

# PLASMA DISPLAY COALITION

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**JAMES M. PALUMBO**  
PRESIDENT

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Ms. Katharine Kaplan  
ENERGY STAR  
U. S. Environmental Protection Agency  
1200 Pennsylvania Avenue NW  
MC6202J  
Washington, DC 20460

Re: PROPOSAL TO ENERGY STAR DRAFT 3.1 TV SPECIFICATION

Dear Katharine:

The Plasma Display Coalition (PDC) appreciated the opportunity to discuss the new ENERGY STAR TV 3.1 draft specification during the stakeholder meeting held in Washington on April 24, 2009.

For background, members of the PDC (LG Electronics, Panasonic Corporation of North America, and Pioneer Electronics) are among the world best known, most respected marketers and manufacturers of high quality LCD and plasma HDTV's. The PDC and its members have demonstrated support of the ENERGY STAR program and objectives. We continue to believe it is in the best interest of American consumers that the Energy Star logo represents an important informational message representing energy efficient products without sacrificing advanced product performance.

The purpose of this reply is to comment and provide guidance on the on-mode power recommendations, the luminance initiative in the 3.1 proposal, and to state our position on the development of the Tier 3 requirements.

## ON-MODE REQUIREMENT

In establishing the on-mode 3.1 proposal, the EPA objective was to "set power requirements without sacrificing features or performance." To this end, the EPA has proposed accepting approximately 25% of the data set, with 'models across a range of screen size categories'. Unfortunately, we find the proposal meets neither stated objective and will most certainly undermine the good reputation of the Energy Star logo, confuse consumers, and establish a precedent where ENERGY STAR does not represent "features and performance" in certified models.

The ENERGY STAR TV 3.1 proposal accepts 25% of eligible models. However, in reviewing the chart it is evident that the majority of the accepted models are concentrated in the 22" and below screen size or

the lower performance larger screen sizes. The 3.1 proposal even appears to eliminate 26", 32" and 42" screen sizes. The EPA cannot simply draw a line that virtually eliminates certain screen sizes, placing the ENERGY STAR logo on a majority of small screen sizes and generally lower performance larger models and expect to maintain a successful program with strong consumer acceptance. Additionally, the proposal as applied to 55" and larger screen sizes places the logo predominately on Digital Light Processing (DLP) technology which is currently supported by only one manufacturer. DLP serves an entry level, more price-sensitive consumer and according to industry sources DLP product may even cease to exist in 2010. Thus, the 3.1 proposal cannot be accepted as the ENERGY STAR logo will appear mainly on small screen sizes, low-end product and diminishing technologies. Simply put, the Draft 1 proposal is biased against larger screen sizes, better performing product and favors DLP. This is not a basis for a strong and sustainable program and not a good message to consumers!

Further, we believe it should be the objective of the EPA to gain support of the manufacturer and retail business community when implementing changes to the federal program. As indicated above, the latest 3.1 proposal virtually eliminates certain screen sizes, favors small screen sizes, lower-end performance products and rapidly deteriorating DLP technology. Each of these characteristics suggests the EPA's desire is to sell the lowest priced product in each category, because those are the models that will carry the ENERGY STAR logo. While the industry has traditionally been supportive of the ENERGY STAR program and energy conservation, the draft proposal contradicts good common business practice and the effort and desire of most retailers and manufacturers to sell more fully featured and more profitable products.

As indicated during the April 24, 2009 meeting, retailers and manufacturer's desire is to improve their average selling price (ASP) on product, not lower the ASP by focusing on less featured product and smaller screen sizes. With the ENERGY STAR logo placed mainly on the lower end TV products of each category and smaller screens, retailers sacrifice the ability to earn more revenue from larger TV sets and consumers in the market for larger products will not be able to easily find ENERGY STAR big-screen models. Thus the program risks losing support of the consumer, retailers and manufacturers.

As an alternative, we highly recommend an ENERGY STAR 3.1 TV "Best in Screen Size Class" plan to balance screen sizes and performance characteristics. Such an approach would insure that a consumer could buy an ENERGY STAR certified higher-performance product in any screen size, and not simply rely on a smaller, lower-end product or one with outdated technology. During the stakeholders meeting on April 24, 2009, Panasonic proposed an equation and plan that supports our desire for a more balanced ENERGY STAR program. Therefore, we believe ENERGY STAR should accept 25%+ of the product by screen size class. This will help encourage support from the business community, satisfy the stated goals of the ENERGY STAR program, and tell consumers the ENERGY STAR logo stands for both energy savings and performance!

## LUMINANCE

The EPA's contention is that consumers will change ENERGY STAR certified TV's to a brighter and higher contrast setting after purchasing the TV, negating the benefit of energy savings derived from shipping TV's in the lower brightness default setting. However, we are unaware of any data that suggests consumers regularly change factory settings to a higher brightness level which would cause concern or necessitate this proposal. While other countries may have adopted this approach, that alone is insufficient reason for the EPA to emulate those efforts and attempt to regulate luminance settings.

Placing brightness and other limits on TV's take away consumer choice, narrow a manufacturer's competitive edge, and places constraints on a manufacturer's desire to innovate and produce better performing television products. We understand a few households may adjust brightness and contrast

levels to meet certain specific room or placement conditions which may slightly increase the energy use from the ENERGY STAR qualified home mode. However, we also believe these few households should have the choice and ability to satisfy their specific requirements. Further, these few households increase in energy will most likely be statistically insignificant to the overall energy use in their household and the success of the ENERGY STAR program.

### TIER 3

The Plasma Display Coalition and its members disagree with Energy Star's approach to establish and finalize Tier 3 during this Draft 3.1 proceeding. As indicated prior, manufacturers cannot yet definitively state power consumption for their 2010 line-up. To define constraints and limits three years in advance suggests manufacturers should place more emphasis on power consumption than innovation. Such requirements could significantly curtail innovation and individual manufacturer's ability to effectively compete in the TV market.

In summary, we urge the EPA to adopt a 25% acceptance for "Best in Class Screen Size" approach when establishing power requirement for ENERGY STAR 3.1, to reject calls to approve luminance requirements to solve a problem that does not exist, and to not finalize a Tier 3 plan three years in advance of implementation.

Respectfully,

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