Building a Powerful and Enduring Brand: The Past, Present, and Future of the ENERGY STAR® Brand

Prepared by Interbrand for the U.S. Environmental Protection Agency
June 2007

“We do not inherit the Earth from our ancestors, we borrow it from our children.”

Native American Proverb

Contents

Overview 3

Background: Brands 4

The ENERGY STAR Brand 8

History of ENERGY STAR 11

The Future of the ENERGY STAR Brand 36

Overview

Brands are assets and the value of a strong brand is incontestable. Brands are highly sophisticated and require rigorous strategies to increase their value. Key to their value is the development of loyal customers that come back again and again.

The ENERGY STAR has grown into a well-recognized consumer brand, the result of well-crafted strategies, market-defined insights, and a perseverance to always improve on the past. To ensure the brand's continued success, a wide spectrum of information is included in the following report so the facts can inform the future path of the brand.

The goal of this report is to provide information and a greater appreciation for the:

- Art and science of branding
- Core principles of the ENERGY STAR brand
- Evolution of the ENERGY STAR brand
- Future opportunities and challenges
- Ways to ensure future success

Brands can evolve over decades. The ENERGY STAR brand is still young, but it has already accomplished much. It also has many frontiers yet to conquer.

This report was prepared by Interbrand. Interbrand is a leading international branding consultancy specializing in brand services and activities, including: brand strategy, visual and verbal identity, and brand valuation. Interbrand has been working with the ENERGY STAR program since 2001 to provide strategic counsel and brand management expertise.

Background: Brands

This section provides the academia- and industry-accepted definitions of "brand," as well as a brief summary of the significance of brands. It provides an important backdrop for examining the achievements of ENERGY STAR to date and the challenges that the ENERGY STAR brand faces.

What is a brand?

A brand is the most misunderstood and broadly defined concept in modern marketing. We have endeavored to provide the most succinct and accepted definition, as stated in The Interbrand Glossary (October 2006).

A brand is a mixture of attributes, tangible and intangible, symbolized by a trademark, which if managed properly, creates value and influence. "Value" has different interpretations: from a marketing or consumer perspective it is the promise and delivery of an experience; from a business perspective it is the security of future earnings; from a legal perspective it is a separate piece of intellectual property.

A brand is intended to secure future earnings by growing customer preference and loyalty. Brands simplify decision-making, represent an assurance of quality, and offer a relevant and credible choice among competing offerings.

What is not a brand?

A brand is not an advertising campaign, a slogan, or a logo; nor is it solely created for the customer. A brand must resonate with all stakeholders: employees, shareholders, customers, partners, and end users.

Why do brands matter?

Excerpt from Brands & Branding (Febuary 2004), chapter titled "What is a brand?":

In developed economies, consumers have an astonishing, often bewildering, array of choices. There are, for example, dozens of car manufacturers, hundreds of car models, and thousands of different vehicle specifications to choose from. This diversity of choice puts pressure on those making or selling products or services to offer high quality, excellent value, and wide availability. It also puts pressure on them to find more potent ways of differentiating themselves and securing competitive advantage.

Much of the skill of marketing and branding is concerned with building equity for products whose characteristics, pricing distribution, and availability are really quite close to each other. Take cola drinks. Coca-Cola and Pepsi-Cola are able to dominate the worldwide market. Their worldwide distribution network no doubt plays a part in this, but the main factor is the strength and consumer appeal to consumers. The strong, instantly recognizable names, logos, and colors of these two brands symbolize their makers' promise that consumers' expectations will be fulfilled, whatever the subtleties of these might be.

Brands allow consumers to shop with confidence, and provide a route map through a staggering array of choices… The real power of successful brands is that they meet the expectations of those that buy them or, to put it another way, they represent a promise kept. As such, they are a contract between a seller and a buyer: if the seller keeps to its side of the bargain, the buyer will be satisfied and more likely a loyal repeat customer.

How has the use of brands evolved?

Quoting from Brands & Branding:

The wide scale use of brands is essentially a phenomenon of the late 19th and early 20th centuries. Hand in hand with these brands came early trademark legislation, which allowed the owners of these brands to protect them in law. It is in the period since the end of World War II that we've seen the real explosion of the use of brands.

An activity that, for three quarters of a century, was mainly confined to consumer goods and services, now features in industrial and BtoB sectors, the public and voluntary sectors, utilities, and non-governmental organizations. Football teams, political parties, and pop stars alike all now consider themselves brands.

What are the spheres of brand influence?

As the definition of a brand has evolved over the last half century, the brand's sphere of influence has also expanded in ways that were once unimaginable. Historically, the brand was restricted to the narrow definition of the logo—a symbol that simply marked a territory. Now the domain of the brand has expanded to all points of the compass (see graphic below). The brand is documented and noted as having a profound influence on corporate cultures such as Southwest Airlines, distribution channels such as eBay, investors through a brand such as GE, and government brands through Tourism and Economic Development Departments.

These new constituents are also influenced by a growing array of communications tools from conventional advertising, to the science of Direct Marketing, to the viral nature of Guerilla Marketing, to the age-old standard of Public Relations. The power of word-of-mouth is perhaps the most potent and least appreciated sphere of influence where the brand has a deep and influential role; consider, for example, the fact that the most compelling reasons for buying an automobile are recommendations from friends and relatives.

