

# Merchants Seek Greener Pastures

## IT'S A 'GREEN WORLD' AFTER ALL

It started with six people and a mattress. Looking to offer an alternative to the box-spring mattresses in Europe at that time, retailer Grüne Erde began its business in 1983 by offering Weisse Wolke, or "white cloud," an organic mattress made of pure wool, organic cotton, linen and coconut fibers. And, this being Europe, production



took place in the cellar of a castle.

Now with 300 employees and sales of 30 million euros last year, Grüne Erde—which means "Green World"—offers organic products for all areas of the home, and has 11 stores in Austria and Germany. A retailer such as this is at home in this region of the

world, as the organic movement has been embraced by Austrians, said Reinhard Kepplinger, managing director. For example, already 10 percent of Austria's agriculture is organic, and there is not a supermarket without an organic food section. Even the political green parties participate in government. "Austria is a lot more environmentally aware," he said. "It's not a small niche."

Weisse Wolke was unlike any mattress in Europe at the time, he said, and was followed by the company's introduction of beds, and

then bedding. Now, furniture, accessories, table-top, food and cosmetics are also a part of the mix of about 5,000 products. "The sleeping area," he said, however, "is still our strongest category." It doesn't only sell these products, however, but makes a lot of them as well—70 percent of them, in fact. It found as it looked for manufacturers that not many met its environmental standards, so it ended up buying factories itself, including ones for furniture, textiles and soon, cosmetics. Manufacturers of the European Union make up the other 30 percent, and they have to have a fair-trade label.

The stores, which range from 1,300 to about 2,300 square feet, are light and airy in feel, with a lot of light wood. Grüne Erde will open another store in Hamburg, Germany, at the end of April, and will soon introduce a small-format chain of wellness shops. It doesn't plan to expand beyond German-speaking countries for now, however, as "we always take care that our products have short transport routes because we don't want to waste energy and harm the environment," Kepplinger said. But it would consider expansion with the right partner, he added. "Never say never." — Andrea Lillo