

A SPECIAL REPORT ON

The Most Energy-Efficient Lighting On The Market:

How To Cut Your Energy Costs By Up To 90%...

And **6** More Ways LED Lighting Will Benefit Your Facility







#1 – Substantial Energy Cost Savings

LED lighting can reduce your energy costs by up to 90%.

According to a 2012 report by the U.S Department of Energy, 20% of all electricity used in commercial buildings in the U.S. is used for lighting. On average, LED lighting will cut this portion of your electric bill by 50% to 90%.

<u>Note:</u> We have put together an **Energy Savings Calculator** that will give you a better estimate of your potential energy cost savings. There will be more information about the calculator later in this report, along with another free way to get an even more detailed analysis of the savings potential for your company.

With Seesmart's product line you can realize ROI in as little as 24 months or less.

LEDs are Solid State devices (SSL – or "solid state light"), which means they will last much longer than incandescent or fluorescent lights. LED lamps typically last 50,000 to 100,000 hours (or more). This lifespan is 100 times longer than regular incandescent bulbs and 10 times as long as compact fluorescent bulbs (CFLs).

That means that you won't have to pay for replacements every 12 or 16 months like you do with your current lighting system, and you won't have to pay for the labor to replace them.



The main entrance room at the GSA Federal Building after the retrofit.

Not only that, the cooler operating temperatures of LED lamps often results in HVAC savings, another way that LEDs can add to your bottom line.

When you combine all of these cost savings, it's possible to see a rapid ROI on your investment in LED lighting. With SeeSmart's product line, you can ROI in as little as 24 months or less.

After you ROI, your annual energy savings will add a significant amount to your bottom line. Your annual energy cost savings can be in the hundreds of thousands of dollars (depending on the size of your facility).

For the GSA Federal Building in South Dakota – which did a full retrofit that included 510 4' LED tube lights – their annual energy savings hit \$300,000 (55%)!

The GSA Federal Building was retrofitted with bright, efficient 15-watt SeeSmart LED tube lights with a rated lifetime of 50,000 hours and a five-year warranty. Running for 12 hours a day, 285 days a year, these lamps are expected to last for over 14 years.

Imagine saving your company 55% in energy costs every single year and setting yourself up with lights that last over a decade (as opposed to a year or two). This is possible with a full SeeSmart LED retrofit.

¹ U.S. Department of Energy. (2012, January). Energy Savings Potential of Solid-State Lighting in General Illumination Applications.



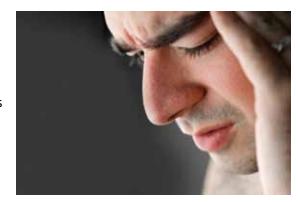
#2 - Reduced Maintenance Costs & Fewer Headaches

The true cost of operating your existing lighting equipment goes beyond just kilowatt hours (kWh).

You have to factor in:

- maintenance and disposal costs
- labor and injury risk
- the rising costs of materials and energy (inflation risk)
- the loss of productive hours due to maintenance interruptions

On top of that, there is a lot of overhead that goes into the maintenance process, including the lengthy request process, corporate involvement, and documentation.



Risk of Injury

Did you know that 14% of all fatal workplace injuries in 2010 were the result of falls? Not only that, but 24% of non-fatal incidents were also the result of falls.

This is a risk that can easily be mitigated by going with a LED lighting system that only requires maintenance of ceiling fixtures once every 5 to 10 years.

Disposal & Replacement Costs and Inflation

If you have traditional incandescent lighting or fluorescents in your facility, you're dealing with a disposable item – one that will need to be replaced often and disposed of. LED lighting typically last 100 times as long as incandescent bulbs and 10 times as long as fluorescents.

The product replacement cost math is easy (see the chart below showing the next 10 years:

TYPE OF LIGHT BULB	LIFE HOURS	REPLACE COST
LED LIGHTING	100,000hrs(~10yrs)	(1) Time Buy Once
Fluorescent / CFLs	6-8000 hrs	13 Times x \$4ea= \$52.00
Incandescent Bulb	1000 hrs	100 Times x \$1ea=\$100.00

When you frequently replace an item, there is also the risk of inflation in the cost of replacement bulbs and in the cost of overall maintenance. Retrofitting your facility with a durable product like LED lighting mitigates your inflation risk.



How much does it really cost to change a light bulb?

Let's take a look at all the factors that go into changing your existing lighting.

