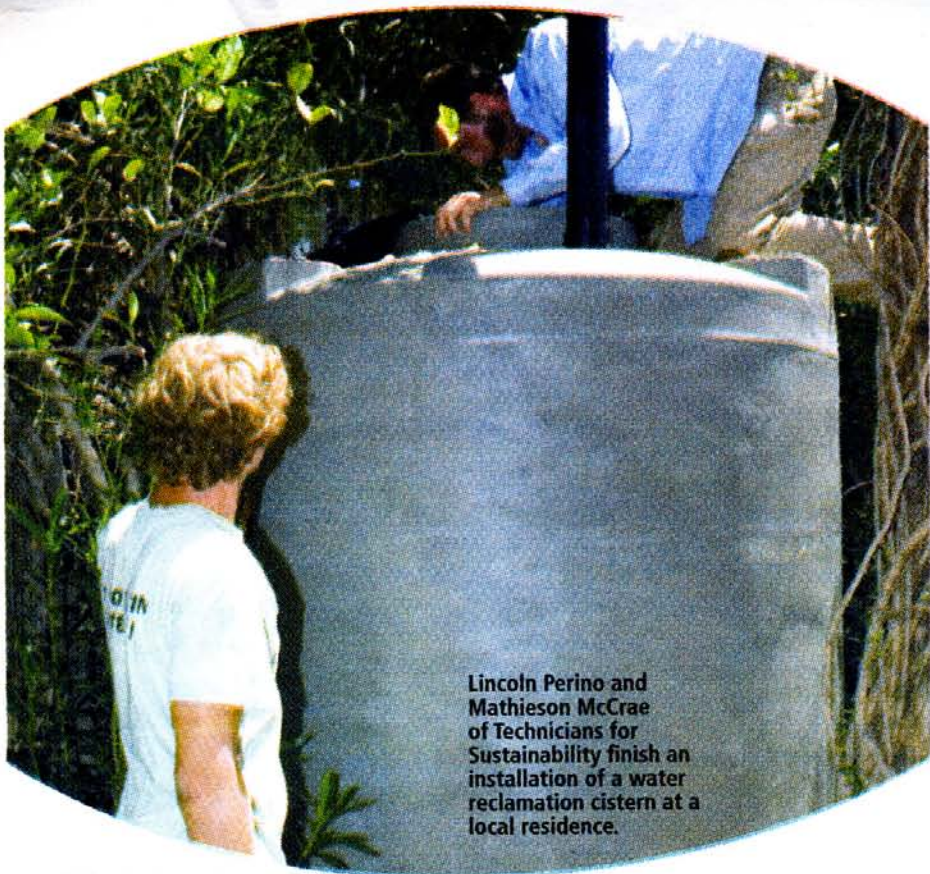


Stuart L. Manning Photos

### Originate and building materials

Originate provides natural building materials including recycled glass tiles, reclaimed wood and sustainable forest products. In addition to sustainable building products, Originate provides a selection of recycled and natural housewares.





Lincoln Perino and Mathieson McCrae of Technicians for Sustainability finish an installation of a water reclamation cistern at a local residence.

Stuart L. Maittingly Photo

According to Jindrick, the number of business ventures launched at the McGuire Center has risen from zero (out of 21 projects) in 2004 to five for both 2007 and 2008. During the summer months, when students brainstorm projects, the numbers rise even more: Jindrick estimates that out of about 200 potential ventures, approximately 40 have some element of environmental responsibility built into them.

While green entrepreneurs like Koch and Winnik encourage more competitors — Koch adds that it's one of the only ways for the green market to grow on its own accord — both express concern over the questionable practice of "greenwashing," the use of environmentally-friendly products and practices solely as marketing tools. "I feel encouraged about other people wanting to come in, but I feel like it's extremely important for the industry to last, for quality installations to go in," he said. "If we have system failures, the industry will fall out. People aren't going to invest in this stuff if

they hear that it's not working. If it's just one company that's installing poor working systems, it'll hurt all of us."

Joshua Scott, a new Eller MBA grad and chief operations officer of a new local agriculture venture named 50 Mile Farms, feels the pressure to guard against greenwashing, but argues that profit has to come first. "There's opportunities to make things better, and if I can do that at a less expensive and more affordable price for everyone, while making money, what more could I ask for? I'm an entrepreneur," he said, "I'm in it to make the money so I can turn around and go do something else with it. So I can form it into other ventures. I want to become an investor who can be environmentally responsible."

To that end, there's one more kind of sustainability that's important here — sustainability for the environment, sure, but also for financially viable business practices that prevent environmental responsibility from becoming just a passing fad.

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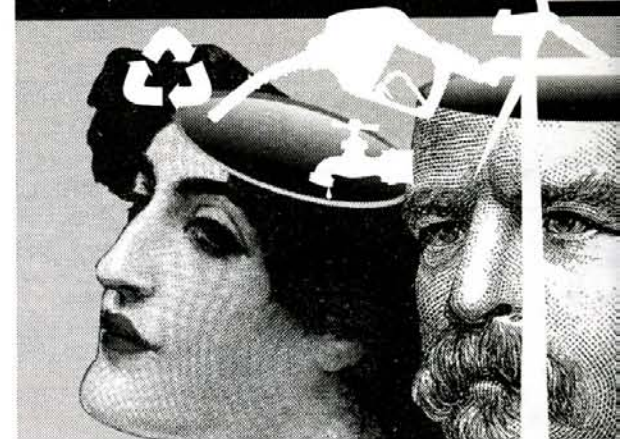
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