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Consumer Electronics Association

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Survey of Members on ENERGY STAR Program Participation

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www.CE.org

Objectives

- Understand how recent ENERGY STAR program changes have affected CEA members who participate in the program
- Garner insight into participants' likes and dislikes
- Explore ways in which the program could be improved in the future

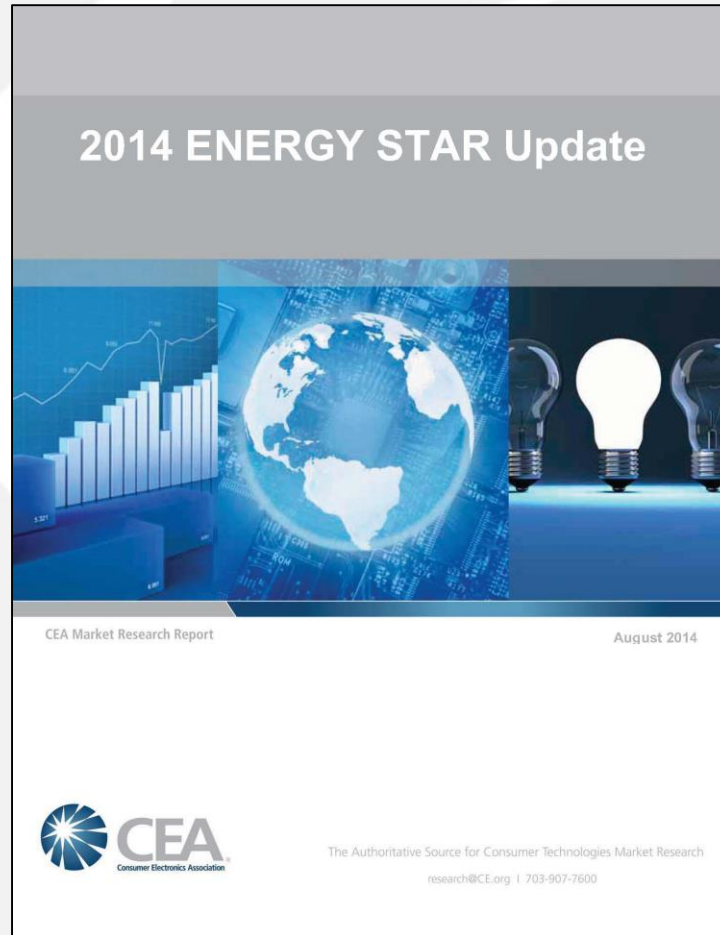


Methodology

- Online survey of CEA's Energy Efficiency Working Group in April 2014
- 25 company representatives responded (16% response rate)
- Conducted by CEA's market research department
- Similar study fielded in 2012



