

U.S. Environmental Protection Agency

Update on ENERGY STAR 2005





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ENERGY STAR Success: Partners, Sales, and Savings



- Partners:
 - More than 1,400 manufacturers; labeling more than 28,000 product models
 - Over 550 retailers; more than 21,000+ storefronts
 - 330 state energy agency and electric utility partners
- Sales: More than 1 billion ENERGY STAR qualified products have been sold in the US to date
 - These products helped reduce greenhouse gas emissions by more than 485 billion pounds.
- With the help of ENERGY STAR, Americans saved
 - \$10 billion in their utility bills
 - 135 Billion kWh or 4 % of total 2004 electricity sales

ENERGY STARQualified Products



- More than 40 product categories now carry the ENERGY STAR including:
 - Office equipment
 - Consumer electronics
 - Home Appliances
 - Heating and Cooling Equipment
 - Lighting and signage
 - Others

Since our last meeting...



- New specifications launched:
 - External Power Supplies:January 2005
 - Room Air Cleaners: July 2004
 - Vending Machines: April 2004
 - Commercial CookingEquipment: August 2003

- Revisions Completed:
 - Ceiling Fans: October 2003
 - Vent Fans: September 2003
 - TVs/VCRs: September 2003
 - RLF: March 2003
 - Audio/DVD: January 2003

In progress...



- New Specs in Development
 - Battery Chargers
 - Commercial Dishwashers
 - Digital Television Adapters (DTA)
 - Pre-Rinse Spray Valves

- Spec Revisions Underway
 - Imaging Equipment
 - Computers
 - Dehumidifiers
 - HVAC (AC/ASHP)
 - Programmable Thermostats
 - Roof Products
 - Telephony

Active Power The New Frontier



- Way to prevent additional pollution
 - Beyond sleep and standby
- Address through existing specs
 - During revision process
- Power Supply spec extends ES reach to many new products
 - Camcorders, Cell phones, Digital cameras, MP3 players, PDAs

External Power Supplies

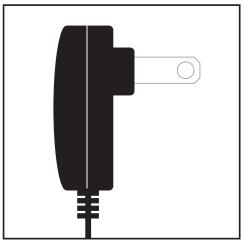


- Spec addresses efficiency at various loads
 - International coordination
 - Test procedure developed
- Goals
 - MESSAGE: Bring the ENERGY STAR label to a new class of hot products – portable high-end electronics
 - Retailer-OEM EPS promotion

Graphic Allows OEM to Promote Their Product with No Confusion







Powered by an ENERGY STAR® qualified adaptor for a better environment

Million Monitor Drive



- Campaign to address power management on at least 1 million computer monitors annually.
- Promotes network tools and technical assistance
- Largest corporations in US have participated:
 - Cisco Systems
 - Ford
 - GE
 - GM

- Nike
- Pitney Bowes
- WalMart
- Wells Fargo



Million Monitor Drive: Results



- As of January 2005, 6.4 million monitors enabled
- Estimated savings of 660 million kWh and \$50 million:
- Next phase underway -- Computer Power Management:
 - Pilot implementations at universities and schools
 - New network tool that activates CPM
 - Working with industry to make CPM technical improvements



Strategies to Improve Program Integrity



- Improve program quality assurance: improve quality of data
 - Enhance test methods
 - Global approach to testing and test procedures
 - Independent expertise: expanded role for labs
 - Compliance Testing Initiative
 - Automated web data submittal checks
- Evaluate quality of the consumer experience in-store
 - Retail Store Level Assessment





GOAL: To protect the integrity of the label by identifying potential compliance problems and setting in motion a review process to ensure manufacturers take corrective measures.