Today, brands have evolved into highly complex and sophisticated assets that demand a rigorous strategy to increase their value and influence on both internal and external audiences.

The following are components that define a brand:

What are the benefits of branding?

Brands are business assets, and the value to businesses of owning strong brands is incontestable. Brands that keep their promise attract loyal buyers who will return at regular intervals. The benefit to the brand owner is that forecasting cash flows becomes easier with repeat customers, and the brand owner can plan and manage with greater confidence the development of the business. Thus brands, with their ability to secure future income, can be classified as productive assets in exactly the same way as any other, more traditional assets of a business (e.g., plants, equipment, cash, investments, and so on).

The asset value of brands is now widely recognized by both brand owners and investors. Brands can generate high-quality earnings that directly affect the overall performance of the business and thus influence share price.

According to Brandchannel.com, "Brand Called You" by Steven Van Yoder: Brands have a number of strategic functions, enabling brand owners to:

- Differentiate from the competition.
- Position a focused message in the hearts and minds of target customers.
- Persist and be consistent in marketing efforts.
- Customize services to reflect the personal brand.
- Deliver messages clearly and quickly.
- Project credibility.
- Strike an emotional chord.
- Create strong user loyalty.

What are the principles of effective branding?

Interbrand advocates eight principles of effective brand management for maintaining or building the value of a brand. These principles are exemplary and drawn from the experience of many of today's most successful brands.

1. The brand continuously delivers benefits that meet and exceed customer expectation in the following ways: quality of service or product, customer-driven design, making lives more efficient or enjoyable, meeting a previously unmet need and innovation (e.g., Target Stores).

2. The brand is relevant to defined audiences through rigorous segmentation, tailored messaging, a unique proposition, and creative execution (e.g., AT&T).

3. The brand's pricing captures the customer's perception of value by striving for a premium cost, linking pricing to intangible benefits, and communicating exclusivity (e.g., Starbucks).

4. The brand is differentiated, ownable, and credible. The positioning is creative and strategic. The promise made is the promise delivered. The brand remains fresh and exciting through constant evolution (e.g., MINI).

5. The brand is constant yet flexible. There is a 70/30 principle for global branding. This rule of thumb dictates that 70% of the brand must remain absolutely consistent and 30% is given flexibility. Consistency drives recognition, so the core meaning of the brand cannot be changed. However, flexibility gives the brand room to evolve (e.g., Marriott Hotels).

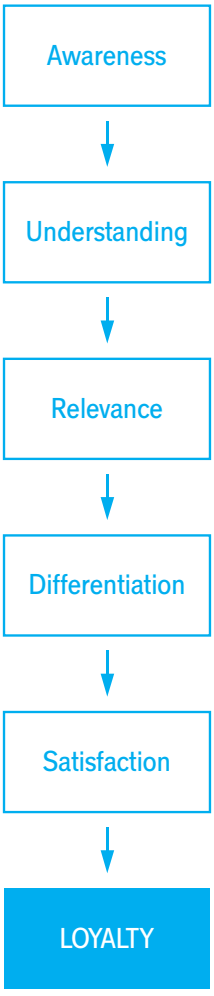
6. The brand architecture is clean, clear, and intuitive. This ensures synergy between brands—leveraging equity across the branded portfolio. A guiding principle in brand architecture is to think like your customer. How do your customers see your brand segmentation? This should be an externally looking exercise (e.g., GE).

7. The brand is understood by all employees and acts as the central organizing principle. Employees' behavior must be aligned with the brand and managed and rewarded as such. Employees are engaged in evolving the brand (e.g., Disney).

8. The brand is managed as a long-term asset. The drivers of value are measured and managed as strategic assets. Decisions are guided by value contribution (e.g., Samsung).

The Brand Continuum

Another framework used by many brand managers to communicate essential elements in effective brand management is the brand continuum. Because the value of a brand builds with the growth of loyal, repeat customers, successful brands are managed with building customer loyalty as the ultimate goal. On the way, the customers must become aware of a brand, understand it, and find it relevant to their lifestyle. A successful brand can distinguish itself from its competitors and deliver an experience that leaves the consumer satisfied and likely to look for the brand again. Sound brand management understands this continuum (see graphic below). The challenge is to stay on course and to always strive for—and manage towards—consumer loyalty.



The ENERGY STAR Brand

This section reviews the ENERGY STAR brand and program, followed by a section on its history, including a comprehensive brand review conducted in 2001 and 2002, and achievements to date. With this information as a foundation, the final section reviews some of the opportunities for the future and the challenges the ENERGY STAR brand may face in pursuing these opportunities.

ENERGY STAR Brand Attributes and Principles

ENERGY STAR motivates businesses, public organizations, and individuals to take action to help protect the global environment, while saving on energy bills and maintaining their quality of life. ENERGY STAR is designed so that:

- ENERGY STAR qualified products, homes, buildings, and services are more energy efficient than conventional products, homes, buildings, and services (between 10 and 90%) and therefore help reduce greenhouse gas emissions.
- ENERGY STAR identifies cost-effective solutions, providing payback within several years for any higher initial cost.
- There are no tradeoffs in performance or quality.
- ENERGY STAR, as offered by the U.S. Environmental Protection Agency (EPA), builds upon the technical resources and objectivity of the federal government.

