

SYLVANIA Lighting Services – Retail Retrofit Case Study

BEFORE



AFTER



Case Study Overview:

- Mervyns Department Store
- Retail (164 Stores), Office & Distribution Center
- Total – over 13 million square feet
- Lamps and ballasts used:
SYLVANIA FO32/XPS OCTRON
SYLVANIA QUICKTRONIC QHE
electronic ballasts

Benefits:

- Portrays environmentally aware company
- Initial savings of \$6 million dollars
- Payback in less than 2 years
- Energy savings of 28,995,471 kWh per year
= \$4.3 million in energy costs a year.
- Projected annual maintenance savings of \$ 1.7 million
- EPC Act 2005 tax benefit of \$2.9 million

THE SITUATION:

Mervyns LLC, headquartered in the San Francisco Bay Area, is a family-friendly promotional neighborhood department store offering trend-right fashions and home décor at affordable prices. Operating 173 stores in 8 states, each store averages 80,000 square feet. Seeking to make the most of this retail space, Mervyns partnered with SYLVANIA Lighting Services (SLS) to design, specify and install state-of-the-art lighting systems throughout stores, distribution centers and corporate headquarters.

Mervyns' objective was to enhance the shopping experience for its customers by improving the quality and quantity of lighting in its stores. The Company wanted a lighting system that would lead the industry in demonstrating operational excellence, minimizing operating costs, improving total financial performance, creating a pleasant work environment and reducing the total environmental footprint of facilities management.

THE SOLUTION:

A team of SYLVANIA commercial engineers, SLS, and Industrial Commercial professionals partnered with Mervyns Facilities Team to create the most effective lighting system for Mervyns' store of the future. "To begin, our experts reviewed the existing lighting system in place at Mervyns, then made recommendations for a new system that would better suit the range of applications and different features within the stores," stated Tim Haley, commercial engineer for OSRAM SYLVANIA.

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The upgrade began in the fall of 2006 with more than half the stores completed to date. Developed to meet the stores' needs, an extensive design strategy will replace the vintage lighting system with current, energy-efficient technology. One-hundred and sixty-four of Mervyn's department stores will benefit from the lighting design, with execution occurring during nighttime hours to ensure minimal impact on Mervyn's business, customers and employees.

High performance, long-life SYLVANIA FO32/XPS OCTRON® lamps and SYLVANIA QUICKTRONIC® High Efficiency QHE electronic ballasts are being installed by SYLVANIA Lighting Services to standardize the lamp types throughout all facilities.

Existing four lamp fixtures are de-lamped to save energy while maintaining light output and distribution using new reflectors and louvers. In addition, existing fixtures are cleaned to restore reflectivity. WattStopper, the nation's largest occupancy sensor manufacturer, has provided light control sensors, which are installed to turn lights out when areas are not in use.

From a financial standpoint, the initial investment of the lighting project was \$11.5 million. With an anticipated savings of \$6 million, Mervyn's can expect a simple payback in less than two years. Energy savings alone of 28,995,471 kWh per year equal a projected \$4.3 million per year, while utility rebates will save an estimated \$1.2 million. As a result of new equipment and exclusive SLS lamp and ballast warranties, Mervyn's will benefit from a projected annual maintenance savings of \$1.7 million. The reduced energy usage also allows Mervyn's to take advantage of the Energy Policy Act of 2005 tax benefit for an estimated tax savings of over \$2.9 million.

Upon completion of the project by year-end 2007, the environmental benefits expect to be substantial. The new lighting system requires 73,200 fewer lamps to light the stores, which will result in \$2.2 million linear feet of fluorescent lamps kept out of landfills by recycling through SLS. Additionally, sixty-five million pounds of CO² and 1.8 million milligrams of airborne mercury emissions will be eliminated from power plants.

SYLVANIA Lighting Services (SLS) is the industry leader in turnkey energy management programs for interior and exterior lighting systems as well as preventive maintenance programs with over 35 years of experience, the company provides dedicated lighting design capabilities, the best delivery of service, access to new energy-efficient lighting products and a computer-routed national service fleet. SLS offers customer a single point of contact for all of their lighting needs, including recycling. A subsidiary of OSRAM SYLVANIA, SLS is a national company and is headquartered in Danvers, Massachusetts. For more information, please refer to our website at: www.sylvania.com/sls.

“Thanks to the products and skills Of SYLVANIA Lighting Services, We are building a lighting infrastructure that not only Achieves our goals of energy – efficiency and environmental sustainability, but advances our core business goals as well.”

Rob Lucacher,
Environmental & Energy Mgr.
Mervyn's