

New Construction Industry and Lighting: Understanding Market Distribution Channels

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Founded 1982 to help non-profit organizations weatherize low income homes in Massachusetts. EFI has grown to become one of the leading distributors of energy efficiency related products in the US.

EFI Products

- ❖ Water Saving

- ❖ Air Sealing

- ❖ Ventilation Systems

- ❖ Energy Efficient Lighting

 - CFLs

 - Floor & Table lamps

 - Hardwire Interior & Exterior Fixtures

Who is purchasing fixtures?

- ❖ Agencies
- ❖ Consumers
- ❖ ESCOs
- ❖ General Contractors, Builders, Electrical Contractors
- ❖ Institutions (Schools, Universities, Property Management Co, Condo Associations, Apartment Owners)
- ❖ Utilities

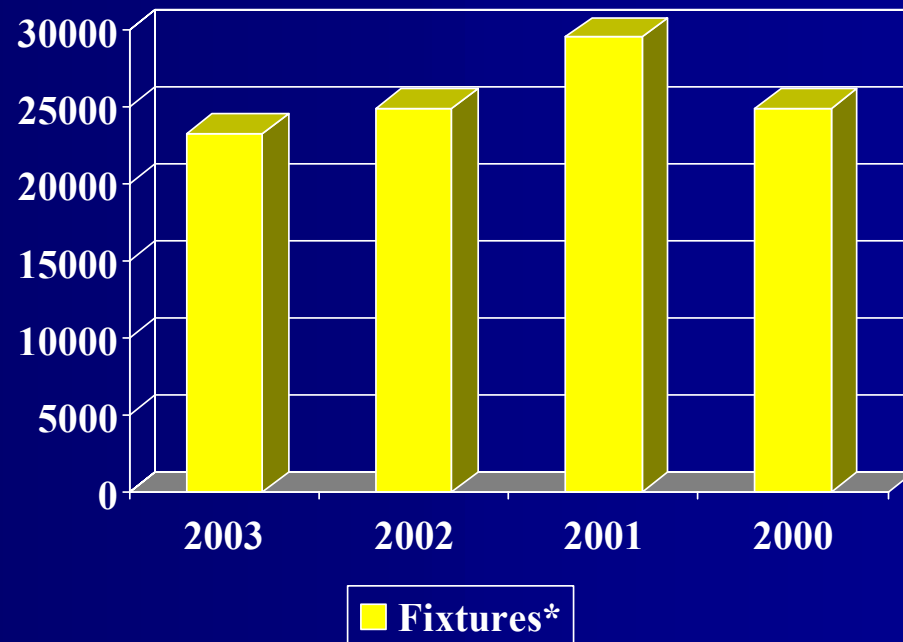
Multi Family Programs

Apartments, Condominiums, 55+ Housing Communities

- ❖ Retro-fit installations of hardwired energy efficient lighting in common areas, exterior, bedrooms, bathrooms, kitchens and living rooms.
- ❖ Projects range in size from 50 to 4000 fixtures

Massachusetts Electric Multi Family Success

Mass Electric Multi Family Fixture Installations



**Includes lamp and ballast retro-fits (T12 to T8)*

Massachusetts ENERGY STAR Homes

- ❖ 1999 Began with full color catalog to make it easier to find ENERGY Star rated fixtures. Rebate of \$500 per home for participating fixtures.
- ❖ 2001 moved to a direct marketing approach, i.e. no catalogs. Assisted customers in finding qualified fixtures. Rebates from \$500-\$800 per home for qualifying fixtures. CFL Screw-in Bulb Pilot began.

Massachusetts ENERGY STAR Homes

- ❖ 2002 rebates for single family homes discontinued. CFL pilot continues.
- ❖ 2003 rebates of up to \$300 per unit for qualifying low income affordable housing projects only. CFL pilot continues.
- ❖ 2004 same rebate structure and CFL program in place