These attributes ensure the brand consistently delivers value to its target audiences. Behind these attributes are a number of guiding principles that establish the broad parameters and other conditions that need to be met for the brand's continued success. These guiding principles are as follows:

Broadest environmental benefit. The decision about where and when to offer the ENERGY STAR is always based on a thorough, objective review of long-term environmental benefits and a sustainable, positive impact on the environment.

Power of an informed buyer. ENERGY STAR is offered as a decision-making guide to consumers across all economic sectors on the basis that consumers will make different decisions if they have clear, objective information on why these decisions have value for them.

Broadly relevant. ENERGY STAR is designed to be an easy choice for consumers in a number of ways. These include:

- **Easy to understand.** ENERGY STAR was established as a simple indicator of energy efficiency. Something either meets the criteria for ENERGY STAR or it does not.
- **Cost effective to the end user.** The threshold for energy efficiency levels that must be met for a product to earn the ENERGY STAR are established so that consumers will save money within a few years (5 years at the longest), even if the initial purchase price is greater than the price for the less efficient alternatives.
- **Same, if not better, performance.** ENERGY STAR is only used if the products meeting the higher efficiency levels will deliver the same, if not better, performance as the typical alternatives. ENERGY STAR is designed to help show that energy efficiency is not about sacrifice or doing without, but rather that with efficient technologies on the market today, consumers can cut their energy bills substantially, while reducing greenhouse gas emissions. With this design, the ENERGY STAR communicates a simple message to consumers identifying which products, homes, buildings, and services will help them save money and protect the global environment.

Level playing field for program partners and technologies. ENERGY STAR is designed to establish performance levels that differentiate highly efficient products from less efficient products and assist the consumer in purchasing many of the energy using products needed for the home or office. ENERGY STAR is not used to give one technology an advantage over another.

The government is an effective and unbiased source of authority. ENERGY STAR relies on the objective role of the federal government as a source of authority in providing consumers with information on products, buildings, homes, and services that can save energy, save money, and help reduce greenhouse gas emissions.

ENERGY STAR scores well on key attributes.

The ENERGY STAR program and brand succeed in meeting key branding attributes as described previously in the brand management principles and brand continuum sections. For example:

RELEVANCE.

A successful brand must offer a relevant choice to its target audience. ENERGY STAR is relevant, allowing everyone the opportunity and ability to make a personal contribution to protecting our environment and reducing greenhouse gas emissions.

DIFFERENTIATION.

A successful brand must offer a sufficiently differentiated choice within the marketplace so that consumers see a different value. ENERGY STAR is differentiated as a government-backed program offering a compelling way to do good through the simple act of choice, while providing financial benefits to the consumer.

CONSISTENT COMMUNICATIONS.

A successful brand needs to speak to its audience in a compelling and consistent way. Managing all brand communications so that they deliver a similar message with a compelling image or personality is key to developing an understanding of the brand and its relevance. ENERGY STAR is a seemingly complex subject, but is presented with a highly approachable, straightforward, and consistent look and feel.

CREDIBILITY.

Credibility is the backbone of a successful brand. ENERGY STAR is fortified by the capabilities and reputation of EPA and the U.S. Department of Energy (DOE). Today, millions of consumers and businesses choose ENERGY STAR—demonstrating that ENERGY STAR has earned credibility in the marketplace.

These fundamental elements of the ENERGY STAR brand combined with effective brand management (discussed later) provide the essential ingredients for continued success.

History of ENERGY STAR

ENERGY STAR did not become a success overnight, but by growing and evolving over more than 15 years. With all brands it is important to understand the beginning, the inspiration, the core competencies, and the roots of success before deliberating future opportunities. The ENERGY STAR story is one of a meteoric rise from an idea to a brand recognized worldwide.

The First 5 Years: 1991–1995

In the late 1980s, EPA began looking at sources of greenhouse gas emissions and means to reduce these emissions. One greenhouse gas, carbon dioxide, is closely linked to the use of fossil fuels either through the generation of the electricity we use at home and at work or through the direct use of oil and natural gas. As EPA looked into the issue, it saw many opportunities to improve the energy efficiency of businesses and homes in ways that would not only reduce emissions of greenhouse gases but save money and encourage economic growth.

The 90s were a decade of unprecedented change and 1991 was a watershed year. The Gulf War was underway, exposing Americans to the delicate balance of power and centuries–old conflicts, which today redefine our global perspectives. Healthcare and Social Security reform dominated the headlines. The American landscape was in a state of flux, in which innovative ideas quickly took root; this environment was ideal for EPA's introduction of ENERGY STAR.

In 1991, EPA launched the voluntary Green Lights program, designed to promote more efficient lighting in commercial and industrial buildings and thereby reduce energy use and help protect the environment. Green Lights created a unique and powerful partnership between the federal government and private industry.

In 1992, EPA introduced ENERGY STAR as a voluntary labeling program designed to identify and promote energy-efficient products whose use in the workplace and at home would reduce greenhouse gas emissions. Computers and monitors were the first labeled products.

The promise of Green Lights and ENERGY STAR was simple and rational: Use energy-efficient products and technologies to save money and prevent greenhouse gas emissions and air pollution. The promise of Green Lights and ENERGY STAR was legitimized by EPA's core competencies:

- Engineering and technical know-how.
- An ability to move quickly to overcome market barriers.
- The credibility of the Agency charged with safeguarding the natural environment.
- The objective authority of a government-backed program.

