

Green technology is on the rise, despite recession

December 31 2008, By Tim Barker

It seems so easy in the IBM commercial. An underling explains to her pessimistic boss how their company will save millions of dollars with "green" technology. "Where do I sign?" he asks, as happy music erupts and cartoon animals dance across the screen.

What the ad never mentions is the money he's going to have to spend on software and hardware upgrades to save those millions of dollars. Or that he's being asked to do it in the midst of a recession.

And that's just what many companies are being asked to consider today, as they balance their desire to reduce energy consumption against problems caused by the financial turmoil. Rarely is "green" going to win on its own merits.

That was made clear in a survey earlier this year by Logicalis, an international information-technology firm based in the United Kingdom. The survey found that 86 percent of information-technology managers said they were more likely to make decisions based on money, rather than the environment.

Still, this isn't necessarily bad news for the tree-huggers of the world, said Lisa Dreher, vice president of marketing and business development for Logicalis.

"As they look to save money, they're kind of saving the environment at the same time," Dreher said.

It's just a matter of how much those companies are willing to invest when money is so tight. Companies struggling for survival may have no option but to hold off. Others may be eager to pursue green technologies that promise quick savings, Dreher said.

Considering how much power U.S. companies are consuming, there's strong incentive to look for ways to trim expenses in this area. Research suggests that data centers in 2005 were responsible for gobbling up 1.5 percent of this nation's power consumption. That's twice what it was just five years earlier.

And while research firm IDC is predicting a slowdown in information-technology spending around the world next year, the firm believes economic turmoil may actually spur green spending,

"A slow global economy will act like a pressure cooker on the IT market, speeding the development and adoption of new technologies and business models," said Frank Gens, an IDC analyst.

Companies are taking several approaches to reduce power consumption and cut energy costs:

_Software upgrades. Microsoft is touting the energy-saving features of its Vista operating system. A switch from Windows XP to Vista can save as much as \$50 a year per desktop, said Todd Cione, general manager of Microsoft's North Central District.

_More efficient use of power-hungry servers. When every computer application is run on its own server, each server runs at less than half capacity. Through "virtualization," multiple computer applications can be run on the same server, reducing the need for servers.

That's one of the approaches being taken by Talx, a firm that provides

payroll and other business services to human resource departments. As the company replaces dying servers, it's replacing them with virtualization-friendly models.

It won't necessarily reduce the total number of servers - the company has 1,000 of them - but it will let the company grow without adding more.

"What we'll do is stop the growth of our servers," said Bryan Garcia, the company's vice president of technology.

_Communication tools. By using the Internet for phone, instant messaging and video conferences, companies are able to cut back on travel and other related expenses. "It's easier to move an image of me than it is to move me," said Jonathan Koomey, an engineering professor at Stanford University who studies green technologies.

_Shrinking the box/ Some businesses are making more radical changes. The St. Louis utility AmerenUE, with more than 10,000 desktop computers, is in the early stage of replacing them with boxes about the size of a large hardback book. Central servers will each provide computing power and storage for as many as 100 boxes, while cutting power consumption by 75 percent. Other than the small box, all that will be left on the user's desk would be a monitor, keyboard and mouse.

Someday, even that small box may be gone, leaving nothing but the monitor and controllers plugged into what's essentially a glorified electrical outlet in the wall. For now, though, employees need something to help ease the transition.

"They want a box," said Douglas Pado, a senior engineer for Ameren.

"They're used to having something on their desk."

Saving money isn't the only reason companies are making greener

decisions. Changes in Washington also have their attention.

With a new president - one who campaigned as more friendly to the environment - about to take office, businesses could face new regulations and restrictions aimed at reducing this nation's carbon output.

"With Obama being elected, it will be hard for him to resist moving down that path," said Daniel Mazmanian, a professor in the University of Southern California School of Policy, Planning, and Development.

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