Products Tested To Date



- Televisions
- DVDs
- Monitors
- Telephony (e.g., Cordless Phones)
- Scanners
- Multifunction Devices and Upgradeable Digital Copiers
- Printers and Fax Machines

DVD Results



Manufacturer	Model Number	DVD Product Type	Audio/DVD Partner Status	Standby Mode Power (Watts)			D/E-1
				Unit #1	Unit #2	Unit #3	Pass/Fail
1	A	DVD	No	0.0	0.0	0.0	N/A (Pass)
2	A	DVD	No	1.3	1.2	1.2	N/A (Pass)
3	A	DVD	Yes	2.0	1.9	1.7	Pass
3	В	DVD	Yes	2.4	2.4	2.4	Pass
3	С	DVD	Yes (model labeled, but not qualified)	1.4	1.4	1.5	Pass
3	D	DVD/VCR	Yes	3.2	3.5	3.1	Pass
4	A	DVD	No	2.9	1.8	1.8	N/A (Pass)
5	A	DVD/VCR	Yes (model isn't labeled or qualified)	11.6	7.6	7.4	N/A (Fail)
6	A	DVD	Yes	1.7	2.0	2.0	Pass
7	A	DVD	Yes	0.3	0.4	0.3	Pass
7	В	DVD	Yes	0.4	0.6	0.4	Pass
7	С	DVD	Yes	0.5	0.8	0.3	Pass
7	D	DVD	Yes	0.6	0.6	0.4	Pass
7	Е	DVD	Yes	0.3	0.3	0.3	Pass
8	A	DVD	Yes (model labeled, but not qualified)	0.9	0.9	0.9	Pass

Products to be Tested in 2005



- Battery chargers
- Air cleaners
- Dehumidifiers
- Computers

Consumer Experience: In-store



- Retail Store-Level Assessment
 - Sales Staff Evaluation (SSE)
 - A.k.a. "Mystery Shopping"
 - Assess retailer knowledge of ES and whether and how salespeople use it
 - Product Shelf Inventory (PSI)/display check
 - Check visibility and overall presence of label in store displays – compare stocking by different retailers
 - Assess availability and visibility on qualified products
 - Assess accuracy of product labeling

Consumer Experience: In-store



- Findings from October 2003 (4th round):
 - Average SSE score across all products, retailers, and locations was 43 points.
 - Across all locations and depts. Point of sale/point of purchase (POS/POP) display material was limited.
 - Qualified product labeling rates consistently high (i.e. above 75%)
 - Not-qualified product labeling rates are decreasing, although in some cases still high

How we use RSL Data?



SSE



- 1. Retailer
- 2. EPA/DOE Training Plans
- 3. Campaign Team
- 4. Utilities?

POS/POP Audit

- 1. Campaign Team
- 2. Retailer
- 3. Utilities?

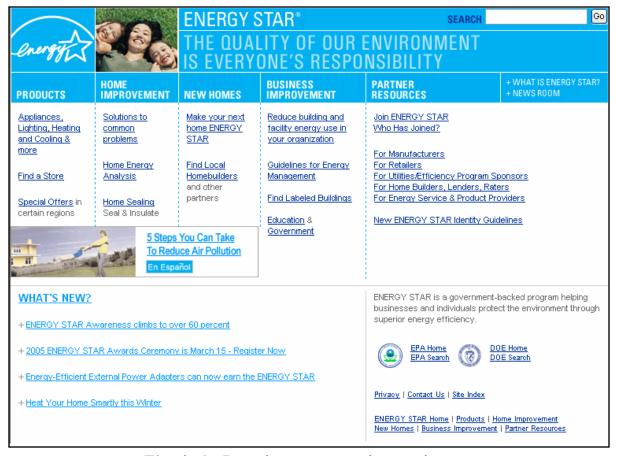
PSI



- 1. EPA/DOE Sales Marketing
- 2. Energystar.gov website
- 3. Manufacturers re: labeling practices
- 4. Utilities?