The value proposition in both Green Lights and ENERGY STAR at this time was national recognition from EPA for advancing energy-efficient products and practices, along with the possibility of a competitive advantage for those that did it well.

For corporations, the reward for adoption of and loyalty to the Green Lights program was monetary, while the resulting carbon reductions satisfied EPA's requirements for success. Green Lights took hold immediately and in a matter of a few years could boast the participation of more than 1,600 corporations—including Abbott, Duracell, Eli Lilly, Hasbro Inc., Honeywell, Maytag, Pacific Gas and Electric, S.C. Johnson, Toyota, and Walt Disney—committed to the intent and the value of the Green Lights program. Testimonials and joint advertisements abounded, in which corporations boldly revealed the program's benefits in ways that were very compelling to their shareholders, employees, and the marketplace:

- "Boeing and Green Lights created an annual savings of $1,006,592."
- "Bell Atlantic and Green Lights created an annual savings of $642,920."
- "Hewlett Packard and Green Lights created an annual savings of $1,125,737."

In the early years of ENERGY STAR, EPA focused on developing the technical specifications for products, engaging partners, exploring retail distribution channels, and planting the seeds for later program success and growth. EPA worked closely with manufacturers to steadily increase the number of product models earning the ENERGY STAR label. Through 1995, EPA expanded the number of qualifying products to 10, including additional office equipment products and residential heating and cooling equipment. At the same time, EPA and interested stakeholders were researching whole-building efficiency technologies for the commercial sector and launching the first energy efficiency specification for the new homes sector.

From a branding perspective, during the early years the ENERGY STAR "Pollution Preventer" mark helped raise industry awareness and understanding of energy efficiency and its link to environmental protection. The mark achieved its success through:

- Technical acumen.
- Industry influence.
- Corporate participation.

Several outreach materials used at this time are shown on pages 22 and 23.

It is also worth noting that in 1992—the same year EPA launched ENERGY STAR—the World Wide Web burst into our culture, going on to reshape commerce, language, community, technology, entertainment, and politics.

Steady Growth: 1996–2000

In 1996, EPA and DOE signed an agreement authorizing DOE to use the ENERGY STAR mark on certain products. DOE would manage the ENERGY STAR on kitchen appliances, water heaters, and windows. EPA would continue managing the ENERGY STAR on office equipment, consumer electronics, and heating and cooling products. EPA would also continue managing the ENERGY STAR program in the areas of new home construction and commercial and industrial buildings.

At this stage, the semicircular earth mark was adapted so that the initials EPA and DOE appeared in each corner, and the tagline "Saving the Earth. Saving Your Money." appeared below the mark to convey the value of ENERGY STAR to its target audiences. The same tagline was used below the marks for buildings and homes (see overview of ENERGY STAR marks on pages 18 through 21). In 1997, EPA started a broad outreach campaign to encourage consumers to look for the ENERGY STAR label. The outreach messages were designed to appeal to the power of an informed consumer by providing objective information next to the govern-

ment-backed label. The first consumer campaign had three key messages:

ENERGY STAR saves you money and protects the environment. Use of qualified products in your home can mean up to 30% savings.

The 2nd price tag: Products have two price tags: the buying price and the cost of electricity to use the product over its lifetime.

An easy choice: Either the product is energy efficient because it displays the ENERGY STAR mark or it isn't (has no mark).

In 1998, the ENERGY STAR Buildings and Green Lights Program commissioned a study to unify its program materials as part of phasing the Green Lights program out as a distinct program and becoming instead the first step toward qualifying an entire building as ENERGY STAR. And, in 1999, EPA commissioned a small-scale study to examine the opportunities for a more unified approach across the entire ENERGY STAR program. This effort included a review of the use of the ENERGY STAR marks and was carried out by Cohn & Wolfe.

The findings of the 1999 Cohn & Wolfe study stated that while the fundamental semicircular earth shape, "energy" in script, and star graphic remained consistent across program materials, slight variations could be confusing to the public. This research provided the recommendation that EPA use one fundamental mark (the semicircular earth or line representing the top half of the earth) with a limited number of strategic variations as necessary based on important differences in the function of the mark. The necessary variations were:

- The certification mark (for qualifying products, homes, and buildings), which would have no tagline and would be used to certify those products, homes, and buildings meeting the technical requirements for the ENERGY STAR.
- The promotional mark, which included the tagline "Money Isn't All You're Saving" for use in outreach materials.

- Three additional marks—Partner, Ask About, and We Sell marks—which were made round so that they would remain distinct from the certification mark and promotional marks.

This new set of unified marks was released to program partners in the last quarter of 2000, along with usage guidelines.

The 1999 Cohn & Wolfe report also noted, **"the best brands have both a rational and emotional appeal. The rational, intellectual aspect of ENERGY STAR has been central to all three programs to date. Going forward, the emotional appeal will help build relevance, a weak aspect of ENERGY STAR today [1999]."**

In summary, from 1996 to 2000, EPA's initiatives for efficient products, homes, and buildings expanded on all fronts and a number of graphical uses of the ENERGY STAR mark were developed for different markets. The number and variety of partners increased—utilities, contractors, manufacturers, educational institutions, government agencies, and others were joining the ENERGY STAR program to more easily promote energy efficiency. Web activity and promotions by partners expanded. International agreements were signed as well during this time frame. A summary of some of the key indicators for the ENERGY STAR program as of 2000 is provided on the following page. By the end of 2000, the program was producing tremendous results—helping Americans save about $5 billion a year while avoiding greenhouse gas emissions equivalent to those of 10 million vehicles.

