



2015 Refrigerator Replacement & Recycling Promotion

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ENERGY STAR® Products Partner Meeting 2014

Arizona

October 27, 2014



- ✓ Turnover in stock in 2014 presents attractive new offerings to meet rebounding appliance sales demand
- ✓ Appliances programs remain a gateway for engaging customers in other efficiency program opportunities

Reviewed.com™ Refrigerators

CAMERAS TELEVISIONS OVENS LAUNDRY DISHWASHERS REFRIGERATORS VACUUMS SMART

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BY SAGARIKA JAISINGHANI
Tue Oct 22, 2013 10:01am EDT

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Appliances

Kitchen Appliances' New Aesthetic

By Caroline Winter | November 14, 2013

SEND TO kindle

Once tucked away from public view, kitchens have become a nexus for home life and entertaining. To make the utilitarian spaces more welcoming,

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Home Depot Hits All-Time High as Appliances Drive Sales

By Matt Townsend | Aug 19, 2014 4:21 PM ET | Comments Email Print

Home Depot Inc. (HD) climbed to an all-time high as purchases of big-ticket items like appliances helped second-quarter profit **top analysts' estimates** and led the company to raise its annual earnings forecast.

TWICE

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MAR 11 2014

Nationwide Adds Dealers, Sales & Services

Las Vegas – The Nationwide Marketing Group rode a wave of dealer additions rebounding appliance demand and “outstanding” furniture growth to add \$1 billion in sales volume over the past 18 months.



- There are ~19.5 Million refrigerators throughout the U.S. that are 15 years or older, and still in use
- They are made up of a mix of primary refrigerators (12.4M) and secondary refrigerators (7.1M)
- On September 15th, the V5.0 Refrigerator specification went in effect — this is an opportunity to spotlight ENERGY STAR as innovation in the marketplace (e.g., connected functionality)
- Industry is reinvesting in the refrigeration product category to reflect the increase in kitchen upgrades for sleek, connected, and stylish refrigerators





ENERGY STAR Certified Refrigerators are More Efficient Than Ever!

- Replace your old refrigerator with a new ENERGY STAR model. On average, a 15-year old refrigerator uses more than 2 times as much energy as a new ENERGY STAR refrigerator
- Replacing a 15-year old refrigerator with one that has earned the ENERGY STAR could save you \$50 per year in utility costs
- Properly recycling your old refrigerator prevents even more greenhouse gas emissions – as much as 10,000 pounds for a 20-year old model


The screenshot shows the ENERGY STAR website interface. At the top, there is a search bar and social media icons. The main navigation menu includes 'energy efficient products', 'energy savings at home', 'energy efficient new homes', and 'energy strategies for buildings & plants'. Below the navigation, there are links for 'ABOUT ENERGY STAR' and 'PARTNER RESOURCES'. The main content area is titled 'Refrigerators for Consumers' and includes a 'FIND & COMPARE PRODUCTS' button. The 'Overview' section contains text about energy efficiency improvements in refrigerators, a 'Slash your energy bills' section, a 'Replace your old fridge for bigger savings' section, and a 'Protect the environment' section. A 'Most Efficient 2014' badge is displayed next to a refrigerator image. On the right side, there are sections for 'Did you know', 'RESOURCES', and 'RELATED PRODUCTS'.

Who are the 19.5 Million?



Who and Where are the 19.5 Million?

- 74% are in single family detached homes
- 70% are in households of 1 or 2 people
- 80% are owners of their homes
- Evenly distributed geographically
 - NE: 21%; MW: 27%; S: 29%; W: 22%
- 63% in households with income <\$60,000



Think about replacing your current, older refrigerator with a new ENERGY STAR certified refrigerator – remember to recycle your old one too!

We've determined that single family detached households of 1 or 2 people tend to be Empty Nesters and Younger New Home Buyers



Are you facing the empty-nest blues?





