Shining the Spotlight on Fixtures: Showcasing Showrooms to Increase Market Penetration of ENERGY STAR® Light Fixtures

Brooke Marshall, Brian Simmons, and Paul Williamson, Ecos Consulting

ABSTRACT

This paper examines the efforts undertaken by the Northwest Energy Efficiency Alliance (Alliance), in conjunction with national and regional utility activities, to continue efficient lighting market transformation by engaging lighting showrooms in the stocking, promotion, and sale of ENERGY STAR® qualified light fixtures. Lighting showrooms were identified as a key market actor in the effort to continue penetration of energy-efficient lighting fixtures and to lay the groundwork for future Northwest plans to create an ENERGY STAR homes program. To date, lighting showrooms have met efficient fluorescent light fixtures with skepticism and reservation. This paper will detail efforts undertaken by the Alliance to leverage activities initiated by the EPA ENERGY STAR Fixture Program to engage key regional lighting showrooms in the ENERGY STAR Partner Program.

Both the EPA and the Alliance selected Seattle Lighting, with its broad geographic coverage of the Pacific Northwest, as a key target lighting showroom for their initiative. This paper will describe the coordinated effort undertaken by both organizations, focusing on Alliance and regional utility activities over the past couple of years that resulted in a successful promotion launched in October 2003. This paper will also describe other elements essential to the success of the promotion: the commitments made by regional utilities, and the relationship needed between the manufacturer and lighting showroom. Success was achieved due to the combined efforts of multiple organizations coming together to achieve a common goal, thereby planting the seeds for market transformation of energy-efficient fixtures in the Pacific Northwest.

Beyond Bulbs: Developing a Light Fixture Outreach Program

Nationally, there are upwards of 5,000 lighting showrooms and distributors. In 1993, lighting accounted for 9 percent of the total annual energy usage in a home (Atkinson et al. 1997). This number has increased over the past decade as the size of single-family homes has increased (Calwell et al. 1999). The average new home contains between 20-30 lighting fixtures (Atkinson et al. 1997), about 16 of which are hardwired (Matthews, Shirakh, Sloss 1999). In 2003, the U.S. Environmental Protection Agency's (EPA) ENERGY STAR program began aggressive outreach to lighting showrooms, approaching regional programs to tie-in both their own lighting programs and new construction efforts as a way to form a partnership with this prominent lighting market actor.

In 2001, the Northwest Energy Efficiency Alliance (Alliance) and its member utilities were successful in moving approximately 8 million compact fluorescent lamps (CFLs) with incentives through Do-It-Yourself (DiY), mass merchants and small hardware retail channels in the Northwest. In 2003, the Alliance tracked approximately 3.8 million CFLs sold through many of the same retail channels, yet the market was mostly void of incentive dollars. This change in market place behavior represented the success of the Alliance's CFL-based lighting program. However, many of the member utilities began to envision greater long-term energy savings by

promoting ENERGY STAR qualified light fixtures rather than screw-in CFLs. To answer these requests, the Alliance began developing a residential new construction component of the lighting program that would include fixture awareness. With high regional lighting sales originating from lighting showrooms, the Alliance saw the benefits of approaching the lighting showroom channel as well.

National DiY retailers, such as The Home Depot and Lowe's, have increased inventory of ENERGY STAR fixtures in the region over the past few years. The Home Depot now carries between 20 - 30 more ENERGY STAR fixtures than in 2002, and Lowe's increased its stock inventory with 35 new models in 2003. Additionally, Lowe's claims the Northwest is a national leader for fixture sales among their stores[1]. Despite the success the national DiY channels were having with ENERGY STAR qualified fixtures sales, lighting showrooms in the Northwest were hesitant to embrace energy-efficient products. In face-to-face interviews conducted by the Alliance program (see detail below), most showrooms expressed concern about poor light quality, noise and a basic lack of style and design in available fluorescent lighting fixtures. The largest hurdle to overcome with showrooms was a belief that customer demand for energy-efficient products was nonexistent, which resulted in resistance to stocking a product that might just sit on the shelves.

