

News release



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CONTACT: Angela Adams
Angela.S.Adams@jci.com
414-524-5210

Growing number of building owners around the world combating rising energy prices by pursuing energy efficiency

5th Annual Global Energy Efficiency Survey Shows:

- Energy cost savings, government incentives and enhanced public image the biggest motivators for energy-efficiency investments
- Green building movement reaches new heights with nearly four in 10 achieving certifications, twice as many as last year
- North America building owners expect lighting and smart building technology to play major role in the future

WASHINGTON, D.C. – (June 16, 2011) – Rising energy prices, government incentives and enhanced public image are driving energy efficiency in buildings to new heights as a growing number of building owners race to reduce energy consumption, according to the results of the fifth annual, global Energy Efficiency Indicator survey.

The survey of nearly 4,000 building owners and operators around the world was led by Johnson Controls' Institute for Building Efficiency, the International Facility Management Association and the Urban Land Institute.

“We are seeing record levels of energy management and reduction projects around the world, driven mainly by financial reasons, more than environmental concerns,” said Dave Myers, vice president and president of Building Efficiency for Johnson Controls. “Regardless of the motivations, buildings account for 42 percent of global energy usage, so the growing trend of making buildings more energy efficient is smart business, helps create local-market jobs, and benefits the environment. We applaud building owners for stepping up efforts to make their facilities more energy efficient and sustainable.”

Although the primary motivation for energy efficiency projects continued to be energy cost savings, government incentives and enhanced public image were also important, ranking second and third in the survey. Greenhouse gas reduction, which ranked as the second highest motivator in 2010, ranked fourth in 2011.

Rising energy costs are clearly on building owners' minds. Eight in 10 respondents expect double-digit energy price increases over the next year. As a result, owners have set an average energy reduction target of 12 percent.

But significant obstacles exist to meeting these ambitious goals. Access to funding and financial returns were cited as the top barriers globally. Indeed, barriers to capital access topped the list for respondents in the U.S./Canada (38%) and Europe (30%).

"This year's survey clearly shows that there's growing urgency in making buildings more energy efficient, and large strides have been made with the help of government incentives," Myers said. "However, building owners continue to tell us that access to capital remains the top barrier for improving energy consumption. By making funding more accessible, policymakers have a tremendous opportunity to influence the achievement of their energy and environmental goals."

Here are further insights into what building owners and operators are saying around the world:

- Seven in 10 – up from six in 10 – indicate that energy management is important to them, with respondents in India (89%) and China (85%) expressing the most interest, followed by U.S./Canada (66%), and Europe (61%).
- Three out of four have set energy or carbon reduction goals.
- Nearly four in 10 have achieved at least one green building certification, twice as many as the prior year. An additional 32 percent (32%) have incorporated green building elements.
- Building owners planning to pursue green building certifications for existing buildings (39%) slightly outpaced those with plans to certify new construction (35%).
- Lighting and heating, ventilation, air conditioning and controls improvements continued to be the most popular energy efficiency improvements made last year.
- Building owners have greater access to energy data, but few are taking advantage of it. More than eight in 10 measure and record data at least weekly or monthly, but fewer than two in 10 review and analyze that data at least weekly. Those who have implemented smart grid/smart building technology such as advanced energy metering and management systems are nearly 3 times more likely to review and analyze their data frequently.
- Organizations that set a reduction goal, analyze energy data frequently, add internal or external resources, and use external financing were found to implement four times as many improvement measures as those who did none.

Highlights of the survey results for North America show a double-digit increase in U.S./Canada building owners who believe energy management is important (66%) compared to the prior year (52%). Building owners expect lighting and smart building technology to have greater adoption rates over the next ten years than renewable energy technologies in the U.S./Canada. Seventy-seven percent (77%) of U.S./Canada building owners plan to include green building elements in their facility plans in the next 12 months. Efficiency in buildings remains the top global strategy for reducing greenhouse gas emissions led by the U.S./Canada (52%) and then Europe (28%), China (27%) and India (24%).

“These survey results speak to an increasing number of building owners and operators turning to smart, high-performance building technology to achieve their energy efficiency goals,” said Tony Keane, president and CEO of the International Facility Management Association.

“Managing and operating buildings at peak efficiency will require facility professionals to strengthen their skill sets to successfully utilize these complex building technologies. As more high-performance buildings come online over the next decade, training and credentialing will play an essential role in helping facility professionals manage these buildings at optimal performance levels.”

This year marks the first time survey respondents include members of the Urban Land Institute (ULI), which has an ongoing program of work dedicated to energy-saving urban development practices, including both building and location efficiency.

“This survey identifies building performance and financial innovations that are applicable to both new and existing buildings and all segments of the real estate marketplace,” said ULI Chief Executive Officer Patrick L. Phillips. “The real estate industry is demonstrating leadership in the quest to find an appropriate balance between energy use and sustainable communities.”

The global and North America survey results will be announced on June 16th during the 22nd annual North America Energy Efficiency Forum in Washington, D.C., co-sponsored by the U.S. Energy Association and Johnson Controls. This year’s forum, themed “Energy Efficiency: The Smart Path to Energy Security and Economic Growth.” For more information about the forum, visit www.eeforum.net.

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About Johnson Controls

Johnson Controls is a global diversified technology and industrial leader serving customers in more than 150 countries. Our 142,000 employees create quality products, services and solutions to optimize energy and operational efficiencies of buildings; lead-acid automotive batteries and advanced batteries for hybrid and electric vehicles; and interior systems for automobiles. Our commitment to sustainability dates back to our roots in 1885, with the invention of the first electric room thermostat. Through our growth strategies and by increasing market share we are committed to delivering value to shareholders and making our customers successful. In 2011, Corporate Responsibility Magazine recognized Johnson Controls as the #1 company in its annual "100 Best Corporate Citizens" list. For additional information, please visit <http://www.johnsoncontrols.com>.

About IFMA

IFMA is the world's largest and most widely recognized international association for professional facility managers, supporting more than 19,000 members in 78 countries. The association's members, represented in 123 chapters and 16 councils worldwide, manage more than 37 billion square feet of property and annually purchase more than US\$100 billion in products and services. Formed in 1980, IFMA certifies facility managers, conducts research, provides educational programs, recognizes facility management certificate programs and produces World Workplace, the world's largest facility management conference and exposition.

About the Urban Land Institute

The Urban Land Institute (www.uli.org) is a global nonprofit education and research institute supported by its members. Its mission is to provide leadership in the responsible use of land and in sustaining and creating thriving communities worldwide. Established in 1936, the Institute has nearly 30,000 members representing all aspects of land use and development disciplines.