

A HEALTHY SAVINGS OF **OVER \$233,000** FROM PROACTIVE HVAC REPLACEMENT

PROBLEM

The Vitamin Shoppe was facing high emergency repair and replacement costs every time a rooftop unit (RTU) failed. The Vitamin Shoppe was spending an average of \$4000 per incident on temporary cooling costs, RTU repair costs and for expedited replacement parts (paying 3x the cost of normal shipping if parts were available) for up to 128 stores in need.

In 2016 The Vitamin Shoppe recognized their aging fleet of HVAC units, while well-maintained, was costing more in repairs and replacement parts than they were worth, given the lifetime expectancy of HVAC units.

SOLUTION

FacilitySource conducted an ROI analysis starting with an assessment of each HVAC unit by location for the highest risk for failure and greatest benefit from proactive replacement. The following considerations were reviewed first:

- General condition
- Age
- Size of each RTU

Next, FacilitySource took a deeper dive into The Vitamin Shoppe's historical maintenance expenses, temporary cooling costs, energy and other factors to create a list of prioritized locations for new HVAC units. The following factors were considered in the prioritization process:

- Work order volume per location
- Lease renewal dates
- Remodel dates

The initial list contained 128 locations out of 775 total stores. Ultimately, 37 locations with 67 units were scheduled for high-efficiency HVAC replacement units.

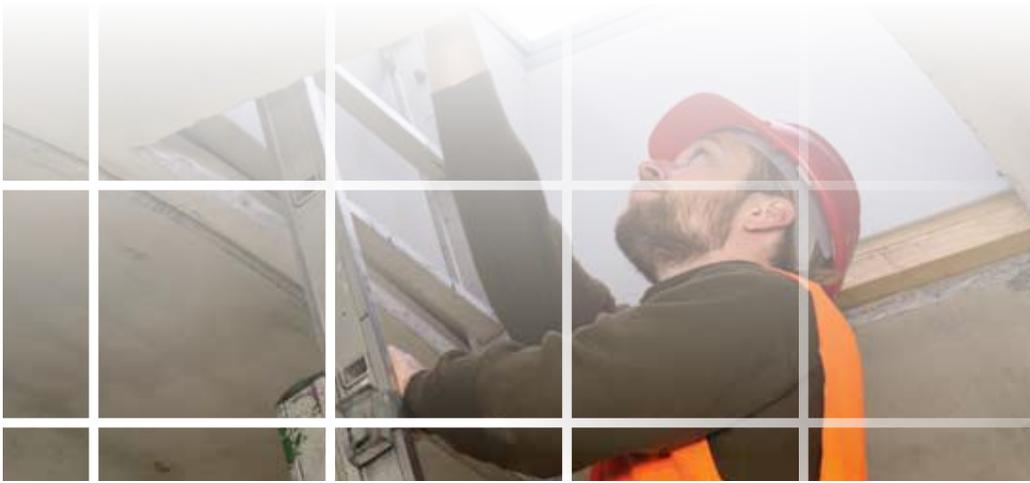


CLIENT

Vitamin Shoppe, Inc. is a multi-channel specialty retailer over 775 stores located in 45 states. The Vitamin Shoppe is a contract manufacturer of vitamins, minerals, herbs, specialty supplements, sports nutrition, and other health and wellness products.



THE VITAMIN SHOPPE



“BEFORE OUR HVAC REPLACEMENT— WE WERE WORKING WITH A BREAK AND FIX MENTALITY. FACILITYSOURCE PROVED THE ROI IN LESS THAN 6 MONTHS. AS A RESULT, FACILITYSOURCE IS NOW MANAGING ALL OUR FACILITY MAINTENANCE SERVICES.”

Heather Fike, Facility Manager for the Vitamin Shoppe

SAVINGS OPPORTUNITIES WITH HVAC REPLACEMENTS

New, high-performance units deliver more efficiency options and better controls. See the following savings potential provided by the EPA:

1. Supermarkets have a 21% energy savings potential¹
2. Retailers have a 41% energy savings potential²
3. Replacing a 10 year old air-conditioning— saves 20-50% on cooling costs.

RESULTS

FacilitySource was able to quickly build a case for redirecting high cost emergency repair funds into a smart proactive investment that demonstrated lifetime savings on these units. Proactive replacement lowered The Vitamin Shoppe’s costs with volume pricing on new units, lower maintenance costs and decreased energy consumption from the replacement units.

- \$233,100 in savings
- \$20,000 in temporary cooling cost avoidance
- ROI of 24%
- Negotiated 2 year parts warranty
- Saved 12% as compared to emergency replacement cost
- Included high-efficiency equipment vs. standard efficiency

¹EPA: Sector Collaborative on Energy Efficiency Accomplishments and Next Steps, B27

²EPA: Sector Collaborative on Energy Efficiency Accomplishments and Next Steps, B27

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