

**THE ECO-ADVANTAGE**

It's beginning to feel like a new feature of the business cycle: Every few years or so, American companies and consumers embrace the concept of green business. We're certainly in the midst of one of those moments right now. But something seems different about our current green awakening.

This time, the action is being driven as much by markets as morality. High oil prices, global warming, the sense that chemicals cause real harm and the earth's resources are indeed finite—these are not so much charitable causes to embrace as they are problems that entrepreneurs can solve. Wall Street and Silicon Valley certainly understand this: Venture capital firms invested \$958 million in renewable energy companies in the first half of 2006 alone.

Today's green revolution is being driven by a whole new set of entrepreneurs. We asked our staffers and contributors to find the most intriguing ones out there; then we narrowed the list to the 50 in the pages that follow—**The Green 50**. The range of businesses is astonishingly wide, from high-tech firms making big bets on the future of energy to decidedly low-tech concerns that are simply determined to find a different way to do business. What their efforts add up to is a new way to think about being in business. We're betting that most of them will be around for several business cycles to come. —Larry Kanter

PHOTOGRAPHS BY DAN WINTERS



**Sometimes the old ways are the best ways. Like when they don't cause liver damage**

CROFT ELSAESSER KNEW what was causing his headaches. He worked in the building trades, applying decorative finishes to residential interiors with paints, shellacs, urethanes, and oil glazes. What all those materials have in common are volatile organic compounds, or VOCs—toxic chemicals that can damage the liver, kidneys, and nervous system. Elsaesser decided there had to be a better way. He began researching the way buildings were finished before the advent of chemicals and learned about the plasters that had been used for centuries in Europe, earthen clay mixed with sand.

Elsaesser has brought back that tradition with **American Clay**, the company he founded in Albuquerque in 2002. With the help of his mother, Carol Baumgartel, an interior designer and a ceramist, Elsaesser developed a line of refined clays receptive to most colors, in a range of textures, and containing none of those nasty VOCs. The materials quickly caught on among contractors in the Southwest, where people are accustomed to working with clay. And the company is fast developing a national presence. In 2004, the National Association of Home Builders honored American Clay for “a product that has the best potential to advance the cause of resource-efficient home construction.” Sales for 2006 are projected to hit \$2.5 million.

Elsaesser continues to look to the past for inspiration. He recently eliminated polypropylene plastic linings from American Clay's packaging in favor of flour sacks. And the best fringe benefit of all? No more headaches.



**THE GREEN 50**

## **THE BUILDERS**

A cleaner environment starts at home and at work. Now, how's that headache?