ENERGYSTAR.gov





- Find-A-Product search tool
- Rebate/deal finder
- Online store locator

Communications & Marketing



- Key Messages
 - power of the individual to make a difference
 - the environmental choice
 - energy savings, without sacrificing quality or performance
 - Government-backed symbol providing valuable, unbiased information

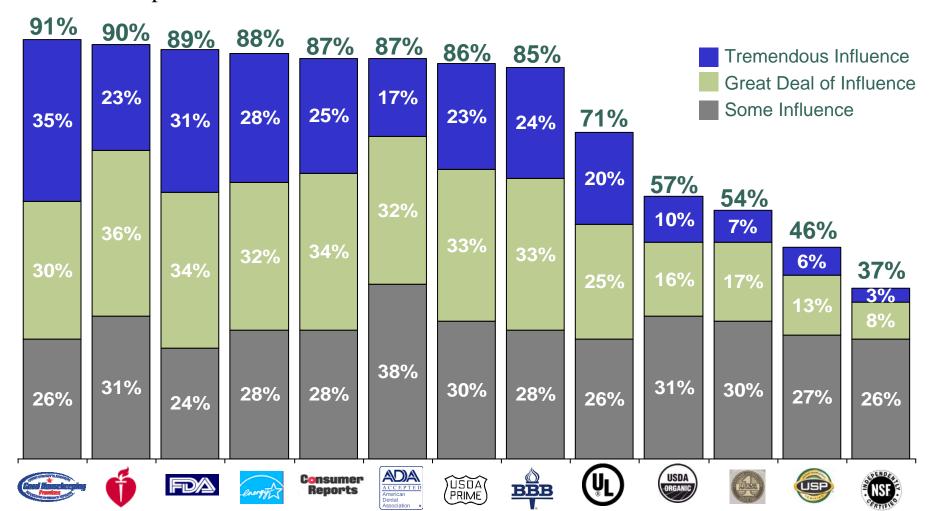
Growing Influence/Awareness



- Public awareness of ES jumped to 64% of US households in 2004
- 30% of US households knowingly purchased a qualified product in the past year
- 54% of households favorably influenced by label
- More than 70% of households would recommend labeled products to their friends
- 95% of recent purchasers say they are likely to buy a product with the ENERGY STAR label in the future

GOOD HOUSEKEEPING SURVEY

ENERGY STAR label ranks among the highest level of influence on product purchase among all consumer emblems, similar in ranking to the Good Housekeeping Seal and Consumer Reports.





Consumer Demand for Energy Savings, Environmental Protection



- 79% of US adults believe energy efficiency is important in electronics & appliances
- 56% of adults report purchasing a product because advertising on label said product was energy efficient
- 73% of US consumers believe that a product that is better for the environment is a somewhat to very important consideration when purchasing an appliance or other energy-using product

Big Picture



- Awareness increasing
- Anticipating future maturity of brand, from marketing/communications perspective
- Emphasis on activities that reinforce consumer understanding & relevance of ENERGY STAR
- Environmental/government connection improving but more work to be done

Marketing/Communications Tactics Evolve as Brand Matures



2004

✓ Awareness

✓ Understanding

✓ Relevance

✓ Differentiation

✓ Satisfaction

✓ Loyalty

2005-2007

S ✓ Awareness

✓ Understanding

R ✓ Relevance

✓ Differentiation

✓ Satisfaction

✓ Loyalty

M

2008-2010

✓ Awareness

U

N Understanding

T Differentiation

✓ Satisfaction

K ✓ Loyalty

Tactics to Parallel Growing Maturity of Brand



- Logo exposure (packaging, in-store, web)
- EPA collateral materials
- Media relations/products
- Media relations/national promos
- POP/Retail circulars
- Sales training
- Web marketing (educational/3rd party/retail)
- LOHAS partnerships
- Web site