Key Findings



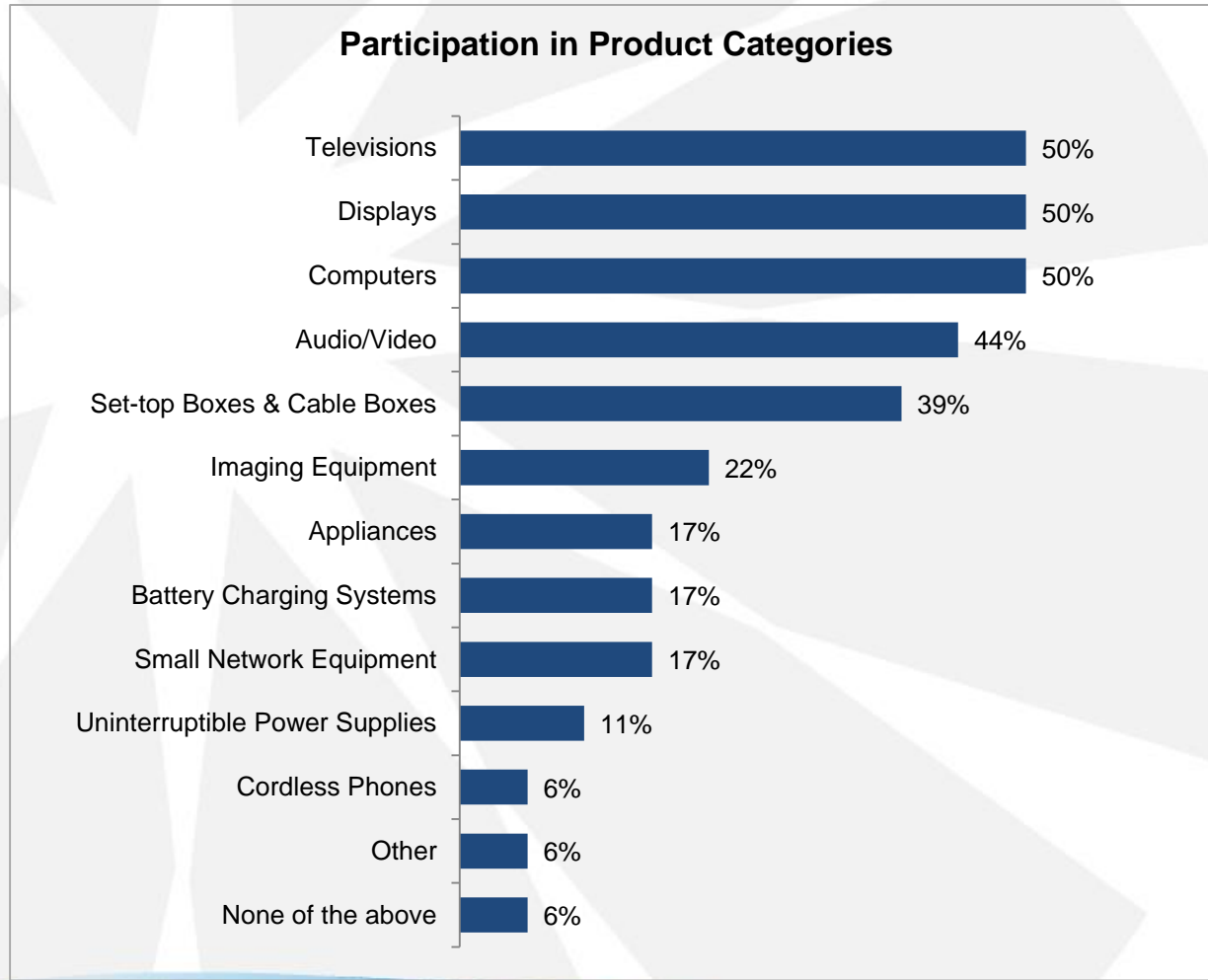
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Program Awareness & Participation

- Program awareness is high (92% of respondents)
- Seven in ten (72%) are current partners
- About four in ten participate primarily for consumer/retail sales (44%) or because of alignment with environmental goals (39%)



Program Awareness & Participation



Program Aspects Liked

- Rewards and promotes
- Voluntary and flexible
- High consumer awareness
- Receptive to industry input



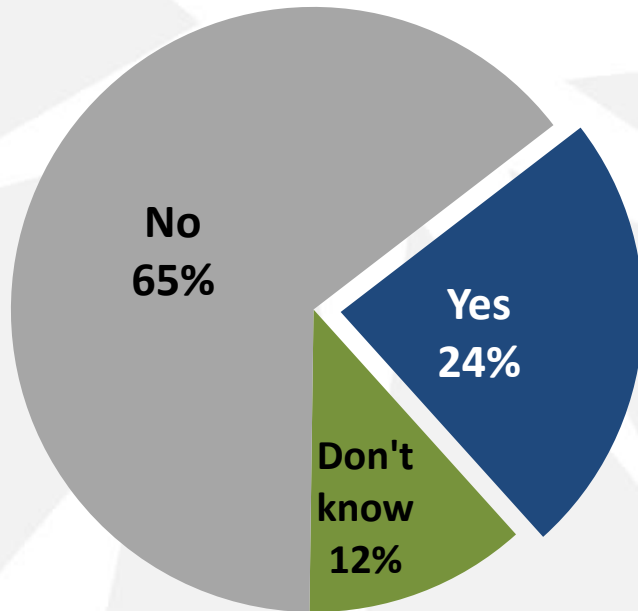
Value in the Marketplace

- Shows commitment to environmental stewardship
- Helps company branding, supports loyalty
- Despite consumer awareness, cannot collect a premium for ENERGY STAR