The opinion among lighting manufacturers was similar. In March of 2002, the Northwest Energy Efficiency Alliance released its Market Research Summary for Lighting in Residential New Construction (Northwest Energy Efficiency Alliance 2002). This summary indicated that while there were approximately 2,700 ENERGY STAR qualified fixtures available, many were developed for commercial applications or were not aesthetically pleasing, thus limiting residential application. A number of major manufacturers had catalogs dedicated to fluorescent fixtures—in some cases calling out specific models with the ENERGY STAR label—but none of these manufacturers had catalogs dedicated exclusively to ENERGY STAR fixtures. A common perception among manufacturers was that residential consumers did not want fluorescent fixtures in their homes due to perceptions of poor light quality. From their perspective, insufficient consumer demand did not justify the production of decorative ENERGY STAR product suites.

A key task of the Alliance's Northwest ENERGY STAR Residential Lighting Program was to overcome these marketplace barriers to influence lighting showrooms to stock, promote, and sell ENERGY STAR qualified fixtures.

The Northwest Residential ENERGY STAR® Lighting Program

The Northwest Energy Efficiency Alliance is a non-profit group of electric utilities, state governments, public interest groups and efficiency industry representatives working to bring affordable, energy-saving products and services to the marketplace. The Alliance's Northwest ENERGY STAR Residential Lighting Program (Program) is a multi-layered lighting program that integrates utility sponsorship and participation while engaging a variety of residential market actors including retailers and manufacturers. The Program's existing outreach strategy was to increase consumer awareness about ENERGY STAR qualified CFLs while significantly leveraging the efforts of industry and utility partners.

[1] At the end of 2002 The Home Depot, Lowe's and Wal*Mart stopped supplying sales data to national groups citing confidentiality reason. Claims made by Lowe's are anecdotal in terms of sales information, although observations by field representatives suggest similar assumptions.

In 2003, the Program focused efforts on developing consumer and industry awareness of ENERGY STAR light fixtures—going beyond established bulb-oriented marketing to increase the variety of styles and availability of energy-efficient fixtures, and educating consumers about the potential energy savings. The Alliance invested additional resources to influence one of the most influential channels of fixture distribution: lighting showrooms.

Lighting showrooms as a class were identified as a primary market actor in the selection of residential lighting fixtures for both the residential construction and remodeling industry because they directly influence the market actors that specify lighting for new or remodeled homes. The focus of the fixture outreach strategy was to convince Northwest lighting showrooms and distributors to stock, promote and sell ENERGY STAR qualified fixtures—with the goal of raising consumer awareness and educating both consumers and industry partners about their benefits.

National Efforts Complement Regional Efforts with Lighting Showroom Outreach

The Alliance recognized the benefits of leveraging national efforts in developing its Northwest-focused program. The Alliance program required support of national activities in overcoming several light fixture market barriers (primarily availability, reliability, and variety). To that end, the Program participated in the planning and execution of multiple initiatives at a national level that improved the chances for successfully launching a regional fixture program. These national activities included:

- Through the EPA/American Lighting Association (ALA) ENERGY STAR Agreement signed in 2001, EPA and ALA provided ENERGY STAR training and education to showrooms and identified opportunities to increase ENERGY STAR product penetration in showrooms and distributors. This partnership provided ENERGY STAR an opportunity to work within the industry to identify ambitious and influential market players who would support and promote regional and national efforts. EPA also provided showrooms that signed on as ENERGY STAR retailers under this agreement the opportunity to participate in Change-a-Light and other national promotions. The group distributed letters to all ALA showrooms in the region encouraging them to join as ENERGY STAR partners and participate in the trainings. The Alliance program partnered with the EPA/ALA to perform the ENERGY STAR trainings in the Northwest region. The EPA/ALA group identified Seattle Lighting/Globe Lighting as a strategic partner in the fixture initiative, because they accounted for 14 out of the 31 ALA showrooms in the Northwest.
- The ALA, the Consortium for Energy Efficiency (CEE), and the U.S. Department of Energy jointly launched "*Lighting For Tomorrow*," a design competition that encouraged the lighting industry to develop and promote cutting-edge, decorative lighting fixtures meeting the ENERGY STAR Residential Light Fixture efficacy requirements.
- The Product Evaluation and Analysis of Residential Lighting (PEARL) program continued its efforts to perform independent product performance testing of ENERGY STAR lighting products to determine whether labeled products adhere to the ENERGY STAR specification.
- The DOE contracted with the Pacific Northwest National Laboratory (PNNL) to develop and implement a technology procurement program encouraging fixture manufacturers to

develop energy-efficient residential downlight fixtures (recessed cans). On a national average, there are usually nine to ten downlights installed in each new home. It was essential for the Alliance to understand and address issues surrounding energy-efficient downlighting to succeed in residential new construction.