ENERGY STAR Key Program Indicators for 2000

	Indicator	2000
Qualified Products	Products Sold**	600 million
	Product Categories	40
	Product Models	11,000
	Public Awareness	40%
	Retailers (Partners)	25
New Homes	New Homes Built**	25,000
	Homebuilders (Partners)	1,600
Commercial Buildings	Buildings Benchmarked**	4,200
	Buildings Labeled**	545
	Building Types Eligible for Label	2
ANNUAL RESULTS	Energy Saved (kWh)	62 billion
	Avoided Emissions (MMTCE)	15.8
	Dollars Saved (billions)	5

**Results are cumulative.

Explosive Second Decade: 2001–2006

In the program's second decade, EPA continued to build the value of ENERGY STAR and engage more partners such as retailers, utilities, states, and schools. Toward the end of 2001, the government's flagship energy efficiency program had evolved to the extent that the influence of ENERGY STAR had become a solid force in both the world of consumers, including new home buyers, and the business community.

In 2001, EPA launched the Change campaign, an integrated multi-media (radio, TV, print) public service announcement outreach effort, which was the most aspirational campaign undertaken to that time. Through inspiring photography, music, and messaging, EPA reached out to the public to encourage everyone to help protect the environment while at home and at work. This was a first step in moving toward a more emotional appeal to the public.

In late 2001, marking the 10th anniversary of its voluntary climate protection program(s), EPA decided it was time to step back and carry out a comprehensive assessment of the ENERGY STAR brand, find opportunities to improve the brand, and develop a comprehensive brand strategy for the future. ENERGY STAR had grown immensely without some of the constraints associated with traditional brand management principles. But the growth and success now merited a full review.

Third Party Evaluation: 2001–2002

Proactive brand management requires an ongoing study of brand performance and marketplace dynamics. Interbrand worked with EPA in 2001–2002 to conduct an extensive examination of the program to assess strengths and weaknesses and to define a future course.

During the 2001–2002 audit (see Appendix D), all parties acknowledged the context within which EPA and the ENERGY STAR program operate. Compared to the private sector, EPA has very limited resources for market research and promotion of programs (no matter how worthwhile). There is low political tolerance for seeing taxpayer dollars spent on paid advertising. Therefore, government programs depend on others to do much of the education and outreach, a situation that can lead to inconsistency in messaging and branding. An acknowledged advantage for EPA, however, is its high credibility with the public because of its charge to protect human health and the natural environment, and studies show (see Appendix C) that Americans do care about the environment.

90% strongly agree or agree with the statement, "I am very concerned about the environment."

94% strongly agree that "Saving energy helps the environment."

78% of consumers believe that a product that is better for the environment is a somewhat to a very important consideration when purchasing an appliance or an energy using product.

For the audit, the outside objective counsel, Interbrand, collected and reviewed materials generated by the program and by program partners and interviewed a diverse set of program partners to assess the value of ENERGY STAR and their satisfaction with EPA as a partner. Interbrand synthesized the evidence and revealed a brand with much greater potential than was being leveraged. Specifically, Interbrand provided a number of findings and recommendations for enhancing the value of the ENERGY STAR brand. Key findings and recommendations included:

- There was a lack of consistency in the brand identity in terms of how it was used by the government and its partners; there was enormous opportunity for improvement at the tactical level.
- The ENERGY STAR mark was not working as hard as it could. Due to the rapid program growth across different sectors and the number of partners using ENERGY STAR in their own efforts, there were variations in the mark that could be causing confusion and inconsistent reference to the government source of authority. Interbrand recommended reexamining the mark itself.
- The brand positioning used by ENERGY STAR was a very rational one, lacking in strong emotional appeal.
- There were few metrics of brand performance and few standards of brand behavior or tools for brand consistency.

Evolution of the Brand

In response to Interbrand's findings and recommendations, EPA took the following steps:

1. Redesigned the ENERGY STAR mark, including the addition of the words "ENERGY STAR." The revised mark was announced to program partners in late 2002.
2. Developed a consistent personality for communications.
3. Increased the emotional content/appeal with the rational equity of the brand—speaking to the head and the heart.
4. Established a consistent co-branding platform for partners to use to better leverage the government voice of authority.
5. Developed brand standards and brand guidelines for partners. These brand guidelines were distributed to all program partners and stakeholders in 2003.
6. Established new guidelines for messaging, including emphasis on the government voice of authority. A new Web site modeling the guidelines debuted in early 2003.
7. Developed new metrics for brand performance that were integrated into the ENERGY STAR management plan and assessed annually.

