

Kevin Sweeney
Commencement Address
University of Oregon
Charles H. Lundquist College of Business

June 11, 1999

Thank you Dean Morse. I'm very honored to be here tonight. Very honored.

I'd like, this evening, to tell brief stories involving four people: Brian Joyce, Ray Anderson, Soren Kierkegaard and a three-year-old girl named Julia.

Brian Joyce is a parish priest in Pleasant Hill, CA. He is my father's cousin. At a wedding a few years back, I listened to him give a simple and graceful sermon to a newly-married couple. His advice came in three very brief points.

His first point: *I'm sorry*. Simple words and often hard to say. If the phrase can be used openly, with honest intention, as often as necessary or helpful, the marriage is strengthened.

His second point: *Marriage is work*. A 50-year relationship won't always be buoyed by true love or pure lust. It's work. To the extent that a couple sees this work as necessary and helpful, and engages in it willingly, their prospects for a long, happy and fulfilling life grow substantially.

His third bit of advice was a surprise: *Feed the poor*. He didn't mean that this couple must actually *feed the poor*. It was a way of suggesting that they focus together on something outside their relationship – outside their partnership – and the point of focus should involve a situation less fortunate than theirs. He said that engaging in service would instill confidence in them as individuals and as a couple. It would help them see in each other what Lincoln called “the better angels of our nature.” It lends a purpose that puts everything else – the discussions about money, the petty hurts and offenses, the endless choices – all in a proper perspective. In so doing, the relationship would be strengthened. By focusing on something outside their union, they would be stronger as a couple.

So here we are, at commencement. As you re-engage in the business world, I'll keep it simple and give the same advice: Work within your companies to, essentially, feed the poor. Work to focus on a need outside your company and much bigger than your company. Service. And I can tell you from experience the same thing Father Joyce told that married couple: It will be good for your relationship. Good for your partnership. Good for your company.

* * * * *

At Patagonia, a company I helped run for seven years, the chosen form of service is environmentalism. If there is a singular lesson to draw, it is this: Every serious step we took in this direction improved and strengthened the business.

Fifteen years ago, the company began giving ten percent of pretax profits to environmental groups. The moment that policy was formalized, the company and its culture changed. There was a lift in the esprit – the product of a powerful and unifying external goal. Colleagues

believed they were part of something important – something bigger than themselves. The outward focus helped the business.

A few years later, we injected environmentalism into the product; the breakthrough products were fleece garments made from recycled soda bottles. This process kept materials out of waste dumps, and saved the degradation caused by the mining and processing of oil – polyester’s base material. The move generated millions of dollars in media coverage. It gave the company a market position no else could touch, at least in the short-term. And it unified the company. The outward focus strengthened the partnership.

We then switched the entire sportswear line to organic cotton. We announced that if we could not make and sell organic cotton sportswear successfully, we would never again make cotton sportswear. There was no going back. None. The move electrified our position in the market. It provided ideological cover for the better outdoor shops – enabling them to carry high-end sportswear without diminishing their in-your-face image. The outward focus unified and strengthened the company.

Through the Internship Program, colleagues can take leave for two months to work full-time for a nonprofit organization. Employees who return to Patagonia are so energized by their work in the community – so passionate about the issue they’ve embraced – that they infuse an even greater spirit of activism within the company. They see that it’s possible to grow, to change careers, or to work for years in a retail environment without feeling stuck.

As more people participated in the internship program, the understanding of, and commitment to, environmental restoration deepened. A small band of colleagues was arrested while defending ancient redwoods some 200 miles south of where we are today. Company leaders, taking the role of interpretive rangers, hosted discussions that placed these colleagues in a rich, historical line of civil disobedience practitioners. Thoreau and Ghandi, Rosa Parks and Martin Luther King, Nelson Mandella. Our colleagues – unknown figures outside the outdoor industry – now had a place in that grand lineage. That realization, again, bolstered employee loyalty and passion – for the issue and also for the company.

Nearly 100 colleagues since then have requested and completed training in nonviolent civil disobedience. And if they are arrested in a protest defending nature, the company will post their bail. These are strong bonds, and it is the outward focus – in this case, a focus on defending biodiversity – that builds such strength within.

* * * * *

One of the remarkable things at a handful of progressive companies is that people who might otherwise be distracted by the fact that they aren’t yet running divisions of 50 people are instead focused on how one follows through on the commitment to service. How to engage in thoughtful activism. How to source recycled fibers in Portugal. How to convince an entrepreneur in Thailand to run organic yarns through his loom.

How? How does one green a company? Again, I’ll rely on a simple story.

Ray Anderson is President of Interface, the office carpet manufacturer with sales of more than a billion dollars. After Ray spoke at a Patagonia conference, a colleague and I attended a retreat with his top 75 managers. At the opening meeting, chairs were arranged in a large circle. The group at the time was mostly male – the company has since made great strides in creating more

balance at the top. There was no facial hair. There were neatly pressed golf shirts everywhere, and neatly pressed short pants. The group, to me at least, did not look like agents for social change.

Perhaps because there were guests, Ray asked for introductions. He asked each person to give their name and what division they ran. He *also* asked them to say what spirit or animal they felt within on that day. I took this as a hint that they might not be who I thought they were. Ray went first, in his mellifluous southern accent: “I’m Ray Anderson. I’m the company’s founder. And today, I’m an eagle because I believe we’ll fly along swiftly and powerfully.” I had just flown in from Southern California, and even I thought it was a bit strange.