- The National Electrical Manufacturers Association (NEMA) and the ALA partnered to publish a matrix of lamp and ballast combinations that, when used in a residential light fixture, are designed to meet the requirements of EPA's ENERGY STAR Residential Light Fixture Program. The lamps and ballasts listed on the matrix have already received a "Platform Letter of Qualification." EPA has agreed to accept fixtures using lamp-ballast combinations listed on the matrix without requiring specific testing data. This simplifies the qualification process for fixture manufacturers.

These activities grabbed the attention of the fixture industry. Manufacturers began submitting prototypes to ENERGY STAR for qualification. Sea Gull Lighting took the lead by producing a full suite of decorative fixtures with the ENERGY STAR label. Grouped together in a relatively condensed timeframe, these activities provided synergy and momentum for the Alliance's regional program goals.

Outreach to Lighting Showrooms in the Pacific Northwest

The first step on a regional level for the Alliance program was to gain a more thorough understanding of the targeted market actors, in order to be ready to successfully implement a strategy that involved education and training, field support, cooperative marketing, sales incentives, collateral creation and utility involvement. To establish that baseline knowledge, the Alliance conducted field research to identify the current state of the showroom market:

- Program field representatives surveyed 26 ALA member showrooms as well as 5 other non-ALA showrooms in the Northwest, for a total of 31 of the 55 lighting showrooms in the region. Showrooms were surveyed to determine which manufacturers they carried, their knowledge and interest in ENERGY STAR, and major barriers to increasing sales of ENERGY STAR light fixtures.
- The Program provided each showroom with the 2001 State of Green Building survey. This survey showed that 91 percent of consumers considered energy-efficient in new homes very important. 98 percent would pay between $500-$3,000 more for energy-efficient features. (Consumers surveyed were seeking new homes.)
- Each showroom visited was offered ENERGY STAR training. Out of 31 visited, 17 showrooms engaged the Program and were educated on the benefits ENERGY STAR. Many of the showrooms that participated in the training session currently stocked one or two ENERGY STAR qualified fixture styles or were interested in learning more about the benefits.
- Each showroom visited was offered cooperative funding for advertising. Interest was limited. Of the 31 showrooms approached, only one partnered with the Program using the cooperative funding to engage their builder market to participate in the local utility's incentive program.
- The Program engaged showrooms and lighting specialty stores in the national Change A Light, Change the World campaign by mailing informational kits that included an

introductory letter explaining ENERGY STAR and the Change A Light campaign, a copy of the *Northern Lights: Fixture Edition* newsletter, and Program collateral such as bulb wheels (used for quickly identifying the CFL wattage needed to provide light equivalent to a given incandescent lamp) and the informational Pocket Guide for lighting showrooms.

- Each showroom visited was approached about participating in a fixture promotion with manufacturer and utility tie-ins. Seattle Lighting—the largest showroom chain in the Northwest and the favored strategic partner identified by the EPA/ALA group— was the only showroom to accept the offer.

The results of the field outreach identified several common perceived barriers in the showroom marketplace: there is limited customer demand for the product; the cost of the fixtures is too high; and major manufacturers lack variety in their ENERGY STAR product line.

These results reinforced the need for the Program's longer-term effort to employ marketing collateral, field services, cooperative advertising, incentives and training to educate and influence the broader array of market actors involved in the lighting specification process.

Puget Sound Utilities Eager to Promote ENERGY STAR® Light Fixtures

Over the past couple of years, the partnerships between the Alliance and regional utilities has given Northwest electricity consumers access to energy efficiency expertise, educational opportunities, and promotional offerings. Together, these coordinated efforts successfully achieve much-needed kWh savings while continuing to build the long-term infrastructure required for market transformation.