- Rental Equipment
- Employee Safety

Fall Risk

Electrocution Risk

Insurance Implications

• Interruption

Manufacturing shut-downs

Impact on sales environment

Ambiance and aesthetics

Patron safety

Foregone revenues

Hazardous waste and contamination

• Disposal

Lamps and ballasts

Hazmat issues

Overhead

Lengthy work process for every maintenance

request

Facilities-level and corporate-level involvement

Insurance and benefits

Fuel and travel

Accounting and budgeting overhead

Material costs and inflation

Disposal documentation

• Contractor Involvement

Accounts payable

Licensed, bonded and insured

Contract negotiations

LED lighting acts as a direct hedge against commodity, inflation, and operational risks. Not only that, your maintenance schedule can go from being a constant headache to something that you only need to deal with once every 5 to 10 years.

Take a look at the chart below and imagine not having to deal with this over-complicated and costly process every single year:



LED lighting revolutionizes this process by eliminating the need for annual maintenance.

Also, when you retrofit you facility with our LED lighting, you get the security and peace of mind that comes with a strong warranty. We stand by the durability of our LED products and provide warranties of 3 to 7 years (depending on the product).



#3 – Tax Deductions & Utility Rebates

There are potential tax deductions from the government and utility rebates from your energy company for retrofitting your facility with LED lighting.

The Energy Policy Act (EPAct) of 2005 provides tax deductions for commercial facilities that make energy-efficient improvements. By installing LED lighting, you may be eligible for tax deductions of \$0.30 to \$0.60 per square foot.

If you operate a facility that is 100,000 sq ft, that's a potential deduction of \$30,000 to \$60,000.

The catch is, in order to be eligible you will need to retrofit your facility by December 31st, 2013.

For more information on EPAct, go to: www.energytaxsavers.com

In addition to potential tax deductions, you may be eligible for utility rebates from your energy company.

Utility rebates are either prescriptive or custom. Prescriptive rebates are prescribed per item. For example, you may qualify for a rebate of \$50 to \$200 per LED fixture. Custom rebates are payments based on the energy reduction your retrofit achieves.

Utility rebates vary, but there are several energy companies in the state of Texas that offer either custom or prescriptive rebates for commercial customers, including:

- Austin Energy
- AEP
- CenterPoint Energy
- CoServ Electric Cooperative
- CPS Energy
- El Paso Electric Company

- Entergy Texas
- Oncor Electric Delivery
- Pedernales Electric Cooperative
- Texas-New Mexico Power Company
- TXU

For more detailed information on the rebate programs available in your state go to: http://www.dsireusa.org/

Depending on the program, utility rebates can significantly reduce the amount of time it takes you to ROI on your investment in LED lighting.



The gleaming, new parking lot at Memorial Sloan-Kettering Cancer Center.

Memorial Sloan-Kettering Cancer Center in New York City switched from fluorescent T8s and T12s to SeeSmart T8s in the hospital's parking garage. Their energy costs were reduced by 160,000 kWh annually (roughly 57%) and their energy company, Con Edison, awarded them \$22,000 in rebates.



#4 - Achieve Your Environmental Initiatives

At present, lighting accounts for about 20% of the power consumption in the world. Reducing this figure is crucial from both a financial and environmental standpoint. LEDs are already beginning to alleviate this energy burden and will become more beneficial as they take over more of the lighting market.

In the U.S., it is predicted that LEDs will replace 55% of incandescent lights and 55% of fluorescent lights over the next 15 years.

Over the next 20 years, the U.S Department of Energy projects that increased LED use will reduce power consumption by 2,700 terawatt-hours, save the U.S. \$250 billion in energy costs and prevent 1,800 million metric tons of carbon emissions.²

Another environmental benefit of LEDs is that they are made with recyclable materials. Since LEDs produce convective heat – not radiant heat – this allows manufacturers to make LED products with recyclable materials that cannot be used in incandescent bulbs and fluorescents. On top of that, LEDs are durable and have a lifespan of 10+ years, which means fewer lamps in landfills.

The transition to LED lighting is a significant step in the right direction, and one that requires the participation of commercial facilities like yours.

Sustainability is no longer a "fringe" idea. It is now a mandate within many organizations, some of which have appointed Energy Managers or Directors.

Sustainability is also good for business. As you've seen in this report, the energy and maintenance cost savings with LED lighting are substantial.

The positive impact on the environment is an added bonus – one that will help your company achieve its environmental initiatives. Retrofitting your facility with LED lighting is good press for your company and will increase your standing in the community. Also, if one of your company's objectives is LEED Certification, then LED lighting will play a pivotal role in helping you achieve that goal.



² U.S. Department of Energy. (2012, January). Energy Savings Potential of Solid-State Lighting in General Illumination Applications.



#5 – The Highest Quality Lighting Available

LED is a revolution in lighting technology.

LED lights are more durable, cost-effective, energy-efficient, and environmentally friendly than any other lighting in history. On top of that, they produce an excellent quality of both indoor and outdoor light.