Multi Family Success

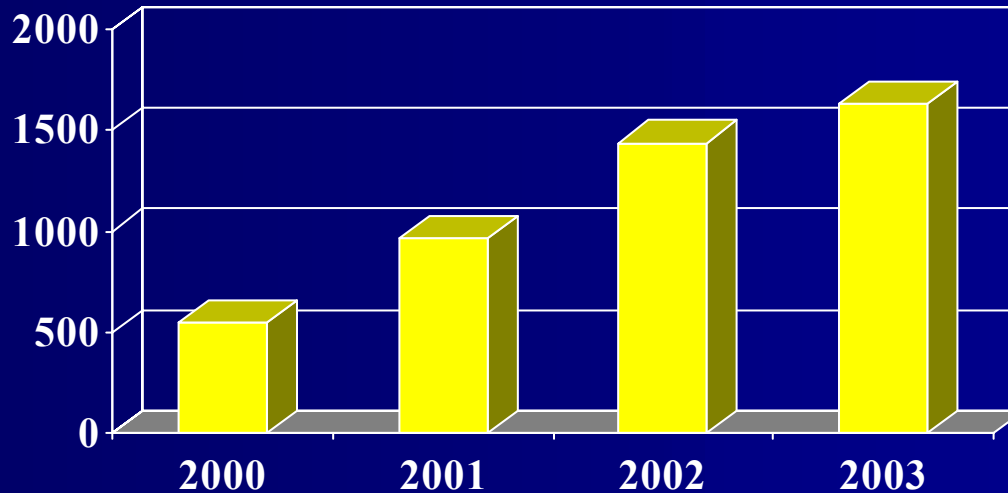
- ❖ 2002 Multi Family program introduced in Wisconsin. Thousands of fixtures installed to date.
- ❖ 2003 New Hampshire Multi Family program starts taking off. Hundreds of fixtures installed.

Early problems

- ❖ Consumer perception of Energy Efficient Lighting
- ❖ Fear of call backs
- ❖ Higher initial cost
- ❖ Reliability- high failure rates
 - ❖ Recessed Cans
 - ❖ Exterior Fixtures
 - ❖ Ability to withstand weather conditions
- ❖ Long Lead-times
- ❖ Availability of replacement lamps
- ❖ Complexity of Program

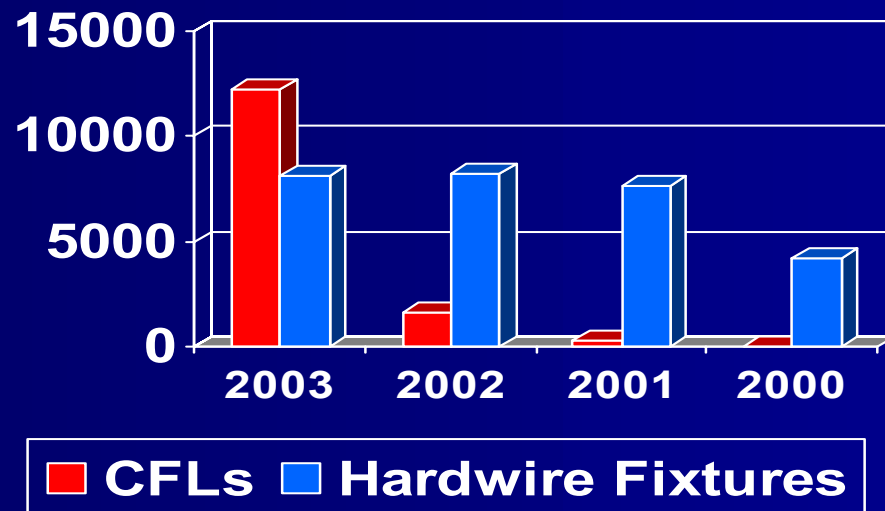
ENERGY STAR Lighting Program Success

**Massachusetts ENERGY STAR HOMES Completed
Projects**



Fixtures vs. CFLs

Massachusetts ENERGY STAR Homes Completed Projects



Product Evolution...



- ❖ Institutional Appearance
- ❖ The Magnetic Buzz
- ❖ Flickering Lamps
- ❖ Long Lead-time
- ❖ Reliability issues

Product Evolution...



- ❖ Introduction of Flicker Free Quick Start lamps
- ❖ Improvements in design...what buzz?
- ❖ Incandescent or Compact Fluorescent?
- ❖ MFG stock items vs. build to order
- ❖ Options, Options and More Options

Lessons Learned

- ❖ It is difficult to move the market
- ❖ Consumers need to have confidence
- ❖ When you are on the cutting edge, you get cut once in awhile
- ❖ Utility funding makes a difference
- ❖ We have to keep pushing

In Conclusion

- ❖ This is an evolving industry. Pin-based lamp and fixture technology is still in its early developmental stages.
- ❖ Communicate with your Vendors and Customers to resolve product short-comings...
- ❖ Become an advocate for ENERGY EFFICIENT Lighting...consumer perceptions will and continue to change