Many regional utilities and market transformation organizations have implemented ENERGY STAR energy-efficient residential lighting programs, which typically included the promotion of screw-based CFL solutions. CFL-based lighting programs are typically simple for the utilities to implement due to low cost, ease-of use for the consumer, CFL availability in the market place, and improved product performance. Energy-efficient light fixture programs are often more challenging to implement due to the higher cost of fixtures, the aesthetic-based decision making process by consumers, and, ultimately, the limited variety of ENERGY STAR qualified fixtures in the marketplace. However, several utilities in the Puget Sound area demonstrated an interest in expanding their efficient lighting programs to include fixtures. The Puget Sound area has the highest percentage of single family new construction in the Northwest, and these utilities were seeking the long-term, energy saving guarantee hard-wired fixtures provide. These utilities are briefly described below.

Puget Sound Energy (PSE) Residential Lighting Program

With an electric customer base of 900,000 and an explosive new construction service territory, PSE was successful in promoting ENERGY STAR qualified CFLs. To raise awareness for ENERGY STAR qualified fixtures, PSE launched a retail-based fixture coupon program in September 2003. The coupon offered $20 off an interior fixture and $10 off an exterior fixture. Coupons were distributed through participating retailers. As of February 29, 2004 PSE had redeemed 2,787 coupons. For more information on the rebates visit www.pse.com.

Tacoma Public Utilities (TPU) Residential Lighting Program

Tacoma Power serves over 160,000 electric customers. Light fixture opportunities in the Tacoma service territory are primarily remodeling/retrofit. From October of 2003 through February 2004, TPU offered incentives on ENERGY STAR light fixtures—$20 on interior fixtures and $10 on exterior fixtures. Coupons were distributed through their customer newsletter, *PowerLine*, and were redeemable at local participating retailers. As of February 29, 2004 TPU has redeemed 291 coupons. For more information visit www.ci.tacoma.wa.us/power.

Seattle City Light (SCL) Residential Lighting Program

Seattle City Light, a department of the City of Seattle, is one of the nation's largest municipally owned utilities in terms of the number of customers served. SCL has a service area population of 723,484. Their multi-family housing program provides $25 incentives for interior and exterior energy-efficient hardwired fixtures in common areas and up to three hardwired fixtures per multi-family unit. For more information visit www.cityofseattle.net/light/conserve/resident.

Snohomish County PUD (SnoPUD) Residential Lighting Program

Snohomish County PUD is the second largest publicly owned utility in the Pacific Northwest and the twelfth largest in the nation in terms of customers served with a base of 276,500. SnoPUD has been offering its customers discounted pricing on CFLs. For more information visit www.snopud.com.

Having prior experience executing energy-efficient lighting programs through DiY, mass merchants and small hardware retail channels, these Northwest utilities were excited and ready to develop a new distribution partner for their lighting programs. The essential role provided by regional utilities resulted in the launch of the first Northwest ENERGY STAR fixture promotion working with a lighting showroom.

Building a Fixture Promotion with Seattle Lighting Showroom

In the fall of 2003 the Alliance program organized an unprecedented promotion that brought together Puget Sound Energy, Tacoma Power, Seattle City Light, Sea Gull Lighting and Seattle Lighting. It generated new partnerships between utilities, manufacturers and lighting showrooms to create an innovative light fixture promotion that laid the foundation for future ENERGY STAR fixture-based activities in the Northwest.

Seattle Lighting

Since 1917, Seattle Lighting has been selling fine residential lighting products in the Pacific Northwest and is the largest chain of lighting showrooms in the region, with 14 stores in Oregon, Washington and Idaho. The Program began contacting Seattle Lighting in late 2000 with the goal of signing on the showroom firm as an ENERGY STAR Partner. At that time, Seattle Lighting displayed no ENERGY STAR qualified light fixtures in their showrooms. Consumers were able to purchase the product only via special order from catalogs. The Program offered Seattle Lighting cooperative advertising, ENERGY STAR training for their sales staff,

and other market support. As was the case with most regional showrooms, the initial response was negative. Seattle Lighting continually stressed that they were not receiving sufficient requests from their customers for energy-efficient lighting products, and thus the firm could not reasonably change its current buying practices.