While each of these activities were important to the continued growth and success of ENERGY STAR, they signaled an even more important and fundamental shift within EPA in terms of understanding what was required to raise the value and impact of the brand. From an internal perspective, the shift was evolutionary:

Shift in Understanding of the ENERGY STAR Brand		
Government organization	→	Marketing organization with credible government voice of authority
Inconsistent use	→	Strict compliance
Scientific acumen	→	Business acumen
Focus on the rational	→	Enhancing emotional focus
Label	→	Brand

And, it required an evolution of the brand idea. While the mission to protect the environment by reducing greenhouse gas emissions into the atmosphere remained, the role of the brand evolved. The brand moved from a rational consideration (save energy, save money) to a more aspirational and emotive stance: ENERGY STAR is about "Influencing Change."

Brands that achieve dominance are brands that affect behavior. In the case of ENERGY STAR, greater success could be achieved if the partners and owners of the brand embraced a new sense of definition that would modify their approach and association with the brand. The foundation of the brand positioning lies in a belief that everyone has a responsibility for the well being of the earth, and environmental improvement is well within everyone's grasp.

The reality is there are 300 million potential advocates who can have a positive impact on the condition of our atmosphere—if individuals simply change perspective and behaviors. This mentality leverages the technology, the loyalty, and the credibility of the brand while elevating the purpose beyond rational consideration. Taking the brand in this direction was supported, and is still supported, by a wealth of marketing research information (see Appendices A and C). More evocative and aspirational positioning was needed for how the brand would be seen and understood. The new brand idea needed a refreshed identity, new associations, and new messaging to deliver on the evolved brand definition.

Overview of ENERGY STAR Certification and Program Marks '91 – '95

Year	1991	1992	1993	1995	
Milestone	EPA announces Green Lights Program	EPA announces First ENERGY STAR labeled product — computers	EPA begins commercial whole-building work with ENERGY STAR Showcase Buildings	EPA offers ENERGY STAR for 10 product categories and announces the ENERGY STAR label for new homes	First international ENERGY STAR agreement — with Japan
ENERGY STAR Certification Marks			 		
Other ENERGY STAR and Related Marks					

Overview of ENERGY STAR Certification and Program Marks '96 – '99

Year	1995–1996	1996	1997		1998–1999
Milestone	EPA begins transition away from Green Lights and to more whole-building efforts. During the transition, Green Lights is linked to ENERGY STAR	EPA and DOE agree that DOE will use ENERGY STAR label for certain product categories	EPA launches the first broad consumer outreach print campaign, using computers and other products in outdoor settings	EPA launches ENERGY STAR for small businesses	EPA discussions with European Union (EU) start and require internationalization of ENERGY STAR mark (removing EPA and DOE)
ENERGY STAR Certification Marks					
Other ENERGY STAR and Related Marks					

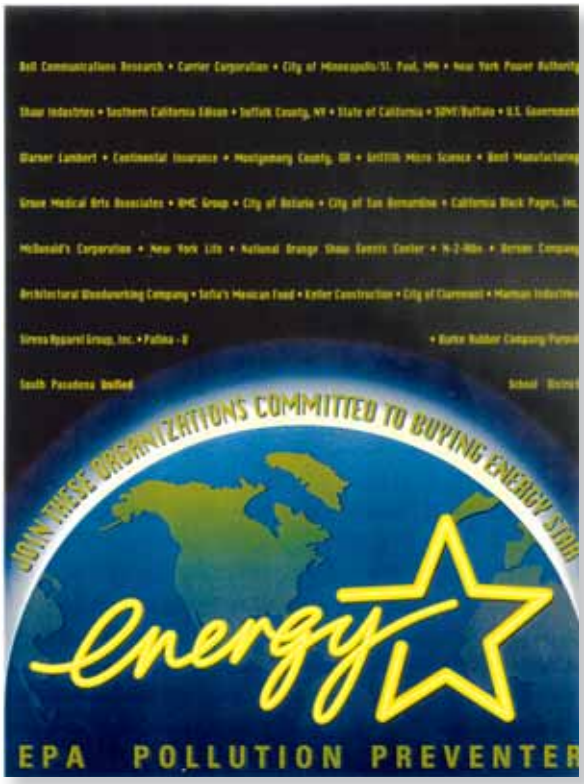
Overview of ENERGY STAR Certification and Program Marks '98 – '01

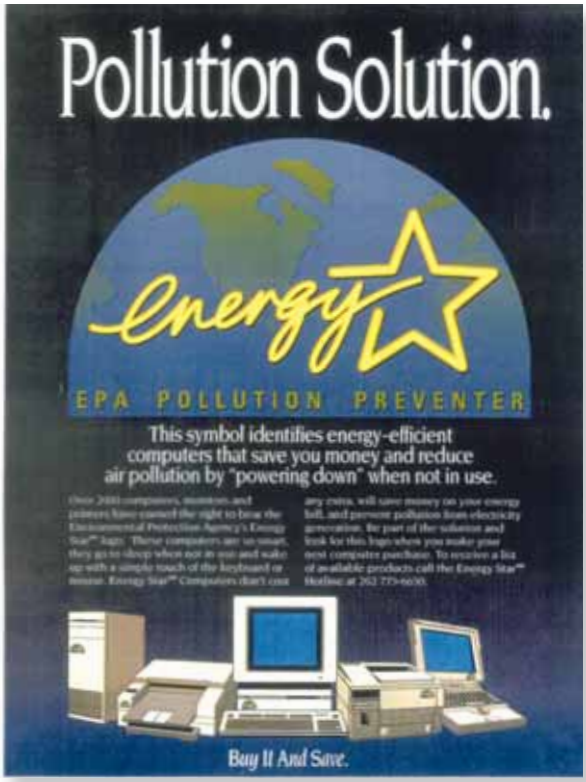
Year	1998–1999	1999–2000	2000		2001
Milestone	EPA launches the innovative building performance rating system, under which the top 25% of buildings earn the ENERGY STAR label	Federal purchasing guidelines and Federal Executive Order 13123, "Greening the Government through Efficient Energy Management (for buildings)" signed by President Clinton	EPA reduces the number of ENERGY STAR marks Green Lights fully transitioned to ENERGY STAR	US/EU Agreement on ENERGY STAR is finalized	EPA launches an integrated multi-media outreach campaign, Change
ENERGY STAR Certification Marks					
Other ENERGY STAR and Related Marks			 		