WHAT: A nationally coordinated, targeted promotion to prompt early replacement and increase sales of ENERGY STAR refrigerators, while encouraging proper recycling

WHEN: Earth Day thru Memorial Day 2015

- Partners choose the length and level of participation

Increase demand and sales of ENERGY STAR certified refrigerators while encouraging proper recycling

- ✓ Generate national momentum among utilities, retailers, and manufacturers in promotion of ENERGY STAR refrigerators and proper recycling
- ✓ Capture the attention of key consumer groups across the country around the benefits of replacing their old refrigerator with a new ENERGY STAR certified refrigerator
- ✓ Expand use of linked rebates: recycling + ENERGY STAR purchase = savings!

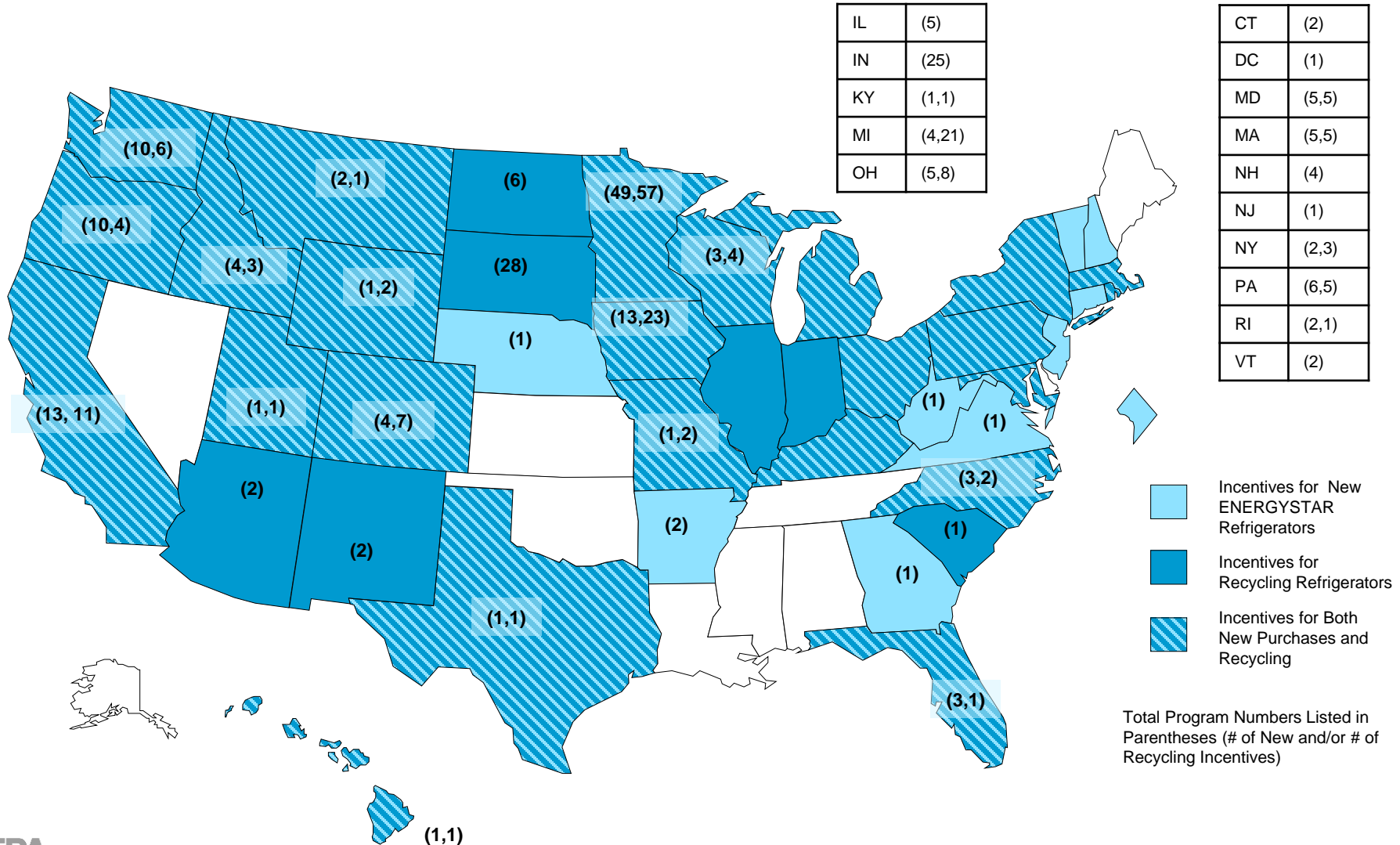


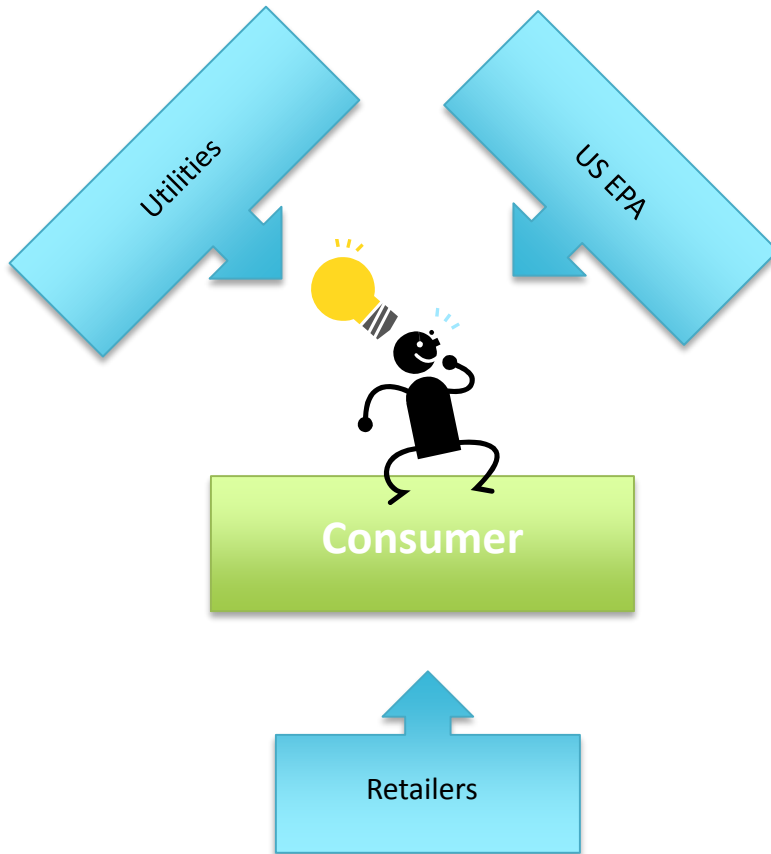


- Preliminary discussions with stakeholders this past summer indicate great potential for broad participation
- More than 240 efficiency program sponsors in 31 states offer recycling incentives
 - Most all major markets represented, including cities like New York, Boston, Philadelphia, Chicago, Denver, Los Angeles, San Diego, Seattle (to name a few)
- Kick-off meetings with Lowes, The Home Depot, Sears, Best Buy, Nationwide.....



Highlighting Current ENERGY STAR Refrigerator and Recycling Incentives





- ❑ Raise consumer awareness about the savings and environmental benefits of purchasing an ENERGY STAR refrigerator and properly disposing of the old one
- ❑ Pull together stakeholders and existing infrastructure to help coordinate national and targeted promotion
- ❑ Continue to position ENERGY STAR as a trusted resource for information and helping to drive energy efficient purchases and behaviors

3-Layer Strategic Approach

- **Channel Partners**
 - Select very specific media channels that best reach target audiences of new home buyers and empty nesters
- **National Awareness-Building Overlay**
 - Establish a BIG media partnership promotion that generates broad appeal and builds national momentum around early replacement and recycling among all audiences
- **Leverage owned and shared media to support strategy**
 - Find products, rebates and other offers at energystar.gov
 - Engage partners for mutual benefit

Generate excitement around early replacement while also connecting the ENERGY STAR brand with personal benefit and doing good through high-profile media outlet that appeals to general audiences





- Re-enforce consumer message through in-store signage, where possible, and trained sales staff
- Greater coordination between retailers and utilities around recycling incentives could increase appeal to consumers and drive retail traffic
- Leverage recycling incentive to increase demand for ENERGY STAR refrigerators
- Potentially increase use of combined ENERGY STAR certified refrigerator purchase and recycling offers
- Highlight proper recycling (decrease number resold)
- Channel marketing (e.g. new home buyers)