In late 2002, however, there appeared to be a change in the market place. The senior buyer for Seattle Lighting indicated that the showroom was beginning to experience an increase in customer inquiries regarding lighting efficiency and ENERGY STAR products. The Program and Seattle Lighting began discussions on how to effectively stock, promote and sell ENERGY STAR qualified light fixtures to their clientele.

Sea Gull Lighting

Founded in 1919 by Henry Seigel, a designer and early retailer of patented lighting fixtures, Sea Gull Lighting is now in its fourth generation as a family owned business. Priding themselves on providing quality and stylish fixtures, Sea Gull first introduced a substantial number of new decorative ENERGY STAR qualified light fixtures at the January 2003 Dallas Market. A significant portion of these were matching sets of ceiling flush mounts, pendants and wall sconces as well as exterior fixtures—all converted from Sea Gull's existing incandescent fixture line. Originally, Sea Gull offered ENERGY STAR qualified fluorescent fixtures specifically developed for commercial applications including hospitality, multi-family common areas and assisted living. While several other manufacturers were hinting about the release of new decorative fixtures at the Dallas Market, Sea Gull was the only manufacturer in attendance that actually designed, produced and prominently displayed their new line of ENERGY STAR qualified decorative fixtures at their "showroom"/booth.

Seattle Lighting was in a key position to encourage the purchase of ENERGY STAR qualified light fixtures as well as educate its customers about using energy efficiently. With a long standing relationship already established, Seattle Lighting determined that they wanted to support Sea Gull Lighting's ENERGY STAR qualified fixtures due to their price, availability and wide decorative product selection. Program representatives and staff from the national ENERGY STAR team worked to successfully implement the promotion, keeping in mind the interests of the variety of utility partners and the needs of both the manufacturer and showroom.

Program Framework

Strategy. The premise of the Seattle Lighting/Sea Gull promotion was to execute an upstream incentive program for the period of October 2003 through March 2004. The goal of the promotion was simple—stock, promote and sell 200 ENERGY STAR qualified Sea Gull fixtures from each of the 6 Seattle Lighting locations in Washington state (Bellevue, Everett, Seattle, Tacoma, SouthCenter and Silverdale). Sea Gull Lighting delivered a cost-effective product list of 33 decorative fixtures that included both interior and exterior models.

Utility incentives. Utility incentives were determined to be necessary during the planning phases of the promotion due to cost discrepancies between standard and comparable energy-efficient fixtures. Incentives were also essential in order to encourage Seattle Lighting to sign on and to teach them how to up-sell based on the benefits of the product. The utilities offered a product buy-down of $20 per fixture for ENERGY STAR qualified light fixtures. The utility agreed to

provide buy-down incentives of at least $2,000 for each showroom located in its participating service territory. The buy-down was paid directly to Sea Gull Lighting. Seattle Lighting agreed not to increase its gross margin on the product through the buy down. As a result, utility incentives were leveraged into greater savings for the consumer. Table 1 illustrates the impact of the buy-down on the retail price.

Table 1. Mechanics of an Upstream Buy-Down

Description	Before $20 Buy-Down Cost	% Mark up	Retail	After $20 Buy-Down Cost	% Mark up	Retail- after Buy-Down
Fixture 1	$160.00	106%	$329.36	$140.00	107%	$289.80
Fixture 2	$64.00	103%	$129.95	$44.00	82%	$80.08
Fixture 3	$71.50	103%	$145.18	$51.50	94%	$99.91

Utility promotion. PSE featured the Sea Gull fixtures in a display at outreach events during October 2003. SCL featured information in a bill stuffer mailed in January 2004, and set up a display featuring the Sea Gull fixtures in its primary bill-paying center in downtown Seattle.