Overview of ENERGY STAR Certification and Program Marks '02 – '07

Year	2002	2003	2004	2005–2006	2006	2006–2007
Milestone	New ENERGY STAR mark designed and rolled out to program partners	ENERGY STAR offered for new service that meets key protocols as part of pilots with energy efficiency program sponsors	ENERGY STAR offered for new building design	Industrial benchmarking and ability to earn ENERGY STAR for top performers announced	Extension of US/EU Agreement on ENERGY STAR (final step in the phase in of the revised ENERGY STAR mark)	New promotional mark under development and launched in early 2007
ENERGY STAR Certification Mark						
Other ENERGY STAR and Related Marks						

Selected ENERGY STAR Public Service Announcements, 1992–1999


JOIN THESE ORGANIZATIONS COMMITTED TO BUYING ENERGY STAR
energy
EPA POLLUTION PREVENTER


Pollution Solution.
energy
EPA POLLUTION PREVENTER
This symbol identifies energy-efficient computers that save you money and reduce air pollution by "powering down" when not in use.
Buy It And Save.

Get In The Fast Lane To Prevent Pollution And Save Money
BELLSOUTH
The Coca-Cola Company
SOUTHFACE ENERGY INSTITUTE
MERCER
Turner
SERVIDYNE
Georgia Tech
Scientific Atlanta
NSI
National Service Industries
EPA Green Lights
Atlanta Area Presbyterian Homes
WACHOVIA
COX NEWSPAPERS
marta
Jimmy Carter Library
AEC Enercom
Keep riding MARTA, and join these Atlanta-based organizations and over 1,500 other companies in the U.S. Environmental Protection Agency's Green Lights program.
Participants in this innovative, voluntary partnership prevent air pollution, improve lighting quality, and save money by upgrading their lighting systems with more energy-efficient technologies. To find out more about the environmental and financial benefits of energy-efficient lighting, call the Green Lights Hotline at 202 775-6650. Get on board and prevent pollution at a profit.
Ride with us to a cleaner Atlanta.
202 775-6650

Ice Maker.
Water Dispenser.
Smog Reducer.

The Redesigned Mark

A redesigned mark was at the center of EPA's work to evolve the ENERGY STAR brand. The redesign offered the following features:

- Can be read as ENERGY STAR to assist consumers in connecting the information they read with the mark itself.
- Box is stronger and more authoritative.
- Cyan is a positive, strong color that supports an environmental message.
- One color makes it easy for partners to use in their materials and also more recognizable.
- Mark not recessive, works better when small in otherwise busy retail ads.
- Arc and the script "energy" with the star were retained from the original logo.
- The changes were relatively easy to make.

While the government sponsorship and source of authority is not part of the new mark itself, it is an important part of the associated messaging.

New Messaging Guidelines.

Guidelines were updated and new messaging points were developed. The messages built upon earlier efforts, but placed greater emphasis on the environment, the individual, and the government source of authority. The key messages are:

- Each organization and individual can make a difference for the environment.
- The environmental choice provides energy savings, as well as the performance, quality, style, and comfort today's consumers expect.
- These overarching messages are supplemented with sector-specific messaging within the commercial and industrial marketplace, the new homes construction marketplace, and home improvement marketplace. This audience-specific messaging builds on the broader program messages and tends to offer the more rational reasons for why energy efficiency is an attractive solution. Some of these messages are shown in the table on the following page.

New Brand Representation Guidelines.

There are also guidelines for visual representation to reinforce the relevance of ENERGY STAR to companies and individuals and its brand positioning:

- Active
- Participation of individuals and/or families in everyday situations
- Positive
- Simple
- Suggestion of sky and air

The full messaging and brand representation guidelines were distributed to program partners and stakeholders in 2003 (see Appendix A).

