

## Business Data that Drives Decisions.

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**Presented to:**

**ACEEE/CEE MT Symposium**

[www.aham.org](http://www.aham.org)

**April 14, 2003**

## AHAM

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- i Formed in 1967
- i Major Appliance Manufacturers
- i Portable Appliance Manufacturers
- i Floor Care Manufacturers (new in 2003)
- i Suppliers to Industry
- i Headquartered in Chicago 1967-1999
- i Relocated to Washington, DC 1999



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**VISION**  
*Worldwide Consumer Life Enrichment*

**MISSION**  
*To Serve A Growing Industry*



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**Major Points Covered**

- i **Major Appliance Division Business Data Program Overview**
- i **Appliance Shipments**
- i **Appliance Value**
- i **AHAM Consumer Studies**
- i **Efficiency Data and Trends**
- i **County Data and ENERGYSTAR Collection**



## AHAM's Business Data Program

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The efforts of AHAM member companies have built a world-class data program.

- | Decision-makers throughout our industry, market analysts, government, utilities and private sector, use the data to evaluate our industry.
- | AHAM's market data program is a powerful tool due to two of its significant characteristics: accuracy and timeliness.



## AHAM's Business Data Program

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- | AHAM members produce more than 94% of the products shipped for sale within the US.
- | AHAM collects market information from member companies including:
  - i Industry shipments, dollar value and characteristics.
  - i Most reports are collected and published on a monthly basis; some are done annually.
- | This information is collected from participating companies on a confidential basis, aggregated, and reported back to member companies.



## AHAM 's Business Data Program

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- i More than 300 reports
  - | Weekly, monthly, quarterly, annual and characteristics reports
- i 19 major appliances categories covered
- i AHAM data represents 100% of industry shipments.

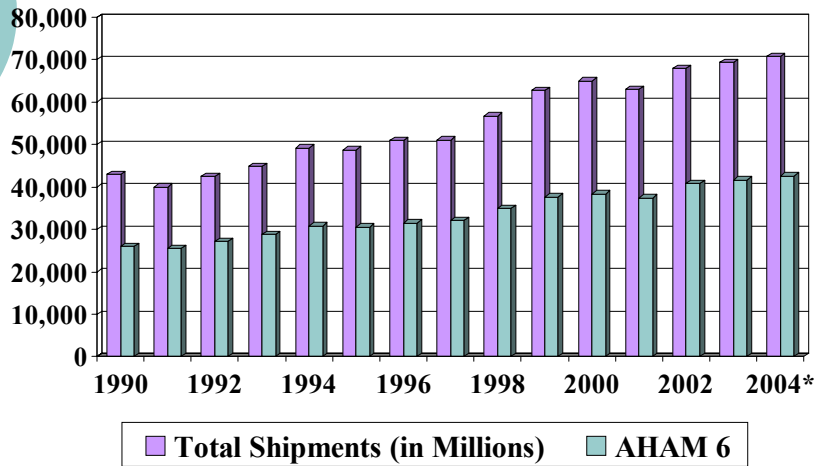


## Major Home Appliance Industry Shipments

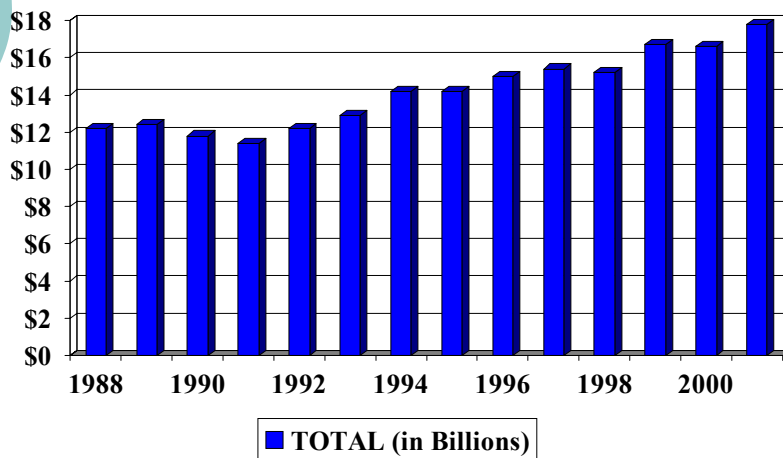
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- | Major factors that can affect the level of appliance shipments include:
  - i Home Sales, Consumer Confidence, Increased Earnings, Replacement Purchases, Innovative Technologies and Consumer Credit.
- | AHAM 6 includes Washers, Dryers, Dishwashers, Refrigerators, Freezers, Free-standing and Built-in Ranges

