



# Dealerships to Donuts: Best Practices for Energy Efficiency in the Franchise Model

March 3, 2015  
3:00-4:00 PM EST

# Overview and Agenda

- Welcome and Overview
- InterContinental Hotels Group
- Ford Motor Company
- Dunkin' Brands
- Question & Answer Session

# Today's Presenters

Name		Organization
Lindsay Wilkinson		InterContinental Hotels Group (IHG)
Patrick Smithbauer		Ford Motor Company
John Herth		Dunkin' Brands

**Lindsay Wilkinson**

**InterContinental Hotels Group**



***InterContinental Hotels Group (IHG<sup>®</sup>) BBC  
Presentation  
3/5/2015  
Lindsay Wilkinson – Corporate Responsibility –  
Environmental Sustainability***

# InterContinental Hotels Group

We are one of the world's leading hotel companies, whose purpose is to create **Great Hotels Guests Love®**

## Our business model

We predominantly franchise our brands to, and manage hotels on behalf of, third-party owners; our focus is therefore on building preferred brands and strong revenue delivery systems.

**4,096**\*

Franchised hotels  
(514,984 rooms)\*

**735**\*

Managed hotels  
(192,121 rooms)\*

**9**\*

Owned and leased hotels  
(3,190 rooms)\*

# 85% Franchised





# IHG Green Engage™ system



## What is IHG Green Engage?

- Online tool designed by IHG to help hotels identify the most appropriate “green” solutions for our hotel.
- Helps hotels measure, manage, and report their energy, water and waste.

## Features/Functionality

- Capture monthly energy, waste, water data to identify trends, track performance, compare hotels against benchmarks.
- Hotels use IHG Green Engage to identify actions which optimize Owner ROI.
- Create action plans within the tool that hotels and employees can use to track progress.
- Access interactive training guides and recommendations on how to get started...tools that help engage franchisees



# IHG Green Engage: A Foundational Standard



*To demonstrate IHG's ongoing commitment to operate its business responsibly, from January 1<sup>st</sup> 2015 the IHG Green Engage system is a foundational standard for all IHG hotels.*

## Why is this Important?

- Increasing number of corporate clients asking for sustainability data
- 75% of frequent travellers care about sustainability
- 1/3 of business travellers actively seek environmentally friendly hotels
- 63% of full time workers believe environmental impact is vital when evaluating a new workplace
- Utilities are typically a hotel's second highest cost

## What are the Benefits?

- Proven to work in company managed estate
- Answer common Corporate Responsibility questions
- Reduce utility consumption and costs
- 200 Green Solutions action items with detailed steps to implement, ROI etc.
- Visibility to Guests of participation
- Comparison against benchmarks
- Drives guest preference for our brands