Outreach for All Products



- Influential targets
- Brand or product focus
- 2005: Power supplies



Outreach for IT/Electronics



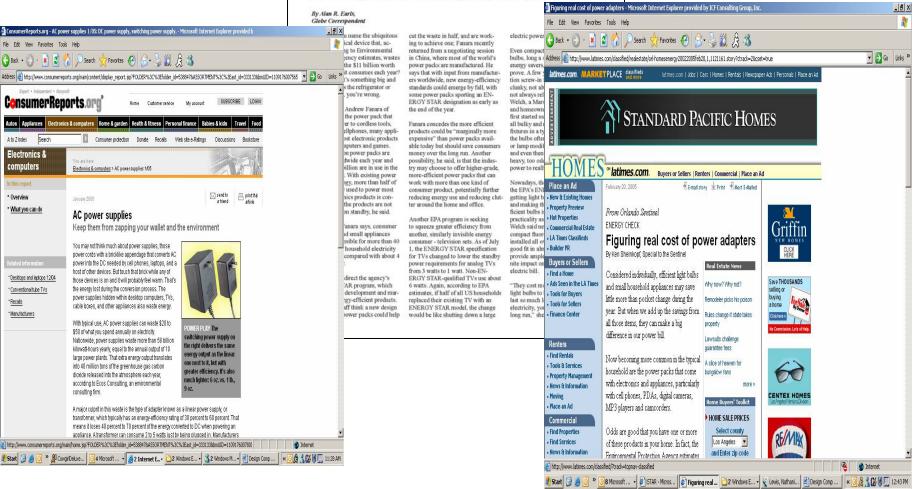


Outreach for IT/Electronics



The Boston Globe
THURDDAY, AUGUST 26, 2004 HOUSE A HOME; HI

LIFE AT HOME:
Reducing the wasted energy of power packs



Growing Influence/Awareness



- Comparing Nov 01 to Nov 04
 - volume of news articles about ENERGY STAR increased 86%
 - advertising equivalency increased 146%
 - Circulation increased 117%
- Monthly volume of news articles about ENERGY STAR has reached 1,400 articles, or a circulation of 140,000,000
 - November 2004 (example)
 - 1,125 articles
 - total circulation of 81,796,264
 - \$415,055 in earned media value

In-Store Quality – Retail



- Differentiated Marketing Campaigns support
- Co-marketing promotions
- Home Electronics traction in retail
- Increase retail participation in ENERGY STAR to capture awareness potential
- Training efforts

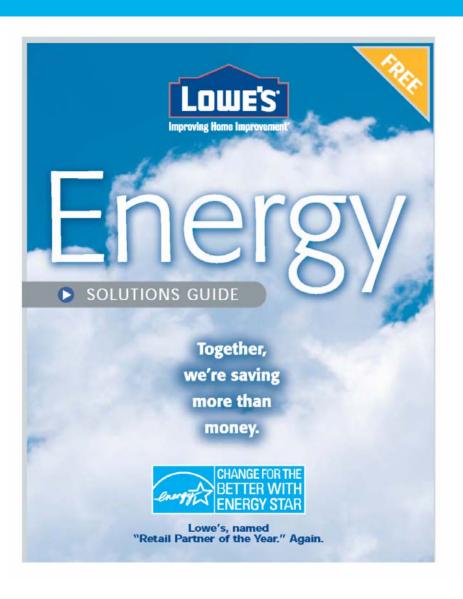
Major Retailers now Marketing ES





Major Retailers now Marketing ES







Our energies are focused on a more efficient world

As ENERGY STAR Retail Partner of the Year for the second year in a row, Lowe's is committed to offering you ENERGY STAR solutions for your home that help you save money and increase comfort.

From ENERGY STAR qualified lighting and appliances to heating and cooling products, we have it all. And with the tips and solutions offered in this guide, you'll learn about steps you can take to save energy and reduce air pollution.

Lowe's understands that the quality of our environment is everyone's responsibility and is proud to be your home for ENERGY STAR Solutions!

INSIDE

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Saving on Heating & Cooling.... 6-7

Kitchen & Laundry Solutions 8-9

Family Room Solutions..... 10-11

Lowe's is your home



ENERGY STAR is the national symbol for superior energy efficiency. Backed by the U.S. Environmental Protection Agency (EPA) and the Department of Energy (DOE) — these products help save energy and money, and make a difference for the environment by helping to prevent air pollution.

