

CONSUMER ELECTRONICS PILOT PRELIMINARY RESULTS

April 27, 2010

ComEd partnered with select Best Buy stores (14 locations) to increase the sale of ENERGY STAR® labeled TVs - specifically CEE Tier 3 and Tier 4 TVs

- A \$15 incentive was paid to Best Buy for every Tier 3 and 4 TV (35 models) sold over and above a predetermined baseline from October 2009 to January 2010
- Best Buy used the incentive funds to promote Tier 3 and 4 TVs as well as educate customers on the benefits of ENERGY STAR labeled TVs
 - The stores were empowered to decide what form the promotion and education took
- In addition, ComEd paid Best Buy start-up funds of \$25K to be applied towards educating sales staff on the merits of ENERGY STAR labeled TVs and merchandising the POP

Store Number	Address	City	State	Zip
Store-306 CRESTWOOD IL	4925 CAL SAG RD	CRESTWOOD	IL	60445
Store-311 BURBANK IL	7600 S CICERO AVE	BURBANK	IL	60459
Store-312 LANSING CALUMET C IL	17151 TORRENCE AVE	LANSING	IL	60438
Store-319 HARLEM AND IRVING IL	4100A N HARLEM AVE	NORRIDGE	IL	60706
Store-320 N RIVERSIDE IL	2358 HARLEM AVE	NORTH RIVERSIDE	IL	60546
Store-322 MELROSE PARK IL	1334 WINSTON PLZ	MELROSE PARK	IL	60160
Store-323 N AVENUE IL	1000 W NORTH AVE	CHICAGO	IL	60622
Store-324 HODGINS/CTRYSIDE IL	11 COUNTRYSIDE PLZ	COUNTRYSIDE	IL	60525
Store-814 BUCKTOWN IL	2100 N ELSTON AVE	CHICAGO	IL	60614
Store-815 CLARK ST IL	2650 N CLARK ST	CHICAGO	IL	60614
Store-1122 87TH AND DAN RYAN IL	8900 S LAFAYETTE AVE	CHICAGO	IL	60620
Store-1142 SOUTH LOOP IL	555 W ROOSEVELT RD	CHICAGO	IL	60607
Store-1381 JOHN HANCOCK CTR IL	875 N MICHIGAN AVE	CHICAGO	IL	60611
Store-1777 KIMBALL & BELMONT IL	3262 W BELMONT AVE	CHICAGO	IL	60618

TV signs and shelf talkers were produced by ComEd and were used to highlight all the “high energy-efficient” TVs

- The signage was a tool for consumers to easily identify these TVs as the most energy-efficient
- The district manager for the participating stores was responsible for putting the POP on display
- The ENERGY STAR lighting field reps audited Best Buy to ensure that POP was in place and applied to the correct models



Total Units Sold	Baseline units	# of Units over baseline (based on SKU level)	Increase over baseline
8,824	7,232	1,592	22%

Overall Pilot results show a 22 % increase in units sold over established baseline (the projected sales increase was 25%)

Overall Flat panel TV sales were up only 17%, therefore the test models sold at a higher rate – 5%

District 10 Flat panel TV Sales Units

Period	Overall Units	% Increase
Q1 2009	25,245	
Q4 2009	29,527	17%

- Although it appears the pilot had a 5% lift, it is hard to draw direct correlations from the data with any degree of certainty due to several external factors at play – pricing, promotions, economy, time of year, etc.
- Challenging to get all necessary sales data from the retailer necessary to draw strong conclusions
- Difficult to formally evaluate; likely to fail TRC
- Setting baseline with Best Buy was extremely labor intensive and not likely to be accepted by most retailers
- Moving baseline so always playing “catch-up”
- Since Best Buy won’t directionally sell it’s harder to push one SKU over another
- While POP proved successful it is hard to drive sales in the electronics category where energy efficiency is a low priority for customers