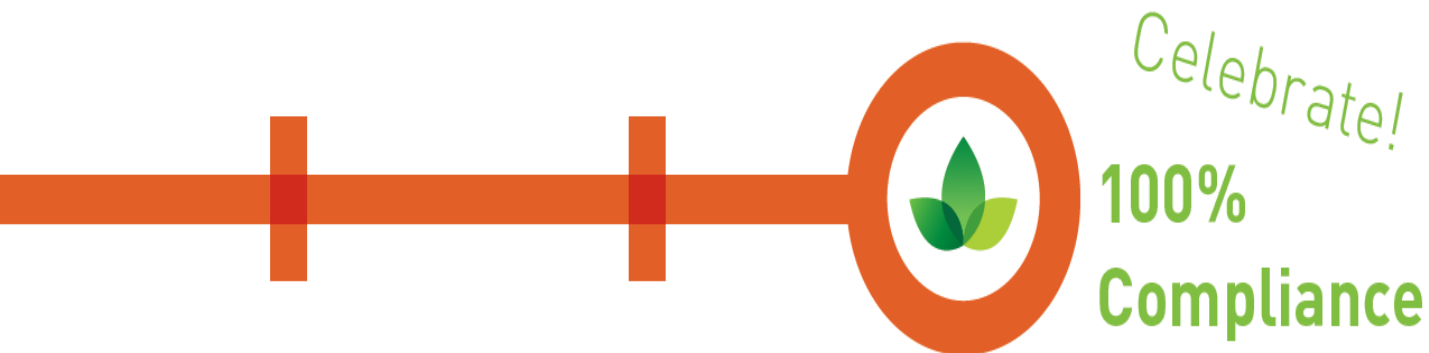


# *IHG Green Engage: a Foundational Standard*



## *Each hotel must:*

- ✓ Setup in the system
- ✓ Enter energy and water utility data
- ✓ Complete Level 1 – 10 ‘getting started’ Green Solutions



# Level 1 Certification



## Level 1 Certification

- 10 action items all hotels can easily implement
- Payback within a year and are little to no cost solutions
- 10% reduction in energy consumption.

## Example Action Items:

- Green Team with key department representation
- Best Practice in Operations
- Tracking Utility Data



.....  
This hotel is committed to leading the way through sustainability



Awarded by the IHG Corporate Responsibility Team



# 2015 Franchised Hotel Engagement Highlights



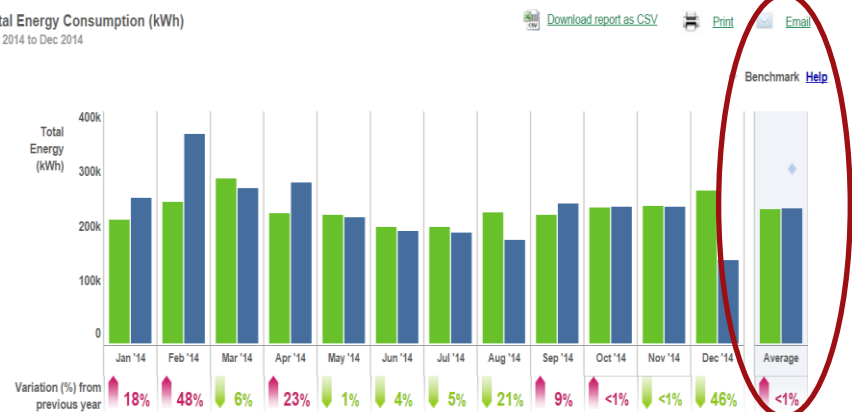
## IHG Green Engage Standard Toolkit:

- What the standard is
- How to setup in the system
- Roadmap to Level 1
- Importance and business case

## Benchmarking:

- Comparison against comparable hotels
- Provides insight on areas of focus
- Provides context for performance

Total Energy Consumption (kWh)  
Jan 2014 to Dec 2014



# Goals for IHG Green Engage Standard



- ✓ **Establish Leadership position**
- ✓ **Fuel external reduction targets**
- ✓ **Cost savings for hotels**
- ✓ **Attract guests**
- ✓ **Innovation**
- ✓ **Encourage additional green solutions**

**12%**

Reduce carbon footprint per occupied room (from a 2012 baseline)

**12%**

Reduce water use per occupied room in water-stressed areas (from a 2012 baseline)

*More Information....*



# Online Responsible Business Report:

## ihgplc.com/corporateresponsibility



Share price

**2649.00**

+54.00p / +2.08% / [View details](#)

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## Responsible business

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**Patrick Smithbauer**

**Ford Motor Company**





**Go Further**

**Presentation to DOE Better Buildings Webinar**

**March 3, 2015**

**Ford's Go Green Dealership Program**

Patrick Smithbauer, P.E., LEED AP

Go Green Program Manager,

Energy & Sustainability

# Ford's Sustainability Vision



Provide SUSTAINABLE transportation that is affordable in every sense of the word:

**Environmentally,**  
**Socially, and Economically**



*“Improved sustainable performance is not just a requirement, but a tremendous business opportunity.”*  
*- Bill Ford*

