

## FirstCarbon Provides Outsourcing Across Carbon Management Spectrum

*Services span consulting, software, data outsourcing and carbon trading.*

As companies face growing pressure to monitor and reduce their carbon footprints, those that lack resources or expertise in carbon tracking are turning to carbon consultants for help. This has attracted a slew of new entrants into the carbon measurement and reporting market. However, the competition narrows greatly when it comes to consulting firms capable of handling a client's entire carbon management process.

FirstCarbon Solutions, a carbon data management subsidiary of the business process outsourcing giant ADEC Solutions, claims to be the first third party provider capable of taking over a client's entire carbon measurement and reporting burden. ADEC Solutions is a global enterprise with more than 5,000 employees worldwide offering services in finance and accounting, logistics and document management, in addition to its more recently minted carbon management practice. ADEC began managing environmental data in 2007 before establishing FirstCarbon in 2008 as a standalone sustainability management firm. FirstCarbon was launched worldwide in 2009.

FirstCarbon's offerings span four areas: consulting, environmental software, data outsourcing and carbon trading. The company helps clients understand their business risks and opportunities related to sustainability, crafts action plans, and performs carbon footprint inventories and

other technical tasks. The firm's consultants "help companies understand the risks and opportunities inherent in their GHG emissions, so they know what to do about it to gain competitive advantage," said Dailey Tipton, vice president of sales and marketing.

Calculating a client's carbon footprint via services, software and outsourced data management is currently FirstCarbon's most popular service. "This is a key step in creating the foundation for a company's sustainability program," noted Tipton. "These data are the foundation for the future business-based initiatives around energy management, supply chain reporting and future opportunities that will emerge under cap and trade scenarios."

What kinds of companies comprise FirstCarbon's clientele? According to FirstCarbon, its clients come from all industry verticals, including traditional carbon-heavy chemical or manufacturing firms. However, it has noticed a recent uptake from industries that are less emission-intensive, such as real estate, finance and healthcare.

Regulated industrial firms that produce heavy GHG emissions typically have environmental departments and in-house carbon expertise, but these organizations may turn to FirstCarbon for specialized enterprise carbon accounting (ECA) software and to hand off humdrum data and document management tasks.

### Offshore Outsourcing Model

"Behind any company's carbon footprint calculation is a lot of ongoing data and document management, such as collecting and inputting data from utility

bills, HVAC systems, facility maintenance records, travel logs, gas-station receipts and other myriad pieces of information," said Tipton. "The volume and costs associated with these data and document-management tasks often take companies by surprise."

According to Tipton, such clients can save 35-50% by outsourcing these tasks to FirstCarbon rather than performing the same tasks in house—savings that accrue in part from an offshore outsourcing model using ADEC Data Management Centers in the United States (Deposit, N.Y.) and offshore in Philippines.

Less emission-intensive clients, which are often just starting to develop their sustainability initiatives, can outsource both the higher-level consulting projects and the day-to-day tasks to FirstCarbon. This allows them to avoid hiring environmental experts in order to build in-house proficiency in environmental disciplines, noted Tipton.

### Software Firm Acquired

A growing number of companies compete in the software-based market for ECA services, a subset of FirstCarbon's offerings. In November 2009, FirstCarbon beefed up its software capabilities by acquiring the environmental software provider Enverity Corp. and its ghgTrack

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software, which helps calculate, manage and report GHG emissions. FirstCarbon had initially begun developing its own software offering but was attracted by Enverity's nine-year track record and existing customer base.

Tipton observed that most ECA software companies focus on the first step of the carbon management process—determining the total GHG emissions number. “None of our ECA software competitors have a core expertise in carbon outsourcing—or carbon consulting, for that matter. Our ability to provide carbon expertise, plus software, plus outsourcing is entirely unique in the ECA space. We understand that companies will need to produce their carbon-footprint numbers year after year, and our outsourcing services help them put processes in place to do it more cost-effectively and often with better data accuracy.”

According to Tipton, the Big Four management and accounting firms have specialty practices in business process outsourcing for financing and accounting but don't yet have a foothold in the emerging environmental outsourcing market. “Their high price point also makes them prohibitively expensive for many companies,” he concluded. ⚙

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