After ten or so had spoken, I realized that all the named animals were predators – again seeming to confirm my prejudice. But it was an effective ice-breaker. More importantly, it showed the group was willing to step outside traditional roles, and they settled into the most thoughtful, challenging and honest business discussion I’ve ever witnessed. An hour into it, one man made a sarcastic remark, and someone suggested: “I think that’s a zinger.” (A zinger, at Interface, is a joke made at someone else’s expense.) With the best of humor, the perpetrator said “Yes it is. And I apologize.” He took a five-dollar bill from his wallet and placed it on the podium – the standard, good-natured fine for senior managers. The testosterone is in check. They have created a working environment that is open, honest and supportive. Managers open up about difficulties in their department without fear of having the information used against them. They ask for help – out loud and in front of the CEO. They express fears, as well as optimistic views, about the pace of their green efforts – the impact on their market position, on stock value, on revenue. And they resolve these concerns together. After half a day, it was very clear to me that this company would skate past Patagonia and become the greenest company on earth. They trust each other, they respect each other, and they are willing to work together, knowing that greatness is most often the result of collaboration. And, I will add parenthetically, they are crushing their competition. Their market share escalates, sales have doubled in five years and I deeply regret not buying their stock when I came home from that meeting three years ago.

And so, the answer to the questions beginning with “how” lie in the quality of your relationships and in your ability to communicate honestly, openly and directly.

The tactics and details of achieving environmental improvements are obviously complex. For that reason, bringing great change to an organization – or to a society – while exhilarating, can be very intimidating. To bring people along on such a ride requires honest, open communication. It requires trust. Trust – or the lack of it – is the one card that trumps everything you’ve learned about the tactics and strategies of marketing, financing and managing a business empire.

* * * * *

At the core of trusting relationships, at the core of good communications, are the intentions.

The Danish theologian Soren Kierkegaard wrote, among other things, Purity of Heart. Near the middle of the book, he interrupted the treatise to explain to readers exactly how he wanted them to read the book. Many writers, Kierkegaard said, are like actors on stage. Through their writing, they perform. They see their readers as the audience, and hope their writing will generate approval and applause in the form of book sales, word-of-mouth, or favorable reviews. Kierkegaard said his approach was different. He was a writer who was not an actor, but a stage director. Behind the curtain, off to the side, he was through his writings whispering instructions to the actor. His *readers* were the actors – and he hoped with his writing to change their actions,

to change their sense of themselves, to inspire *them* to a great performance. For him, God was the audience. Those were his intentions as Kierkegaard wrote.

Strip away the religious reference, and apply it to politics. Many candidates are like actors on stage, hoping we'll applaud with votes. But there are many – and they are out there – who act as stage directors, trying to change a community's view of itself, trying to change what it thinks is possible.

Apply it to individuals in business. When we communicate – to our colleagues or to our customers – what intentions have we? Those who move through business with clear external goals, who like Kierkegaard focus more on changing minds rather than getting credit, are the ones who can actually change things. They have credibility. They are the trusted ones. (Ultimately, they are often the ones who get credit anyway.)

Apply it to whole companies. Patagonia, over the years, has engaged in lengthy discussions with its customers – difficult discussions about the impact of the company's product line. When that process clicks – when a colleague changes someone's mind about pesticide use, for example – there is an amazing benefit for the company. Rather than merely closing the deal, the company gains a customer for life.

In politics and in business, those who actually take the time and energy to change people's perspectives gain their respect and their undying loyalty.

* * * * *

A few times each workday, my three year-old daughter, Julia, comes out to see me in the garage, where four months ago I built my office. Nine times out of ten, she'll see me typing. In her eyes, that's what I do. Julia Sweeney's dad types. (I can see her next year at nursery school. "Oh, yeah! Well, my daddy types!") And I find myself wanting her to know so much more about what I really do. I want her to know that I'm an activist, that I have her interests and her sister Hannah's interests at heart, that I – fill in the blank. But I realize there is nothing she could learn that would make her love me more than she loves me now. And I'm a typist. She's a three-year-old girl and I'm her dad. What I do, and what she knows about what I do, doesn't affect the quality of our relationship.

I hope I can hold onto that realization. If I can, it will strengthen my relationship with my daughters. And if I can, it will make me better at those other things I want her to know about me. What were my intentions in wanting to get credit before a three year-old girl? What intentions have we when we talk about these issues generally? Our intentions define our communications, which in turn define the level of trust. And trust, or the lack of it, is the one card that trumps all others.

* * * * *

At the outset this evening, I tried to justify a reach into corporate social responsibility. Because I know and respect the fact that many of you will soon be worshipping at the altar of the Quarterly Profit Gods, I gave reasons based strictly on the success of a business. I'll close tonight by noting some other reasons.

When we look back on this century, our impact on nature is staggering. Across the world – with no region spared – we have destroyed beautiful and essential forests, grasslands and wetlands.

We have caused the extinction of innumerable species. The biologist EO Wilson suggests that 50,000 invertebrate species go extinct every year. 50,000. Most of them never known to humans, their permanent loss never mourned. We released into the atmosphere materials that had been trapped for eons, for good reason, within the earth's crust. And how about this one: We changed the weather. On the end-of-century lists, that one takes the cake. We humans sure can do it up big time.

So fear can be a motivation. But there is also hope and beauty. Still. Despite their many challenges, salmon still run in the great Northwest. It's not too late. Native grasses still exist in patches across the northern Plains. It's not too late. The unicall of a pair of sand hill cranes – of half a million sand hill cranes – still deafens each March along the Platte River. And in my backyard, a tiny Anna's hummingbird still dances from the Mexican sage to the trumpet vines and on to the lantana.

There is still great beauty and wonder and mystery in the natural world. So it's not too late. And it would be a grand mission – and a grand life – to help keep hold of what is beautiful, and to restore what we might otherwise have lost.

To be part of that, to fully embrace the beauty that still exists, would be grand indeed.

Congratulations to all of you. And thank you very much for the privilege to speak to you on this day.