Education. Education was key to this promotion in order to fully engage the Seattle Lighting sales staff. Prior to the start of the promotion, Program representatives partnered with the national ENERGY STAR team and trained roughly 130 Seattle Lighting sales staff at the six showroom locations on the benefits of ENERGY STAR, the Sea Gull product line and specifics of the promotion. Each training session lasted roughly 45 minutes and included time for questions. As a result of the training, sales staff were not only enthusiastic about the promotion, but were also equipped to educate customers about the benefits of ENERGY STAR beyond the life of the pilot promotion.

Sales incentives or "spiffs". Sales staff were eligible to participate in a sales incentive program that provided them with 2 percent of the total listed price for all ENERGY STAR qualified Sea Gull fixtures sold, and a cash prize of $100 that was awarded to the sales person with the highest spiff amount for the initial promotional period. Eligible applications included any sale to customers who had residential electric service from the participating utilities in a single-family home, as well as multi-family areas not on a commercial meter (i.e., no common areas). Residential new construction, remodel, renovation and retrofit were all appropriate applications for the fixtures.

Point-of-purchase. Sea Gull Lighting provided in-store lighting kiosks featuring a variety of its decorative ENERGY STAR fixtures. Seattle Lighting agreed to open up floor space for the ENERGY STAR fixtures in each of the participating showrooms. The utilities displayed branded posters near the product kiosk to let customers know that the special pricing had been brought to them by their utility.

Newspaper tabloid. Seattle Lighting and Sea Gull Lighting crafted a four-page newspaper tabloid—an estimated advertising value of $38,400—that featured the participating utility logos

as well as color photos of the entire line of ENERGY STAR qualified Sea Gull products. The advertisement ran in five Seattle-area papers over two weeks, reaching more than **535,000** consumers with ENERGY STAR information.

Print advertising. Seattle Lighting ran its usual weekly print advertisements in five Seattle-area papers over the duration of the six-month promotion. The ad featured the ENERGY STAR logo and read, "Save up to $40 on ENERGY STAR light fixtures." The $40 represented the average $20 gross margin reduction in price in conjunction with the $20 buy down from the utility incentive. Each week, the print advertisement is estimated to have made approximately 300,000 impressions.

Promotion results. Seattle Lighting agreed to provide reports to the Alliance on a monthly basis for products purchased. These sales data reports were broken down by each showroom location, for utility service territory purposes. As of March 2004, sales data indicates that a total of 1,337 ENERGY STAR qualified fixtures had been sold at the six Seattle Lighting showroom locations.[2] Four out of six stores exceeded their goal of 200 fixtures per store.

Minor challenges. Seattle Lighting and Sea Gull Lighting used their expertise to stock fixtures that would sell quickly as well as deliver a full suite of product choices for customers. Since the incentives came from multiple utilities, they were allocated to a specific store in that utility's service territory. This created some minor challenges with sales variation by store and the need for certain utilities to reorder fixtures. In the future, Seattle Lighting is looking for a simpler promotion—more flexibility with incentive allocation, and longer promotion duration.

Showroom sales staff surveys. The Program conducted a sales staff survey of approximately 40 people several months into the promotion to gauge what factors were motivating fixture sales. The survey results in Table 2 show that the energy savings message was a key sales tool to close the deal with consumers, but the low price was the initial attraction for the customer.

Regional impacts

Several key impacts on the regional lighting market were noted upon the completion of the promotion:

High-efficiency fixtures available at lower prices. Utility incentives had a large impact on product pricing by significantly lowering the standard fixture price. Before the manufacturer buy-down, the average product price was $119. After the manufacturer buy-down, the average product price was $78 providing an average price reduction of $41 per fixture. This lower price acted as the catalyst to instigate Seattle Lighting to participate in a promotion and eased the inventory/stocking issue for the showroom. It also allowed consumers who had been previously unable to purchase ENERGY STAR fixtures due to high cost the opportunity to select energy-efficient products.

[2] The Program was unable to acquire total sales volume from Seattle Lighting to compare with ENERGY STAR fixture sales because it is considered proprietary information.