# Ford Go Green Dealership Program



**Expand Sustainability to the Dealership Body**

# Ford Go Green Dealership Program



## Ford Go Green Program Background

- Extends Ford's Commitment to Sustainability & Energy Efficiency to the Dealership Franchises
- Program Developed & Implemented Using National Expertise
  - Ford Land - Energy & Engineering Expertise
  - National Energy Consultants
  - Partnership with DOE
  - Team of Four Energy Engineers led by Patrick Smithbauer, P.E., LEED AP



# Ford Go Green Dealership Program



- Mirror Corporate Commitment to Energy Efficiency & Sustainability
- Dealerships are Independently Owned & Operated
- Go Green Assessments are Included as Part of Several Ford Programs
- Reduce Dealership Energy Consumption & Cost
- Encourage Dealership Investment in Energy Efficiency





# Ford Go Green Dealership Program



## Go Green Assessment Process

- **Review Energy & Utility Usage**
  - Lighting - Exterior & Interior
  - HVAC Systems
  - Water Usage
  - Building Envelope
  - Possible Renewable Energy Use
- **Assessment Report**
  - Perform an On-Site Assessment
  - Prepare a Comprehensive Report
  - Conduct a Detailed Review with the Dealer





# Ford Go Green Dealership Program



## Go Green Facility Assessment Process

### Monthly & Annual Energy Used By Source

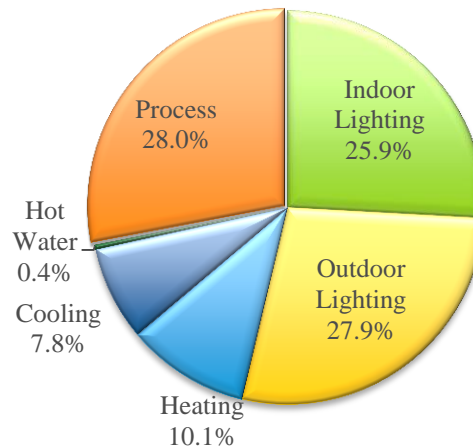
- Electrical Power
- Natural Gas
- Fuel Oil, Propane, Reused Waste Oil, Other

### Existing Unit Cost of Energy Used

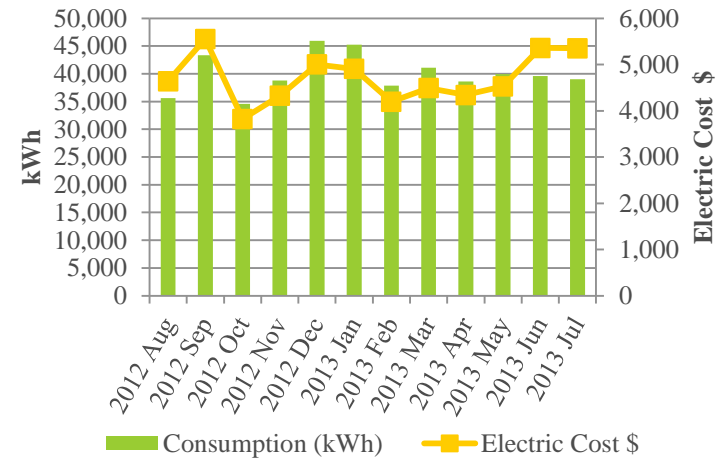
- Electrical - \$ per KWH
- Natural Gas - \$ per Therm

