Case for the Board to Go Digital

Not gone paperless in the boardroom yet? Let me change your mind.

Phillip Baldwin

There are many digital meeting solutions on the market and a lot has been written about why companies should 'go paperless' in the boardroom. Directors and CEOs of companies are well advised all the advantages brought to them. One other big "advantage" is that papers will always be up-to-date.

The other often cited reason for going digital is saving of paper – "Look at the amount of paper you will save" goes the pitch. This is more often than not converted into a monetary saving. Again all true, but it misses the point.

If none of the above arguments have yet convinced your board to go digital, let me give you one excellent, unassailable, massive reason to do so; or more dramatically and accurately 11 million reasons.

Because *11 million* is the number of trees cut down *each day* to make paper just for you. That equates to an incredible – and unsustainable – *4 billion* trees each year just to make paper.
To put it into perspective, every year 11.5 billion trees are cut down. Of these 35% are cut down specifically to make paper. It

is true that many of them are from tree farms and specially grown; but many are not and we have all seen the heart-breaking photographs of Amazon and Borneo rain forest devastated by unscrupulous and often illegal logging. These devastated areas may never recover. It is not just the trees but a whole eco-system that is destroyed and lost forever.

But cutting down 11 million trees daily is only part of the equation because making paper leads to pollution. In fact as far back as the early 1990's the US Environmental Protection Agency (EPA) identified pulp mills amongst the worst industrial polluters of air and water. This was reinforced in its June 2015 discussion paper *'A Retrospective Study of EPA's Air Toxics Program under the Revised Section 112 Requirements of the Clean Air Act'* written by Art Fraas and Alex Egorenkov where, although the Hazardous Air Pollutants (HAP) had apparently reduced by between 20% and 30% per year, this may

have been merely a result of fluctuating demand rather than a real mill-by-mill reduction. In its Discussions and Conclusions the report states *'Our results provide a mixed picture of the effect of MACT (Maximum Achievable Control Technology) limited for these specific industry categories (for HAP emissions)…the results for the pulp and paper…are substantially smaller than the changes projected by EPA'*

Later in the report it states that the results are preliminary and deserve further study, but it seems to be a half-heart statement and the report is not kind to the pulp and paper industry. The assertion of the pulp and paper industry's poor performance in terms of reducing its pollutants is repeated later on in the same conclusion.

It gets worse. To make a tonne (1,000kg) of paper requires between 17 and 20 full grown trees and up to 90,000 litres of water (alternative sources state 25,000 litres; which is still a lot of water – see below) and produces a mind boggling 1.46 tonnes of greenhouse gases as waste. Just to make paper?

Don't get me wrong: I like and use paper; it is both useful and necessary – for some things. Board and similar meetings are not one of them. There are viable – and arguably better – alternatives.

The argument for using paper in a formal meeting setting such as a board meeting has all but disappeared and has no credibility. The often heard argument that directors are too old or not tech-savvy (or both) is simply blown away when confronted with the facts.

Today's digital meeting solution using tablet computers such as iPads and Surface Pros are incredibly easy to use.

Technology is no longer a barrier to going paperless – it enables us to go paperless.

If you take the average size board in Hong Kong as consisting of (conservatively) 12 directors and the average meeting pack weighing approximately 1 kg the figures for each meeting are stark. For each meeting your board would use:
- Approximately one-quarter of a fully grown tree (say 15-25 years old and 40-60 feet / 12-18 metres tall)
- 1,080 litres of water

and produce (as waste) 17.52 litres of greenhouse gases

If you use a digital meeting solution you will save every year (presuming 11 board/-committee meetings p.a.):
- 132kg of paper
- 2.75 fully grown trees
- 11,880 litres of water
- 192.72 litres of greenhouse gases

So ask yourself, is using paper really worth it? Regardless of your directors' thoughts on using an iPad or similar devices, regardless of whether you think the meetings will be more efficient,

effective and/or convenient (they will be by the way) can you honest justify using paper when you know that each meeting creates such waste?

The choice should not be difficult. Most of the civilised and developed corporate world has embraced digital meeting solutions and are benefitting greatly from doing so. But the real benefit is yet to be seen. That where trees are still plentiful in the natural world and the one where you as a corporate leader can say to your grand-children – I did my part. I went digital. HKIoD

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Paper Facts:

- 11 million trees are cut down annually just to make paper
- That's 4 BILLION trees per year
- 11.5 BILLION trees cut down annually – 35% are used to make paper
- The world consumes 300 million tons of paper p.a.
- US consumes 187 billion pounds (85 billion kg) of paper p.a.
- That's 740lbs (340kg) per person p.a.
- HK consumption per person is probably similar to the US

Every tree requires

130 gallons (490 L) of water for growth

50 gallons (189 L) of water for processing into paper

The production of 1 metric ton of paper requires

17-20 trees (average)

25 m3 of water (25,000 litres – figure quoted in article is 90,000 litres)

Additional Information/Alternative Figures are available at:
https://engineering.dartmouth.edu/~d30345d/courses/engs171/Paper.pdf

Sources and References:

- General: RISI; Bureau of International Recycling; US EPA; http://nepis.epa.gov/Exe/ZyPDF.cgi/P1001KY8.PDF?Dockey=P1001KY8.PDF
- Water and greenhouse gas production in paper manufacturing - Clean Up Australia Ltd Paper and Cardboard Fact Sheet May 2015 (www.cleanup.org.au); www.HKCleanUp.org
- US Paper Consumption - http://www.ecology.com/2011/09/10/paper-chase/;
- HK paper consumption is an estimate
- HK Board Information: Thompson Reuters 2013 Board Governance Survey 2013
- HK board use of paper is calculated based on 180 papers of paper weighing approximately one kilogram