Future Participation

**Has Company Discussed
Dropping Participation in the
ENERGY STAR Program?**



Reasons

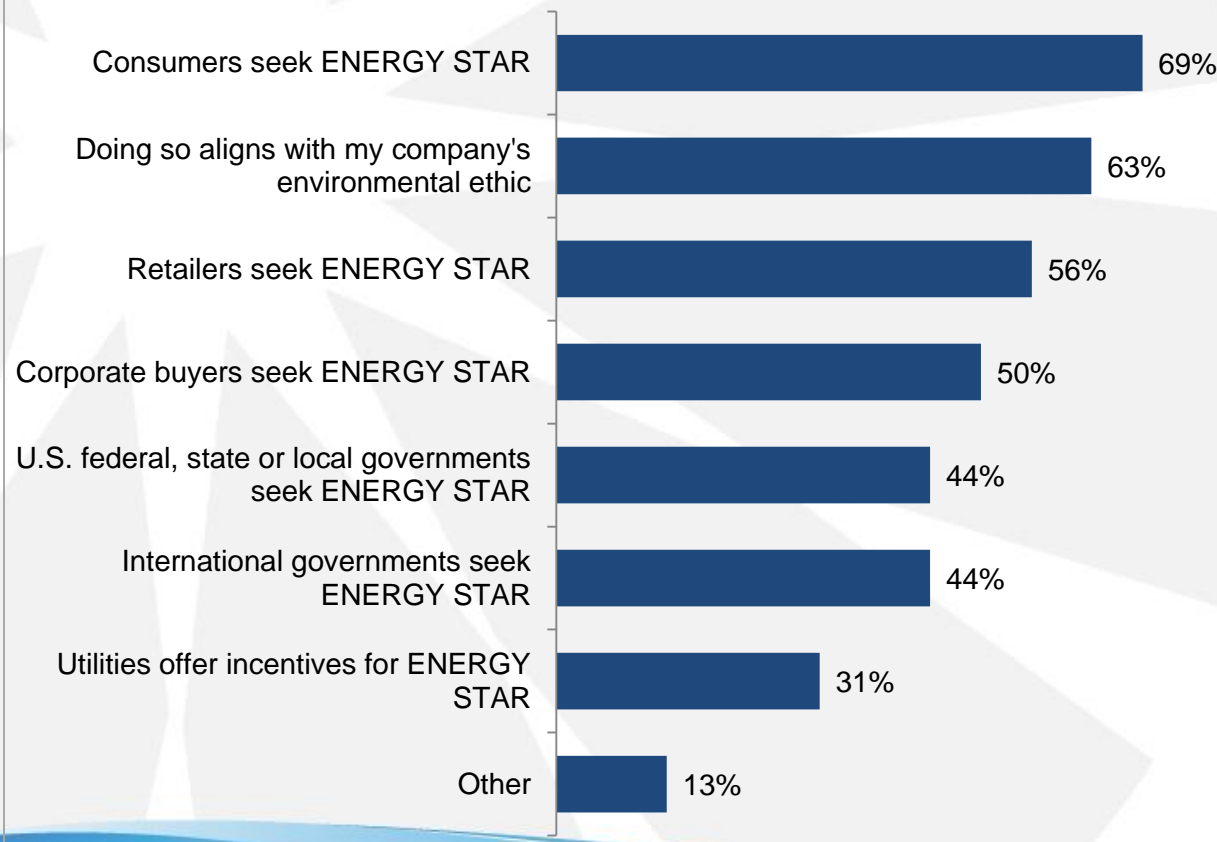
*"Cost/ benefit."
"The cost of
participation
may not justify
the benefits."*

*"We have
the FTC
Energy
Guide Label
now for
televisions."*

*"It appeared
that specs
would be set
low enough
that our
equipment
would no
longer qualify."*

Future Participation

Reasons to Continue Participating in the ENERGY STAR Program



Impact of Recent Program Changes

- As a result of recent program changes, seven in ten (71%) respondents whose company is a current ENERGY STAR program partner report ***costs to obtain ENERGY STAR certification have increased***, either “substantially” (12%) or “slightly” (59%).



