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## Breaking Ground: Method and the Brownfield vs. Greenfield Debate

To us, “sustainability” and “green” are just aspects of the quality of our product — they are not a marketing positioning... I mean everything should be that way. Just build it into the quality of the product and let the experience of the product be the real hero.<sup>1</sup>

– Adam Lowry, co-founder of Method, speaking about sustainability

Sally Savon,<sup>i</sup> Chief Operating Officer of Method Products, sat in her plush office chair enjoying the view from her office in downtown San Francisco. After challenging her CFO to a game in Method’s AstroTurf covered Ping-Pong room,<sup>2</sup> she was ready to get back to work on a presentation covering a major expansion decision she and her team had been working on for months. Savon was excited that Method’s environmentally friendly cleaning products were gaining market share and knew the time was right for the business to expand. Improving Method’s distribution capabilities and ability to scale were central to its growth strategy, and the company’s recent acquisition by Ecover provided the financial backing to make such growth possible. Savon was charged with recommending a site for the company’s first factory and needed to make a recommendation to the company’s founders and executive board. Though Method’s founders, Michigan natives, had originally hoped to build the factory in Detroit, the city was proving to be uncooperative. Fortunately, Chicago was eager to have Method and stepped up to facilitate legal and permitting processes. As a result, Savon had narrowed the choices down to two Chicago locations: a brownfield site in the Pullman neighborhood on the South Side and a traditional greenfield site in the suburbs.

Savon had carefully considered the permitting options, tax incentives, design costs, and environmental and social impacts of both options. Would she be able to expand the business while sticking to its core environmental and social values? What if expanding to a brownfield site required significantly higher capital investment than a traditional site? What if these higher costs led to increased prices for Method’s customers, resulting in decreased profits and market share as well as job losses?

<sup>i</sup> Sally Savon is a fictional character created for class discussion purposes and is not meant to depict a real person within the Method organization.

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