### Existing Annual Energy Used By System

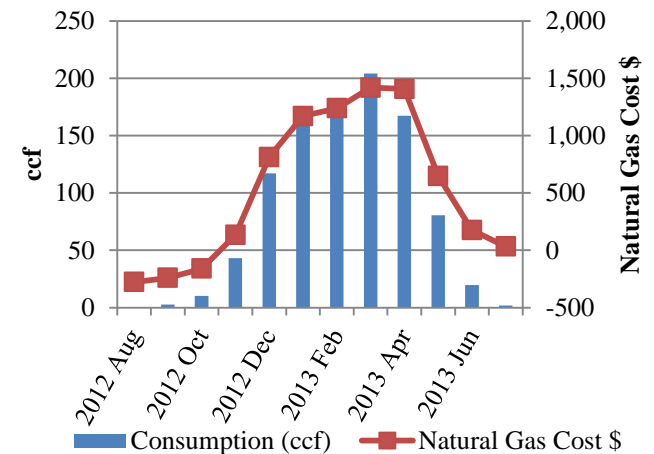
- Lighting Systems
  - Interior
  - Exterior
- HVAC Systems
- Domestic Hot Water
- Office Equipment
- Process Equipment



Monthly Electric Usage and Cost



Monthly Natural Gas Usage and Cost



# Ford Go Green Dealership Program



## Go Green Facility Assessment Process

- **Recommended Upgrades**
  - Interior Lighting Fixtures & Controls
  - Exterior Lighting Systems
  - HVAC Upgrades and Temperature Set Point Modifications
  - Building & Process Modifications
  - Water System Changes
  - Potential Renewable Energy Implementation
- **Financial Analysis**
  - Annual Energy Savings
  - Cost of Implementation
  - Identification of Incentives
  - Payback Calculation



# Ford Go Green Dealership Program



## Go Green Facility Assessment Process

- Report Provides Detailed Line Item Recommendations
- Dealerships Make Implementation Decisions
  - Item-by-Item Basis
  - Implementation is not Mandatory
- Ford Provides
  - Continued Follow-up and Dealership Support
  - Recommended Go Green Facility Standards
  - Evaluation & Development of System & Fixture Recommendations
  - Assist Dealerships in Obtaining Preferential Pricing
    - Negotiate Pricing with National Suppliers
    - Use Ford's Buying Power
    - Allow Dealership to Use Ford's Preferential Pricing



# Ford Go Green Dealership Program



- **Achievements**
  - More than 1700 Dealership are Involved
  - Identified Significant Potential Savings with Excellent Payback
  - Dealership Participation is Voluntary
- **First Group of Go Green Assessments – 270 Dealerships**
  - **\$33,000.00** Annual Savings Identified
  - **27%** Percent Reduction In Energy Use
  - **3.5 Years** Payback Calculation



# Ford Go Green Dealership Program



## Ongoing Activities

- Continue Go Green Assessments
- Recognize Dealerships for Energy Upgrades
- Provide Ongoing Technical Support to Dealerships for Energy Reduction
- Provide Energy Guidelines for Facility Upgrades
- Extend Ford Vendor Purchasing Power to Dealerships
- **Bring Value to the Dealership**



# Ford Go Green Dealership Program



## Challenges

- **Make It Easy for the Dealerships**
- **Maintain Communication**
- **Do Not Depend Strictly on email**
- **Utility Information is Difficult to Obtain**
  - Utility Gathering Is Not a Dealership Priority
  - Need to Identify the Appropriate Dealership Contact Person
  - Maintain Personal Ongoing Dealership Telephone Calling
- **Dealership Assessment Reviews (Follow-up Conference Calls) Are Challenging to Schedule**
  - Multiple Participants – Dealership, Assessor/Consultant, Ford
  - Nearly 1800 Enrolled Dealerships
- **A Nearly Dedicated Person is Needed for Gathering Utility Information and Scheduling Dealership Conference Call Reviews.**
- **A Database System Is Needed to Manage the Information**





# Ford Go Green Program – Model Project



U.S Department of Energy Better Plants Challenge Partner  
Program

- The Go Green Dealership Program is Ford's Implementation Model Project for the U. S. Department of Energy Better Plants Challenge Program.
- Available here:  
<https://www4.eere.energy.gov/challenge/implementation-model/ford-motor-company>



