business

Incremental changes in energy consumption can provide big payoffs for you and the environment. SAVE MONEY,

by Karen Nielsen

ising expenses have retailers scrutinizing every line item in their monthly bills. Paring down energy costs is one way to save up to 25 percent annually - and it's probably the least painful way to shrink expenses. Attention to details like the kind of light bulbs you use and how often you tune up heating and cooling systems can make all the difference in monthly bills, as well as your bottom line.

When Laurie Gross, president of retailer Gross Electric, set out to reduce her energy expenses, she started with the bread and butter of her lighting and electrical products store: the decorative fixtures. She converted 90 percent of her display fixtures from incandescent bulbs to fluorescents, which generate less heat. The result: reduced cooling expenses and lower elec-



"Retailers still burning incandescent bulbs can dim them by 10 percent to save energy and double the life of the lamps — and few customers will even notice the change."

tricity bills at her three stores.

Retailers still burning incandescent bulbs can dim them by 10 percent to save energy and double the life of the lamps, Gross says — and few customers will even notice the change. At night, Gross turns off all store lights except for those in the front window. Also, she has installed motion sensors in the stores' bathrooms, so lights come on when bathrooms are in use and turn off on a timer once customers and employees leave. "These are small, inexpensive things that we can do," she says.

ATTENTION TO DETAILS

Much like maintaining a car, a building's cooling, ventilation and heating system (HVAC) requires an annual tune-up, as well as monthly maintenance, says Maura Beard, director of strategic communications for Energy Star, Commercial and Industrial Buildings, a government-funded program.

Cooling and ventilation use about 20 percent of the energy in buildings, so it's a good idea to change or clean HVAC filters every month during peak cooling and heating seasons. Also, it's not necessary to operate heating and cooling systems 24 hours a day, Beard says. Energy Star recommends using programmable thermostats or facility controls to automate HVAC systems to scale back on energy while the business is closed.

Abt Electronics, an independent consumer electronics and appliance retailer, knows that its biggest power hog is air-conditioning. Over the past year, the Illinois retailer began tweaking the thermostat, raising the showroom temperature this summer to 72 degrees, up from 70 degrees. The temperature in its adjoining warehouse rose to 78 degrees, up from 72 degrees, but the space was enhanced with large fans to better circulate the air.

The changes, which included winter temperature adjustments, resulted in a 20 percent savings in power consumption — and only a temporary recoil from employees, says Vince Siragusa, telecom and facilities management manager.

"Our focus is to keep the customers happy and not make employees so uncomfortable that they don't want to stay here," he says, noting that after about three months, the warehouse employees adjusted to the subtle warmer-insummer and cooler-in-winter temperatures.

The retailer also is conserving energy by turning off the air-conditioning after 10 p.m. It still has crews on the floor after the store is closed, but fans that run until 2 a.m. help circulate the air and keep the temperature pleasant, he says.

Abt Electronics president Mike Abt is responsible for many of the store's eco-friendly and energy-saving initiatives, including a natural gas co-generator to power the store and a newly installed solar windmill on the roof. "It's the right thing to do, and, in the end, it saves money," he says.

WHERE TO TURN

Some retailers might feel overwhelmed by all the energy-saving options available and may be unsure where to start.

How about some government subsidies to fund those energy-conservation projects? For instance, in Pennsylvania, the Small Business Advantage Grant program provides a 50 percent match of up to \$7,500 for equipment or processes that reduce energy consumption, promote pollution prevention and increase profitability.

In Sacramento, small businesses can turn to the Sacramento Municipal Utility District (SMUD), which offers design assistance programs and incentives in the form of rebates and financing to save energy or use it more efficiently. Barbara's Bakery in Sacramento is considered an Energy Star success story because of its involvement with SMUD. The bakery has completed more than seven projects, including using foam panels to insulate office walls and a major lighting retrofit.

"Conserving benefits a company in terms of a better bottom line and increased productivity and comfort for their customers and employees, as well as benefiting others by making what energy it has go much further," says the bakery's maintenance manager, Gordon Clemens. **IS**

EVERYBODY ON BOARD

Get employees involved by asking them to turn off lights and registers once the store closes, and use the power management features on computers and monitors. Ask them to reset thermostats when closing for the night, advises Maura Beard, director of strategic communications for Energy Star, Commercial and Industrial Buildings.

Outdated equipment and appliances radiate inefficiency and send the wrong message to employees and customers. Consider Energy Star replacements if the break room refrigerator door doesn't close quite right or you're still using a Commodore 64 computer.

For more ideas on how to increase profitability by lowering energy and operating costs, see www.energystar.gov/benchmark.