New Construction Industry and Lighting: Understanding Market Distribution Channels

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Presenter: Deanna Yahres,
Energy Federation, Inc (EFI)
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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.
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
Massachusetts ENERGY STAR HOMES Completed Projects

- 2000: 500
- 2001: 1000
- 2002: 1500
- 2003: 2000
Fixtures vs. CFLs

Massachusetts ENERGY STAR Homes Completed Projects

- CFLs
- Hardwire Fixtures
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