Current RAD Recycling Infrastructure

Appliance Recycling Facilities Servicing RAD Partners

34 facilities in 23 states



February 2014



The Opportunities are Endless

RETAILERS

- Increased sales of ENERGY STAR certified refrigerators
- Increased customer traffic to stores
- Enhanced opportunity to leverage proper recycling
- Advance corporate sustainability goals by participating in two EPA voluntary programs simultaneously

UTILITY/EEPS

- Increased uptake of rebates and incentives through national exposure
- Increased consumer exposure through close ties with national retailers

MANUFACTURERS

- Increase sales of ENERGY STAR certified refrigerators
- Highlight the advances in new and innovative product lines
- Opportunity for high exposure product placements

RECYCLERS

- Increased demand for responsible recycling services which will lead to reduced costs

ENERGY STAR

- Broader consumer awareness of benefits associated with early replacement, proper recycling and purchase of new ENERGY STAR appliances
- Potential expansion of responsible recycling



Next Steps

- ✓ Facilitate coordination between EEPS and retailers
 - Starting November 2014
- ✓ Connect interested retailers with recycling infrastructure
- ✓ Finalize and distribute graphics, savings numbers, and sample messaging
- ✓ Coordinate with retailers, manufacturers on national media plans
 - Opportunities for collaboration on new home buyer market



Are you interested? Let us know!

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Benefits of Early Refrigerator Replacement and Proper Disposal

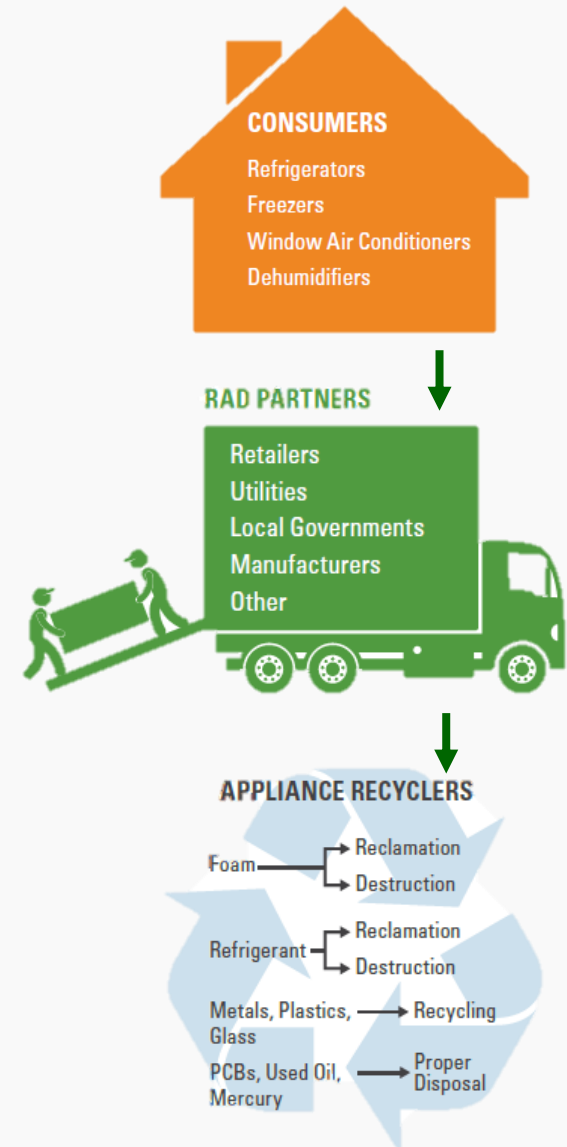
Sally Hamlin, RAD Program Manager



EPA's Responsible Appliance Disposal (RAD) Program



- Voluntary program to promote the disposal of appliances using best environmental practices, including the safe recovery of appliance FOAM
 - Protect the ozone layer
 - Reduce greenhouse gas (GHG) emissions
 - Prevent the release of other hazardous substances & landfilling of durable materials
 - Save energy
- Includes 54 partners—utilities, retailers, manufacturers, and state affiliates



