

Surveyor Energy Management System Helps Family Dollar Reduce Energy Consumption by 22 percent, Resulting in Millions in Annual Savings

ABOUT FAMILY DOLLAR

Family Dollar Stores Inc. is one of the largest and fastest-growing discount retailers in the United States, with more than \$7 billion in annual revenues. A Fortune 500 company, Family Dollar is based in Matthews, N.C., just outside of Charlotte. It is a publicly held company with common stock traded on the New York Stock Exchange under the symbol FDO.

Founded in 1959 by Leon Levin, the first Family Dollar store was opened in Charlotte, North Carolina. His philosophy, from which the management team has never strayed, is a simple one: "The customers are the boss, and you need to keep them happy." Throughout the years, Family Dollar has been committed to giving its customers great value and convenience with a strong commitment to quality and a comfortable shopping environment.

Today, Family Dollar has more than 6,700 locations, in 44 states. Of those, more than 1,000 were added in the last five years. The chain expects to add about 200 stores this year. Family Dollar stores typically range from 7,500 to 9,500 square feet, most of which are operated in leased facilities. On average, Family Dollar stores have four rooftop HVAC systems or split systems. Lighting is divided into four zones: work, sales, sign and site. Most locations have total peak loads of 20 to 60 kW.



Marilyn M. Morse, vice president of facilities management for Family Dollar, says that using Surveyor has helped Family Dollar reduce annual energy usage by 22 percent, saving more than \$20 million in annual energy costs.



Using Surveyor via the Internet on her desktop computer, Family Dollar's project manager Erin DeBerardinis manages and controls the energy usage for all the 6,700+ Family Dollar stores.

SITUATION ANALYSIS

Prior to installing Surveyor, Family Dollar did not have an energy management system. Instead, it relied on its store and regional managers to keep an eye on energy usage by turning off lights and not running heating or air conditioning unnecessarily and to report broken or malfunctioning HVAC and lighting systems.

Some store managers ran a tight ship, while others had a hard time keeping up with the energy usage issues while trying to run a busy store. In addition, early morning truck deliveries and inventory days change the times when lighting, heating or air conditioning needs to come on, so this also affects the flow of energy costs.

Keith Gehl, senior vice president, real estate and facilities, identified the need for an energy management system and started the process of looking for a system that would help them cut energy costs and improve overall energy use.

SOLUTION

Marilyn M. Morse, vice president of facilities management for Family Dollar, undertook the huge job of evaluating about a dozen different energy management systems. She and her team chose Surveyor from Venstar. Surveyor ranked Number 1 in all of the categories for which the systems were rated, including: hardware, software, customer service, ease-of-use, technical support, IT impact, company financials, pricing and strategic partner potential.

According to Morse, among the top reasons why Family Dollar selected Surveyor is that it was designed specifically for small box retailers like Family Dollar, so they didn't have to shoehorn in a system that was scaled up or down to try to fit their size.

Another selling point was that Surveyor could easily be customized to meet Family Dollar's specific needs. Venstar's exceptional customer and tech support also ranked high in the decision process. A bonus has been Venstar's commitment to being a strong strategic partner by helping Family Dollar with a variety of energy-related issues, well beyond Surveyor. Sealing the deal was the fact that Surveyor was less than half the cost of competitive systems, with a much richer feature set.

Most of all, Morse says, Surveyor helps Family Dollar meet its goal of providing a comfortable environment for its customers and team members.



Together, Marilyn M. Morse, vice president of facilities management, and Erin DeBerardinis, project manager, utilize Surveyor to monitor and control energy usage at Family Dollar's nearly 7,000 stores.

RESULT #1 ONE PROJECT MANAGER MANAGES THE ENERGY USE FOR NEARLY 7,000 STORES

Using Surveyor and the Internet via her desktop computer, Family Dollar's project manager Erin DeBerardinis manages and controls the energy usage for every single Family Dollar store. She also tracks energy usage by store, region, types of stores, or virtually any other parameter (or combination of parameters).

Surveyor's exception reporting ensures that DeBerardinis knows where there are anomalies in energy use, so she can proactively change the parameters or arrange repairs or replacements of broken or malfunctioning HVAC or lighting equipment. In addition to the automated scheduling features, she can also make changes on the fly, adjusting lighting and air conditioning for the days where there are early morning truck deliveries or late night inventories. With Surveyor, she can also manage outdoor lighting at the stores where it's under their control, primarily their freestanding stores.

RESULT #2 CUSTOMIZED EMAIL REPORTS SENT DAILY TO REGIONAL MANAGERS

Surveyor allows designated executives and divisional maintenance managers at Family Dollar to know the energy usage at their stores by sending out daily email reports to them. Each week, Family Dollar's five divisional store operations vice presidents also receive reports on energy consumption.



With Surveyor reports on a screen, Marilyn M. Morse, Family Dollar's vice president of facilities management, can easily share data with her co-workers showing energy usage by store, regions, or for the entire portfolio of stores.

On a corporate level, the Surveyor exception reporting lets them know if there are any stores that are unusually warm or cold inside. If so, the divisional maintenance managers can proactively arrange repairs for the broken or malfunctioning HVAC equipment.

Surveyor also gives Family Dollar's security team a heads up if lights are unexpectedly turned on, so they can check out the situation.

For Family Dollar, Surveyor is much more than an energy management system. It's a company-wide facilities system with value-added, field-driven information that helps Family Dollar be proactive in managing its stores. Morse said, "Surveyor gives us unprecedented visibility into our stores, providing business intelligence about our energy usage."

RESULT #3 FAMILY DOLLAR GOES GREEN WITH SURVEYOR

Using Surveyor has helped Family Dollar accomplish some of its green initiatives. For example, the energy savings has resulted in annual CO2 reduction that is equivalent to taking more than 27,000 cars off the road, saving 14 million gallons of gasoline, or planting 3.2 million trees.

According to Morse, "Being a green company is very important to us. It's not just about the cost savings. We want to make informed energy decisions that make a positive environmental impact."

MAJOR ACCOMPLISHMENTS

- Reduced annual energy usage by 22 percent;
- Saved more than \$20 million in annual energy costs; and
- Reduced CO2 emissions equivalent to taking more than 27,000 cars off the road, saving 14 million gallons of gasoline, or planting 3.2 million trees.

BOTTOM LINE FAMILY DOLLAR REDUCED ENERGY USE BY 22 PERCENT, SAVING \$20 MILLION WITH A DRAMATIC REDUCTION IN CO₂ EMISSIONS

Using Surveyor, Family Dollar has reduced its energy usage by 22 percent per store on average, within the first year of usage, saving \$20 million annually. Family Dollar has also realized a return on its investment in just 18 months.

Surveyor's robust Web-based access and reporting capabilities give Family Dollar an added edge in keeping its stores well-lit and heated or cooled for the comfort of their customers and team members.

In addition, Surveyor helps Family Dollar accomplish its green initiatives, including reducing CO₂ emissions.



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