Here is a list of the 6 major factors that make LED the lighting of the future...

- **1.** LED light is said to be a safer, healthier light. LEDs do not contain any mercury or lead. They also do not produce ultraviolet radiation which causes color fading in art and fabric fading in carpeting and other soft goods.
- **2.** With LED lighting, there is no "buzzing" or "flickering" that many people are sensitive to. LED lighting reduces the physical side effects that are often caused by incandescent bulbs and fluorescents including eye strain, headache, and fatigue. LED light is also much easier to control and will not cause light pollution like other light sources.
- **3.** LED lighting is a solid-state product, which means there are no gases, no filaments, and no moving parts to fatigue. This makes LED products durable and vibration-resistant. This is also the main factor behind the long lifespan of LED lighting estimated to last 10,000 to 50,000 hours (depending on the product).
- **4.** LEDs don't "burn out" like incandescent bulbs they slowly fade after many years of use. And unlike fluorescent tubes that lose as much as 40% of their light output within the first 6 months, the 50,000 hour lifespan of an LED lamp means that at 50,000 hours it will still produce 70% of its original light.
- **5.** LEDs have "instant on/off" capability which means that they will not fade in and out like incandescent bulbs. LEDs are also dimmable, allowing users to adjust light levels as needed.
- **6.** LEDs can operate in extreme temperatures and function very well in the cold. They also produce less heat than incandescent bulbs and fluorescents, which can often reduce HVAC costs.

SeeSmart's line of LED lighting products are designed to be a "1 for 1" replacement of your current incandescent or fluorescent lights. Each LED fixture should produce the same amount of light as each of your current fixtures. In some cases, LEDs will produce more light per fixture, allowing you to reduce the total number of fixtures needed to light your facility.





#6 - A Track Record Of Success

One of the most powerful pieces of evidence that a new technology is reliable, cost-effective, and "ready for the market" is the adoption of that technology by major players in industry and government.

And one of the strongest testimonials for a company is to have satisfied, high-profile customers in the public and private sectors.

We already discussed the GSA Federal Building in South Dakota – which saw an annual energy savings of \$300,000 – and Memorial Sloan-Kettering Cancer Center in New York – which reduced its energy costs by roughly 57%.

The following customers have all been retrofitted with SeeSmart LED lighting products:

Pasadena City College (Pasadena, California)



Pasadena City College replaced more than 34,000 fluorescent tubes with SeeSmart LED retrofit tubes in 2012. The college is projecting annual energy savings of \$720,000 and a carbon footprint reduction of 5 million pounds. "Not only will this save 55% of electrical consumption for lighting, but it saves in manufacturing resources and disposal costs and impacts," said Richard van Pelt, CFO and assistant president of Pasadena City College. "We start saving money on the first day the LEDs are installed, so the payback in instantaneous." The project was funded in part by an \$850,000 rebate from the Pasadena Water Power utility company.

SL Green Realty (New York City)

SL Green Realty Corp (NYSE: SLG), a large commercial property owner in New York City, installed LED lighting throughout 21 of its properties at the end of 2012. Over 16,000 LEDs replaced incandescent, halogen, and fluorescent bulbs. The company estimates annual energy savings of more than \$630,000. "SL Green is excited to take the next step in sustainable lighting by utilizing LED technology," said Edward Piccinich, executive vice president, Management & Construction at SL Green. He stated, "Lighting comprises 30% of a building's typical energy use. LED lighting products addressing 24/7 lighting areas - including garage, stair, and mechanical areas - will yield significant cost savings and quick paybacks. LED equipment allows us to significantly impact lifecycle costs. Affecting energy use and lamp life, 90% of lighting's lifecycle costs, will yield a project payback of only three years, providing \$4.5M in total lifecycle savings." Jay Black, SL Green's director of sustainability, added, "We selected LED lighting because it reduces energy use by more than 55%, and provides superior lamp life, often greater than eight years, which is three to four times longer than other lighting technologies."



Idealease (Barrington, Illinois)



Idealase is a truck leasing and logistics company in Barrington, Illinois, with a 25,000 square-foot facility. For more than 12 years, the facility had the same dull, yellow, poor lighting. There were many dark areas throughout the Idealease offices and employees complained of painful migraines due to insufficient lighting. The Idealease team knew it was time for a change.

Idealease's fluorescent tube lights were replaced with 682 SeeSmart 10- and 15-watt LED tube lights. Dimmable LED PAR lights were installed in recessed cans. SeeSmart's household lamps were used in decorative, ceiling-mounted fixtures.