Did you know that a typical household spends \$1500 a year on energy bills? With ENERGY STAR. you can save up to 30% or about \$450 per year. Last year with ENERGY STAR qualified products sold at Lowe's, customers saved more than \$60 million on energy bills and prevented 200 million pounds of air pollution equivalent to removing nearly 75,000 year from the road.

We encourage you to join us in creating a cleaner, greener, and more efficient world. Be a part of the solution by following these steps from

Step 1 Change 5 Lights. Replace your 5 most frequently used lights, or the bulbs in them, with ones that have earned the ENERGY STAR.

Step 2 Look for products that have earned the ENERGY STAR. Lowe's carries lighting, appliances, and more.

Step 3 Heat and cool smartly. Improve the performance of your heating and cooling system by having it cleaned and serviced annually, and using an ENERGY STAR qualified programmable.

Step 4 Seal up your home. Seal air leaks, add insulation, and choose ENERGY STAR qualified windows when replacing old windows.

Step 5 Tell family and friends. Help spread the word that energy efficiency is good for your home and good for our environment.



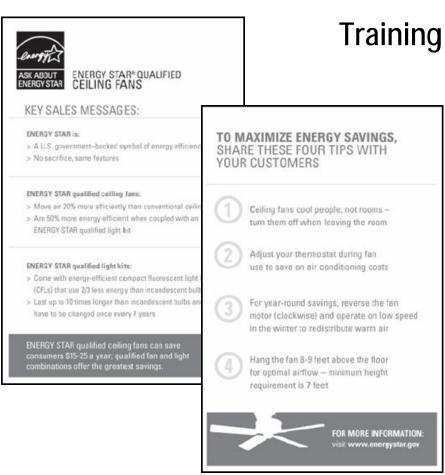
Together, we're saving more than

PARTNER OF THE YEAR 2004 money

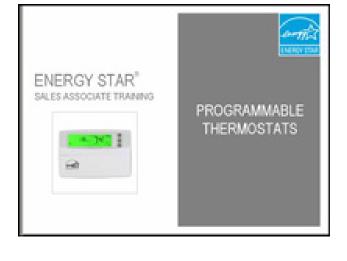
We're proud to have been selected by the EPA and DOE for this national honor in 2003 and 2004, which is awarded for outstanding efforts in promoting ENERGY STAR qualified products and reducing greenhouse gas emissions.

Sales Training





Training Materials available on-line



Sales Associate Training Presentations

Pocket cards

National Product Campaigns



- Cool Your World: March May
 - Central air-conditioning, programmable thermostats
 - Early replacement, systems approach
- Appliance: April June
 - Refrigerators, clothes washers, dish washers, room air-conditioners, dehumidifiers
 - Unified coupon, recycle the past
- Change a Light, Change the World: Oct Nov
 - Indoor and outdoor fixtures, portables (table lamps and torchieres), CFLs, and ceiling fan light kits
- Holiday consumer electronics: Nov Dec
 - TVs, DVD players, VCRs, home stereo equipment

National Product Campaigns



Flex Your Power and Austin Energy

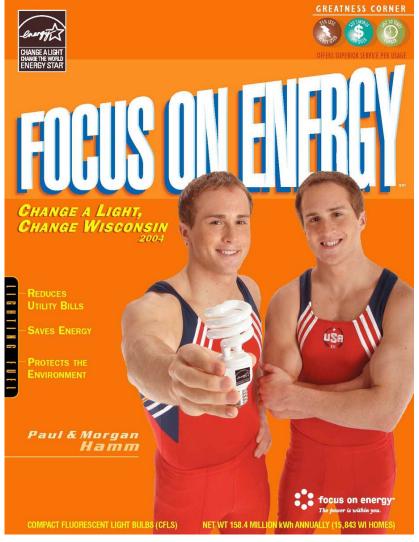


National Product Campaigns



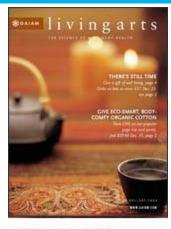
Hamm twins join forces for Change a Light in Wisconsin