Benefits of Early, Proper Refrigerator Disposal

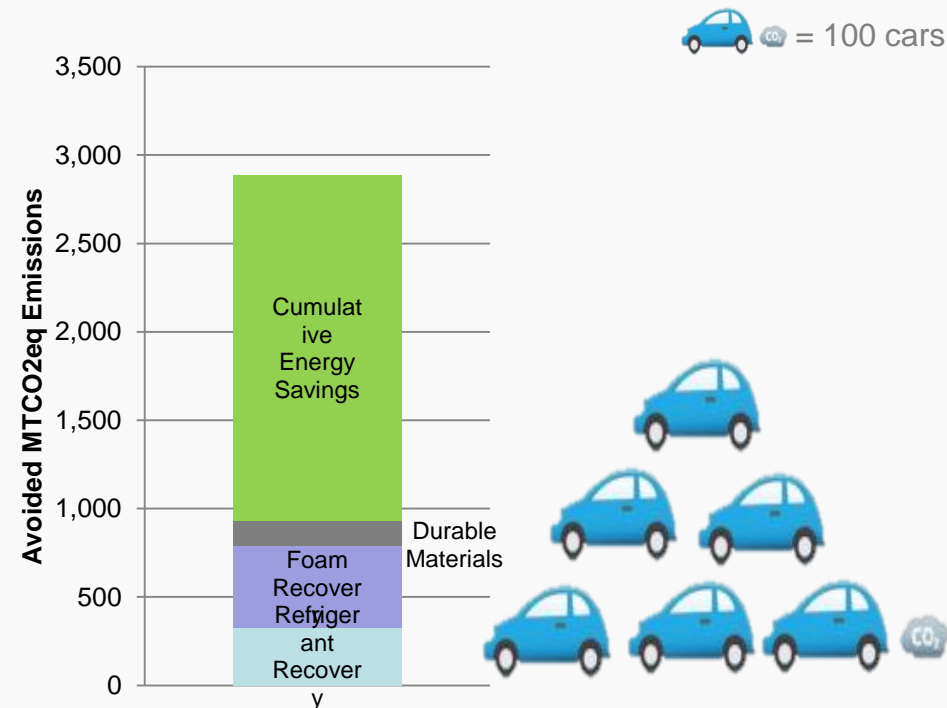


For the average **15-year old refrigerator** in 2015:

- **Energy savings** from replacement of an old refrigerator with an ENERGY STAR unit saves:
 - ✓ **400 kWh** per year
 - ✓ About **\$50** per year
- **Climate benefits** from the early retirement & proper disposal of an old refrigerator avoids:
 - ✓ **2.3 MTCO₂eq** of GHG from reduced energy use*
 - ✓ **0.9 MTCO₂eq** of GHG from refrigerant recovery, foam recovery, & recycling of durable goods

* Assumes 8 years of average useful lifetime remaining, based on data reported by RAD utility partners in 2013.

Climate Benefits for 1,000 Refrigerators (Each 15 Years Old)



Replacing & properly disposing 1,000 15-yr old refrigerators has the same climate benefits as removing over **600** passenger vehicles from the road for one year

RAD Partner Benefits



- **Supports tracking & quantification of environmental benefits**
 - ✓ Emissions of ozone depleting substances (ODS) avoided
 - ✓ Emissions of GHGs avoided
 - ✓ Energy (kWh) saved
 - ✓ Durable materials recycled
- **Provides partner recognition & enhanced visibility**
 - ✓ Allows partner use of EPA RAD logo
 - ✓ Highlights partner activities & accomplishments (e.g., in annual report, on website, through press releases, etc.)
- **Promotes partner learning & program expansion**
 - ✓ Hosts meetings & webinars for partners to share experiences, challenges, & best practices
 - ✓ Develops tools & resources (e.g., recycling map, fact sheets, guidance materials, etc.)



For more information



Recover Recycle Reclaim



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Thoughts?
Suggestions?





We would like to thank the following partners for their generous support of the 2014 ENERGY STAR Products Partner Meeting:

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