Table 2. Seattle Lighting Sales Staff Survey

Question: What features and benefits have you found to work best when selling ENERGY STAR fixtures?*	
Response	**Percentage**
Energy Savings	35%
Low Price	20%
Long Bulb Life	18%
Attractive	15%
Question: What attracted your customers to purchase the fixtures?	
Energy Savings	25%
Low Price	28%
Attractive	25%
Advertising	8%
Question: What sales technique works best for you when selling ENERGY STAR fixtures?	
Energy Savings	35%
No answer	33%
Long Bulb Life	10%
Low Price	10%
Question: What would help you sell more ENERGY STAR fixtures?	
No answer	28%
Variety of fixture types	20%
Dimming models	13%
Low prices	10%

*Results presented are the top four answers to each question.
Percentages include multiple responses from those surveyed.

Increased interest from other showrooms/distributors. Since the close of the Seattle Lighting promotion in March 2004, several other showrooms/distributors in the Northwest have expressed interest in participating in ENERGY STAR programs. For example, Crescent Lighting, which has two showrooms in the Puget Sound area, specifically asked to receive the "same deal" as Seattle Lighting as a program. The Program is currently meeting with these interested parties to continue its fixture outreach efforts.

Increased interest from manufacturers. The value of the Seattle Lighting promotion was clearly recognized within the industry. Several manufacturers have expressed interest in working with utilities and showrooms to participate in an ENERGY STAR promotion, and Sea Gull Lighting continues to stay in the forefront of developing decorative ENERGY STAR fixtures. After receiving feedback from the utilities, Sea Gull recently released a new line of electronically ballasted fixtures for future promotions. Despite these advances, the Program has yet to see another manufacturer commit to developing a decorative suite of residential ENERGY STAR products like Sea Gull Lighting, and other manufacturers have been reluctant to place their qualified fixtures in their catalogs for regular distribution.

Increased consumer fixture awareness. The Seattle Lighting four-page newspaper tabloid advertisement reached more than **535,000** consumers with ENERGY STAR information. Seattle Lighting's print advertisement was estimated to have made approximately 300,000 impressions each week. In each of the six Seattle Lighting store locations, Sea Gull Lighting's ENERGY STAR kiosk was prominently displayed in the entryway of the showroom to reach the most consumer traffic. Consumer awareness of ENERGY STAR fixtures was greatly increased by this promotion.

Conclusion

The goal of the Alliance's fixture program was to raise the marketplace's level of awareness for and acceptance of ENERGY STAR qualified light fixtures through a new distribution channel—lighting showrooms. After the six-month promotion, Seattle Lighting had sold 1,337 ENERGY STAR decorative fixtures, and is seriously considering extending the utility rebate into 2004. The following factors proved to be critical in achieving Program goals:

- The commitment, coordination and incentives provided by four regional utilities created customer demand, and allowed Seattle Lighting to offer reduced pricing in all six of their Washington store locations covering the entire state.
- The solid relationship between manufacturer and lighting showroom played an essential role in reaching an unbeatable price point for the light fixtures.
- A key element was the training of lighting showroom sales staff to educate the marketplace on the benefits of ENERGY STAR now and beyond the life of the promotion.
- Tying regional efforts into the EPA's national goal of helping lighting showrooms stock, promote, and sell ENERGY STAR qualified light fixtures was crucial, because the national presence offered a cohesive effort among partners and greater opportunity for recognition.

This promotion made the first important steps in establishing an infrastructure to encourage market adoption in the Northwest, and it appears to have moderately diminished the common barrier of skepticism and reservation for fixtures in the residential market. Clearly, though, there is much more work to be done in transforming the market for energy-efficient hard-wired fixtures.

The key is to maintain this momentum, and there are unmistakable signs that this is occurring: Utilities that engaged in this promotion are seeking additional lighting showrooms and electric distributors within their region to run similar promotions, other utilities in the region have signed on to implement a fixture program in their service territories, and the Program is negotiating an extended partnership with Seattle Lighting.

The Program's approach provides various points of contact and leverages multiple efforts, and it is well positioned to continue transforming the market for energy-efficient fixtures throughout the Northwest. Upcoming Program activities will build on this platform, with the team seeking additional partnerships with manufacturers and showrooms to leverage national efforts. Sales and other data from this promotion period will be used as a benchmark to gauge future program results as well.

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