The results have been overwhelmingly positive. The company's estimated annual energy cost savings are \$25,000 per year. Lighting levels have increased and the

office feels brighter and cleaner. The company's carbon footprint has been reduced by over 70 tons. And employees have noticed an improvement in their energy, productivity, and visual acuity. Employees have even written letters to ownership commending the improved light quality.



In addition to these impressive case studies, is a long list of references. We can provide you with a full list of references upon request, but see below for a small sample...

FEDERAL GOVERNMENT REFERENCES

NAVFAC - Various Locations

Kord Christianson – Energy Efficiency Manager 757.836.1824 Office 757.836.1886 Cell kchristianson@stgcx.com

GSA - Region 8

Jason Hessling – Project Manager Products used – Tube lights 303.236.2971 Office 303.335.5242 Cell Jason.hessling@gsa.gov

Ft. Meade-Army Base

Allie Grady – Engineer-Public Works Products used – Tube lights 301.677.9569 allie.gradyhowell@us.army.mil



PRIVATE SECTOR REFERENCES:

Raytheon

Raymond Ginther 310.647.2220 Products used – Tube lights in office and warehouse

Rancho Cold Storage

Jeremy Corselli 213.624.8861 Products used – Tube light & high-bays in warehouse

Bank of America

Donna Mills 626.666.2804 Products used – Tube lights

Cal Tech College

Mike Anchondo 626.395.4999 Products used – Tube lights in parking structure

AT&T

Albert Santos 323.327.2272 Product used – Tube lights

BNY Mellon Bank

Kurt Spieth 253.396.6205

CBRE

Mike Magdelino 805.432.7300 Product Used – Tube lights, PAR38

Pasadena City College

Don Eckmann 626.585.7700 Products used – Tube lights

These institutions ran the numbers and concluded (correctly) that LEDs were the most cost-effective and efficient lighting solution on the market. These smart, early adopters are the first in a trend that is projected to explode over the next 20 years. The U.S. Department of Energy estimates that LEDs will account for over 70% of the commercial lighting market by 2030.³

Not only did these institutions decide to go with LEDs over other light sources, they decided to go with SeeSmart products over other manufacturers' products.

The fact that these institutions chose SeeSmart's product line says more about the quality of their LED products than any sales pitch we could ever make.

³ U.S. Department of Energy. (2012, January). Energy Savings Potential of Solid-State Lighting in General Illumination Applications.



#7 - Cost of Waiting

Every day you wait to install LED lighting, your company loses money.

LEDs pay for themselves quickly and most customers ROI within 24 months. When you put that in perspective, that is one-fifth of the estimated lifespan of your new LED lights!

The cost of waiting is substantial and real. The longer you wait to retrofit your facility the more money your company will spend in the long-term (energy bills, lamp maintenance, lamp replacement, etc).

Also, if you act quickly and retrofit your facility this year, you may also qualify for EPAct tax deductions of up to \$0.60 per square foot.



So at this point, you're probably wondering...

"Exactly how much will I save in the long-term by retrofitting my facility with LEDs?"

Earlier I mentioned an **Energy Savings Calculator** that will give you a rough estimate of the potential energy savings you will see if you retrofit your facility with LEDs. That Energy Savings Calculator has been posted for you online at:

www.LEDEnergySavingsCalculator.com

Go there now to see how much money you can save for your facility every year by switching to LED lighting.

After you see your savings estimate, call us at **(855) 492-LEDS (5337)** to see if you qualify for a free on-site analysis with one of our **Energy Savings Specialists**.

Our Energy Savings Specialist will perform a full analysis of your current lighting system and put together a customized financial summary for you showing your energy savings, cost savings, and return on investment.

Keep in mind, this is not a "quick and dirty" analysis of your current lighting system. Your Energy Savings Specialist will...

- meet with you personally to discuss your lighting needs
- audit your facility (including a review of previous audits if applicable)
- create a report which outlines all current lighting and proposed LED replacements
- present a detailed financial summary showing energy savings, cost savings, and return on investment
- explain financing, rebates, and tax incentive options



As you can see, this is an in-depth process, which takes a considerable amount of our time and resources. We are more than happy to perform this service free of charge if your facility meets some simple criteria.

Give us a call or email us today to see if you qualify.

Phone - (855) 492-LEDS (5337)

Email - info@leds-unlimited.com with the subject line "Energy Savings Specialist"

After you answer a couple quick questions about your facility, we'll schedule an Energy Savings Specialist to come out to your location as soon as possible.

Don't wait to call. Remember, every day you wait to retrofit your facility with LED lighting is costing you money.

The sooner you retrofit your facility, the sooner you will start saving up to 90% on your energy costs, reducing maintenance costs and headaches, and achieving your environmental initiatives.

We look forward to providing you with the lighting solution of the future.

Mark Klipsch

CMO, LEDs Unlimited LLC