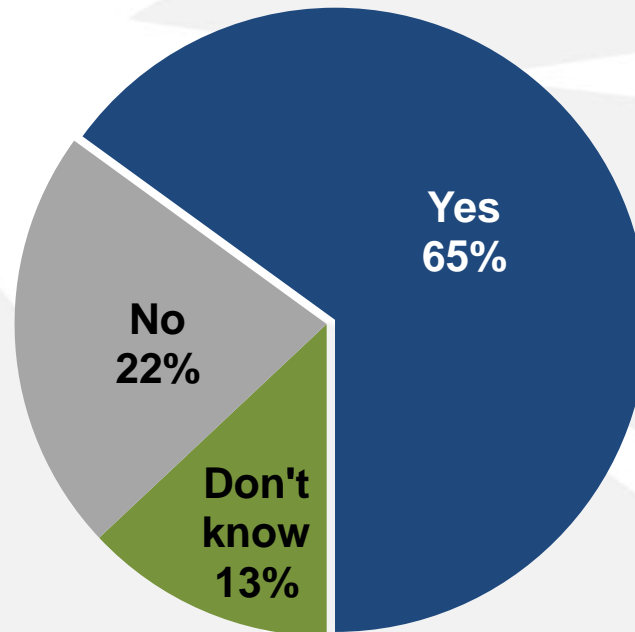
Third-party Certification

- Just under half (45%) say it takes between one and two weeks to achieve product certification by a Certification Body, while one quarter (27%) say it takes more than two weeks.
- Just under half (45%) of respondents say their company spends up to \$10,000 *more* per year to have a model third-party certified.



Third-party Certification

Awareness of Ability to Test Products for ENERGY STAR Certification in Own Lab



Third-party Certification

- 67% of respondents' companies have not changed their participation
- 14% say their company no longer participates in the program for **some** of their models and products
- 14% say their company is **considering** changing their participation in the program due to the requirements



Third-party Certification

- Based on the EPA's changes to the ENERGY STAR program, one in ten (10%) anticipate their company will **produce products that meet ENERGY STAR specifications but will not carry the label**, while nearly six in ten (57%) believe their companies' products that meet specifications will, indeed, be ENERGY STAR labeled.



Third-party Certification

Positive aspects:

- Good management by CBs
- Easier for EPA to believe the data
- Supports compliance
- Increases program credibility



Third-party Certification

Concerns:

- Added costs, costs can outweigh benefits
- CBs not adequately prepared for new specifications
- Extends pre-market product development timeline



Program Operation

	Agreement With Statements (% Strongly Agree + Agree)		
	2012	2014	Percentage Point Change
The EPA values the insights and opinion of ENERGY STAR partners	26%	42%	+16
The EPA listens to the concerns of ENERGY STAR partners about the program	20%	42%	+22
It is difficult to obtain information from the EPA about the ENERGY STAR third party certification program	21%	27%	+6



Operational Challenges

- Misalignment with efficiency requirements overseas
- Difficult transition following mandated federal test procedure
- Allowances not matching up to product design, which can hamper innovation
- Short timelines from final specification to effective date



Suggestions for Improvement

- Much more than 9 months needed between finalization of specification and effective date
- Better international harmonization and alignment
- Better planning for sunseting of specifications

Suggestions for Improvement

- Need mechanism to inform the partner when a new model has been uploaded to the database (CBs are dealing with divisions overseas and not U.S. divisions)
- Improve transparency of CBs' registration of products
- Move to a risk-based third-party certification scheme