

Small Business Administration
Interview with Jerry Lawson of ENERGY STAR

"Putting Energy into Profits: Energy Star - Guide for Small Business"

Ron Johnson: Owning a profitable small business requires knowing how your money is spent and identifying where money can be saved. Everyday, small business owners earn a gold star for the level of personal energy they devote to ensuring that their business is successful.

With us today is Jerry Lawson, national manager ENERGY STAR Small Business and Congregations Network for the US Environmental Protection Agency. Jerry, that is more than a mouthful. I would like to welcome you to the program.

Jerry Lawson: Thank you, Ron.

Ron Johnson: So Jerry, let's get started. What is EPA's ENERGY STAR Program for small businesses?

Jerry Lawson: Well, to cut through all those words, small business energy efficiency is what we do in ENERGY STAR. More than 75 percent of Americans now recognize our bright blue and white ENERGY STAR label. It is the symbol of energy efficiency on over 50 types of consumer and business products and equipment. For example, we work with hundreds of manufacturers to voluntarily qualify virtually all types of office equipment, many types of commercial food service equipment and other products to earn the ENERGY STAR.

Ron Johnson: How do they get started and what are some of the simple steps they can take to cut energy cost?

Jerry Lawson: Well, the first place to start is our website. It is www.energystar.gov/smallbiz. Here they can learn several things. First, they can email us any specific questions they have. We have a free online guide we call "Putting Energy Into Profits." They can use it as webpages or download it. We also have a tool called Portfolio Manager. The basis for it is for them to determine their baseline energy cost from month to month over a year and to be able to accurately measure and verify their savings. We provide free webinars on how to use this and other ways to manage energy performance.

Ron Johnson: Jerry, can a business buy green energy?

Jerry Lawson: Yes, they can. At EPA, we have a sister program called Green Power Partnership. Their website is www.epa.gov/greenpower, and they can use the green power locator to find providers of this type of service, and we also have a guide to purchasing green power so that they can learn all the basic facts and get unbiased guidance from the federal government before buying green power.

Ron Johnson: Just how much money can a small business owner save by incorporating energy efficiency into their

business practices? And how about federal tax credits for energy efficiency, is there such a thing?

Jerry Lawson: Okay, first the savings. We have learned over the years that small business can save just as much per square foot as big businesses can. Typically, this translates to about 30 percent in most cases. The key is to start with the low-cost and no-cost actions and strategies, and then you can roll those savings into even larger investments. We have a chapter in our guide called sure energy savers, and it addresses those lower cost approaches.

On the tax side, we do keep up-to-date information on the commercial tax credits for energy efficiency at the same website; you can find it there. And we always strongly recommend working with your tax adviser, and then often you can get good information from the very equipment vendors who are selling the equipment that has earned the credits.

Ron Johnson: In today's slowing economy, money is tight for small business owners. So what kind of investments will it take to implement ENERGY STAR practices? If needed, where can they find funding?

Jerry Lawson: Well, again, starting with the low-cost, no-cost ways, some sound so simple it is often ignored. It means just turning things off that you are not using. We all do this at home, but the savings is there in the business as

well. Some of the real workhorses are, of course, the compact fluorescent lighting, but also just inexpensive controls with which you can automate your lighting so that it will go off and on depending on occupancy of a room. You can also, with inexpensive controls, optimize or make more efficient your heating and air conditioning. These two can be put on timing or to be sensitive to temperature and a number of other factors.

Ron Johnson: Now, Jerry, not all small businesses have a formal worksite. Can a home-based business participate in ENERGY STAR?

Jerry Lawson: Yes, absolutely. Since we at ENERGY STAR learned from SBA that about half of all small businesses are actually based in the home, we know how important they are in the economy, so we do have a special area of the website. It is exclusively for home-based businesses and ways for them to save money.

Ron Johnson: Well, thanks to Jerry Lawson, national manager, ENERGY STAR Small Business and Congregations Network for the US Environmental Protection Agency for providing insight into EPA's ENERGY STAR program. ENERGY STAR is a fantastic opportunity to help small business owners build energy efficiency into their daily business practices.

SBA's loan programs are one way to help small business owners implement energy efficiency upgrades. To learn more about these and other SBA programs and services to help you start, grow and succeed in your business, go to www.sba.gov. Until next time, I'm Ron Johnson with the US Small Business Administration, your small business resource.

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