## Major Home Appliance Industry Trends



## Major Home Appliance Industry Dollar Sales





## Saturation and Length of Ownership

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- i In addition to our manufacturer data collection program, AHAM conducts consumer research.
- i Saturation Study conducted every 5 years.
  - | 1991, 1996, 2001.
- i Details the Saturation of major appliances by US census region
- i Includes the reasons and method of disposal, access to multiple appliances, length of ownership, and demographics.



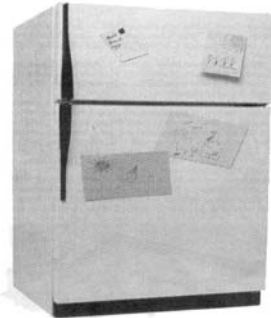
## Saturation and Length of Ownership

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- i The average length of appliance ownership varies from 6.5 years for a room air conditioners to 11.7 years for freezers
- i In almost every category, the average age of units owned has either slightly decreased or remained the same since 1996, indicating that appliances are being replaced or left behind more often than in 1996

# HOME

THURSDAY, JULY 19, 2001



## HOW LONG DO WE KEEP OUR APPLIANCES?

Ranges/cooking surface  
9.5 years

Full-size refrigerators  
8.5 years

Clothes washers  
7.7 years

Microwave ovens  
7.7 years

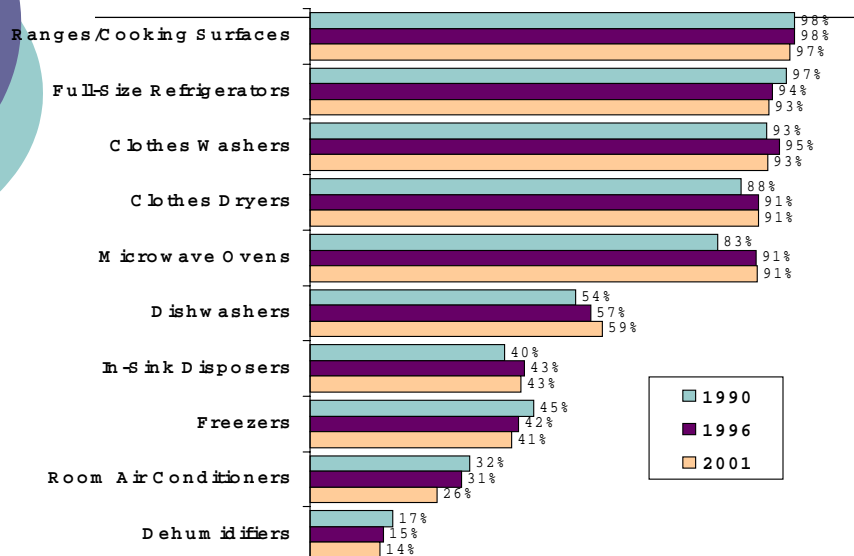
Dishwashers  
7.2 years

Home Appliance Manufacturers

The retirement age of most major appliances is getting younger, according to a study by the Association of Home Appliance Manufacturers. Instead of waiting for their washers and refrigerators to cook out, American consumers are replacing aging appliances with newer, smarter, more energy-efficient models. "More and more consumers who retire appliances early can reap a huge energy savings," says Jill Notini, spokeswoman for AHAM ([www.aham.org](http://www.aham.org)). "Most new models of ovens average efficiency will be less costly to operate than one which is over five years old." Notini cites the example of the typical current-model household refrigerator-freezer, which is more than 90 percent more energy efficient than the same size unit from 1980. The study, released this month, showed that in almost every category, appliances are being replaced or left behind more often than in 1996. Room air conditioners have the lowest average length of ownership at 6.5 years; the longest in the survey was freezers, at 11.7 years.