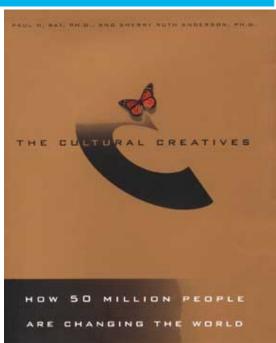
Targeting Green/LOHAS Consumers





Living Arts Holiday 2004

- Receptive audience
- ~33%+ adult population
- Explosion of green consumerism & merchandising/media coverage of ENERGY STAR
- Expanding market share, profits for sustainable businesses



Recent News Articles





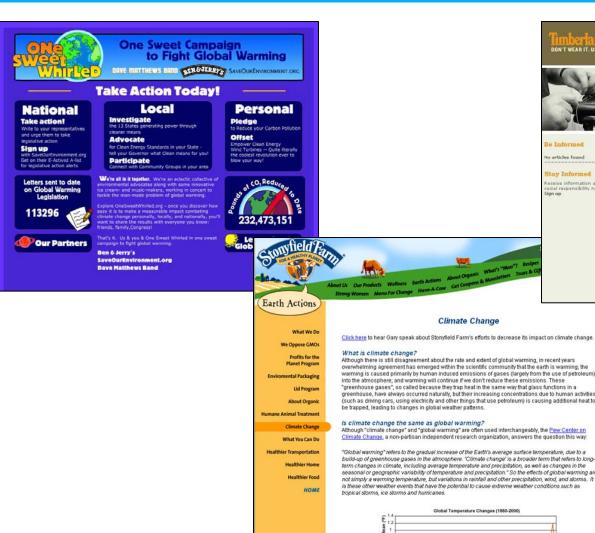






Increasing Interest in Global Warming



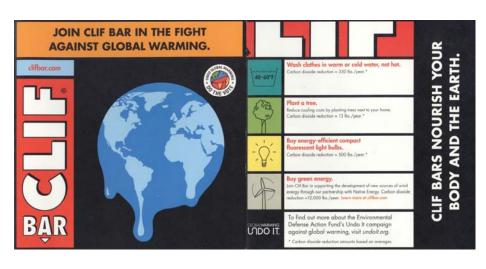




Marketing the Environment











PIRGIM

MEMBERSH

NEWS ROO

HOW YOU CAN HELP

PROGRAMS

Mercury-Free Michigan

Stop The Sprawl

Clean Water

Privaci

Clean Air

Concursor Dial

Consumer Right

Youth Vote

Results

2004 Legislative Priorities

LINKS

Citizen Activist Toolkit

Newsletters

Staff Profiles

PIRGIM Education Fund

Other

LEGISLATIVE SCORECARDS

Energy Program

So you know that energy efficiency is a great way to protect the environment while saving money, but do you know how to make your home more energy efficient?

PIRGIM is offering simple tips that require little investment but have significant payoffs in terms of energy savings.

Sign our Energy Star pledge and pledge to take five simple actions to save energy!

Follow these 3 easy steps to help out.

Look over the message below, and feel free to add your own comments.
Using your own words makes the message more meaningful.

Because I care about protecting the environment while saving money, I pledge to increase my home's energy efficiency.

- I will:
- Change five frequently used lightbulbs or light fixtures to compact fluorescents or other ENERGY STAR-labeled products.
- Install a programmable thermostat to consistently control my home's temperature and avoid unneeded heating and cooling at night and when I'm not at home.

A Business Issue



SOARING OIL IS THERE DANGER OF A SHORTAGE? (P. 38)
BONUS FEATURE LIVING THE EXECUTIVE LIFESTYLE (P. 56)