Go Further



# Ford Go Green Program – Dealership Recognition & Encouragement



## Dealership Award Program

- Significant Energy Reduction
- Achieve at Least a 25% Reduction in Annual Energy Usage as Part of the Ford Facility Upgrade Program
- Encourage Dealerships to Make Upgrades
  - Compare Actual Bills to Previous Year
  - Calculate the Energy Reduction for Complete or Committed Improvements
  - Adjust for Physical Size Changes
  - Normalize for Yearly Climatic Data - Heating & Cooling Degree Days



# Ford Go Green Dealership Program



## *What is Next*

- Reach out to Dealerships with More Opportunities and Provide Support for Energy Savings
- Recognize Energy Efficient Dealers on an Annual Basis
- Continue Relationship with DOE
- Engage in an Energy Star Program
- Develop Standards and Implement New Technologies
- Encourage Renewable Energy



# Ford Go Green Dealership Program



**Sustainability Extended to the Dealership Body**

**John Herth**

**Dunkin' Brands, Inc.**



# Dunkin' Brands Today

Two global brands with over 65 years of heritage

Almost 2,000 franchisee owner/operators worldwide

More than 18,000 restaurants in nearly 60 countries

Asset-light, nearly 100% franchised business

**dunkin'**  
brands






# Educate Franchisees on why Sustainability is Important?



# Create a program that meets your business needs

The logo features two stylized 'D's, one orange and one pink, followed by the word 'Green' in a green, sans-serif font. A green leaf with three leaves is positioned above the 'Green' text.

**DD Green** Achievement is a certification specifically designed for a *new* Dunkin' Donuts to further encourage, assist and promote a measurable level of Sustainability and Energy Efficiency.

# Program Structure & Resources



- 🌱 **DD Green**
  - All 11 requirements met  
plus
  - 12 additional strategy points



- 🌱 **DD Green *Elite***
  - All 11 requirements met  
plus
  - 20 additional strategy points

# Benefits

## Environment

- 🌱 Reduction in energy and water usage
- 🌱 Energy efficient equipment
- 🌱 Healthier air quality
- 🌱 Reduced carbon footprint

## Franchisee

- 🌱 Utility cost savings
- 🌱 Potential increase in profits
- 🌱 Shows commitment to sustainability
- 🌱 Good Consumer message

# Q & A

# Join Us for the Next Better Buildings Webinar

## **Title: Net Zero Energy Buildings: What Are They and How Do We Build Them?**

**Date:** Tuesday, April 7, 2015

**Time:** 3:00 – 4:00 PM EST

**Overview:** Net Zero Energy buildings combine energy efficiency and renewable energy generation to consume only as much energy as can be produced onsite through renewable resources. Achieving net zero building energy use is an ambitious yet increasingly achievable goal that is gaining momentum across geographic regions and markets. Join this webinar to learn about the net zero energy building efforts of Better Buildings partners and what has been accomplished to date. Better Buildings Challenge partner Walgreens will share their experiences designing, constructing and operating their net zero store in Evanston IL. Rocky Mountain Institute will describe their collaboration with Better Buildings Alliance member McDonalds and other partners to determine the feasibility of net zero energy quick serve restaurants. The Department of Energy will also present the outcome of recent efforts to convene stakeholders and develop an industry definition for net zero energy buildings.

**Register:** <https://attendee.gotowebinar.com/register/4562495332619932674>



# Join us at the Better Buildings Summit

## Registration is now open!

**WHO:** 800+ Better Buildings partners and stakeholders and nearly 200 speakers will share demonstrated and proven solutions.

**WHAT:** 2 ½ days of sessions and meetings focused on the sharing of the most successful energy efficiency strategies. There will be plenty of time for attendees to ask questions, network, and exchange new ideas.

**WHEN:** May 27-29, 2015

**WHERE:** Washington D.C.

### Quick links:

- [Agenda at-a-glance](#)
- [Register today](#)
- [Reserve your hotel room](#)

It only happens once a year, so don't miss it!

# Additional Questions? Feel Free to Contact Us

[betterbuildingswebinars@ee.doe.gov](mailto:betterbuildingswebinars@ee.doe.gov)

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