Jana Koncius

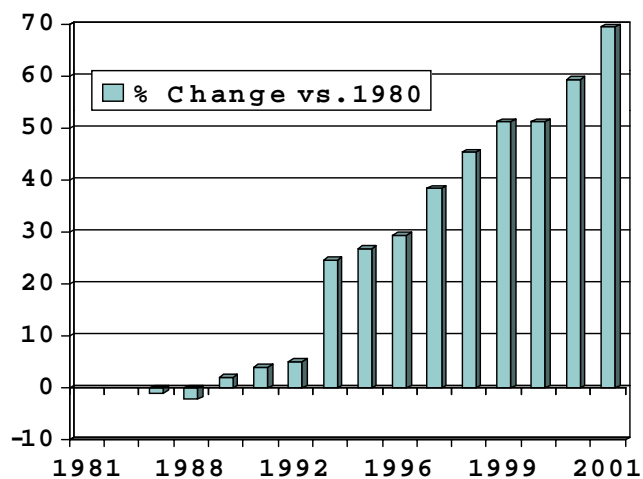
## Home Appliance Saturation 1990 vs. 1996 vs. 2001



## Energy Efficiency Improvements are Dramatic

- i Typical household refrigerator/freezer is over 90% more energy efficient than same unit in 1980
- i Refrigerator running year round consumes less electricity than a 75 watt light bulb
- i Average operating costs have decreased due to these efficiency gains

## Clothes Washer Consumption Trends







## **Federal Efficiency Standards Set Energy Floor**

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- i New Clothes washer standards go into effect in 2004, 2007
  - | 22, 35 percent more efficient than today's unit
  - | up to 50% reduction in water usage per machine
- i New Refrigerator/Freezer standard went into effect July 2001
- i New Room Air Conditioner standard went into effect October 2000
  - | 15% efficiency improvement



## **AHAM's Business Data Program**

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- i National ENERGYSTAR shipment reporting by month began in January 2002.
  - i Data includes clothes washers, refrigerators, dishwashers and room air conditioners. Council began reporting dehumidifiers in January 2003.

# ENERGY STAR

## Reporting

### Factory Shipments by Energy Efficiency For the Twelve Month Period Ending December 31, 2002

Product	Year to Date			Percent E* of Total
	Energy Star	Other	Total	
Refrigerators (all over 6.5 cu. ft.)	2,392,028	7,352,316	9,744,344	25%
Clothes Washers	1,059,498	6,685,370	7,744,868	14%
Dishwashers (Portable and Built-In)	2,981,764	3,225,028	6,206,792	48%
Room Air Conditioners	1,141,457	5,011,139	6,152,596	19%

## AHAM's Business Data Program

- Significant interest by utilities and others to receive additional energy data.
- Significant company resources required to modify systems to be able to report state level data.
  - Manufacturers currently do not have the systems in place to collect state ENERGYSTAR data.
    - i Will require systems upgrades; IT changes.
- AHAM needs assessment to detail costs/benefits before commitment to report.
- Will be decided upon at September Data Council meeting.

## AHAM's County Data Program

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- i AHAM also tracks County Shipment Reports.
- i Very complex report with thousands of data points.
- i Data can be purchased monthly for any US county.
- i Useful for Load trending and forecasting.
- i Rebate program analysis.

## County Data Report

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**Sacramento County, CA**

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**April 2002**

**Sample**

	April	Cumulative YTD
Room Air Conditioner	1,175	2,970
Clothes Washers	2,876	12,152
Built-In Electric Ranges	685	2,837
Elec. Surface Cooking Units	229	819
Refrigerators	3,696	17,059