Overview of Audience-Specific Messaging

Audience	Area	Messaging Examples
Consumers	Products for the Home	• Stay comfortable all summer long with an ENERGY STAR qualified ceiling fan. • Energy-efficient light bulbs and fixtures that earn the ENERGY STAR offer the latest in style and convenience plus the quality consumers expect. These products offer warm, bright light with the added benefits of using at least two-thirds less energy than traditional models and lasting up to 10 times longer.
	New Homes	• Build a home with a view of the future. See one of these ENERGY STAR builder partners to learn more. • These builders are using new ENERGY STAR guidelines to bring you a whole new level of comfort, efficiency, and performance. • Only the most dedicated Oregon builders meet new ENERGY STAR requirements and offer you greater efficiency, comfort, and performance. • These builders are using new ENERGY STAR guidelines to revolutionize home building in Las Vegas. • Find out how new ENERGY STAR requirements make the best builders in Indianapolis even better.
Business		• **Commercial Real Estate.** Energy represents 30% of the typical office building's costs and is a property's single largest operating expense. Reducing energy use by 30% is equivalent to increasing net operating income and building asset value by 5%. • **Healthcare.** Healthcare organizations spend over $6.5 billion on energy each year to meet patient needs. Every dollar a nonprofit healthcare organization saves on energy is equivalent to generating new revenues of $20 for hospitals or $10 for medical offices. Just a 5% reduction in energy costs in for-profit hospitals, medical offices, and nursing homes can boost earnings a penny per share. • **K-12 Schools.** Partnering with ENERGY STAR is a commitment to your students as well as to the environment. The annual energy bill to run America's primary and secondary schools is a staggering $6 billion—more than is spent on textbooks and computers combined. The least efficient schools use three times more energy than the best energy performers, and top performing ENERGY STAR labeled schools cost 40 cents per square foot less to operate than the average performers. • **Corporate Real Estate.** The most energy-efficient businesses in America use about 30% less energy than their competitors. Finding smart ways to manage the energy you need to run your business can improve your profit margins, increase funds available for development of new products and services, and enhance overall corporate value. Partnering with ENERGY STAR is a commitment to the financial value of your real estate portfolio as well as the environment.

The Evolved Brand at Work

The new mark and the guidelines have now been used by the government and its partners for several years with significant success. Partners across many sectors of the economy are delivering consistent, change-oriented messaging tailored to their customers through ENERGY STAR. Examples include:

EPA's 2004 Public Service Campaign.

EPA launched a new public service announcement (PSA) campaign in May 2004 encouraging the public to look for the ENERGY STAR to help prevent the air emissions created when electricity is generated for home use. The campaign used humor to make the point that the energy used in a home may cause twice the greenhouse gas emissions of a vehicle. The TV PSA showed the value and ease of looking for the ENERGY STAR to find qualified products and get home improvement tips to reduce the amount of energy needed for a home. The comprehensive campaign, which included TV, radio, and print PSAs in English and Spanish, encouraged consumers to visit www.energystar.gov to discover five steps to protect the environment right from home. If every household followed just one of these steps—replacing their five most frequently used lights with ENERGY STAR qualified ones—that would prevent more than one trillion pounds of greenhouse gas emissions. The campaign ended in 2006.

U.S. Environmental Protection Agency

ENERGY STAR® PSAs

Mark and Suzanne, English :60/:15
Mark and Suzanne/Helium, English :30
Mark and Suzanne, Spanish :30

The U.S. EPA's new ENERGY STAR® PSAs humorously show how we can all help improve the environment, right from home. Because "the average house can cause twice the greenhouse gases of a car," Suzanne does her part to prevent air pollution by simply looking for the ENERGY STAR, the government-backed symbol for energy efficiency. Meanwhile, her husband, Mark, earnestly but comically explores other options.

Mark and Suzanne, English :60/:15

SUZANNE: About a year ago, Mark and I thought, air pollution, global warming. How can we make a difference? So first things first.

Mark modified our car, he harnessed the wind. Then he experimented with microwave technology. And some sort of homemade energy source.

MARK (IN HIGH PITCHED VOICE): Best part is, the car emits only helium.
PASSENGERS (ALSO IN HIGH PITCHED VOICE): Genius, genius.

SUZANNE: But the EPA says, the energy we use in our home can cause twice the greenhouse gases of a car.

So I went to energstar.gov, I got tips on lighting, heating and cooling. And to look for the ENERGY STAR on products we buy.

As for Mark, he still marches to the beat of a different drum.
MARK: I figure why not let gravity do all the work, right?

SUZANNE: I know I'm making a difference. I just look for the ENERGY STAR.

ANNCR VO: The Environmental Protection Agency encourages you to visit energystar.gov to discover what you can do to reduce air pollution.

Mark and Suzanne/Helium, English :30

SUZANNE: About a year ago, Mark and I thought air pollution, global warming. How can we make a difference? So Mark modified our car. Some sort of homemade energy source.

MARK (IN HIGH PITCHED VOICE): Best part is, the car emits only helium.
PASSENGERS (ALSO IN HIGH PITCHED VOICE): Genius, genius.

SUZANNE: But the EPA says, the energy we use in our home can cause twice the greenhouse gases of a car. So now I look for products that earn the ENERGY STAR. Simple.

ANNCR VO: The EPA invites you to go to energystar.gov to discover what you can do to reduce air pollution.

Mark and Suzanne, Spanish :30

Suzanne: Hace como un año Mark y yo pensamos: "¿Cómo podemos contribuir a combatir la contaminación del aire y el calentamiento de la Tierra? "Así que Mark modificó el auto. Corte al auto de Mark en marcha. Él le ha colocado un mástil y una vela.

Vemos que se dirige hacia un paso a desnivel. Corte a Suzanne parada sobre un banquillo colocando una bombilla que tiene el sello de ENERGY STAR.
Suzanne: Pero la EPA (Agencia para la Protección del Ambiente) dice que la energía que usamos en casa produce el

doble de gases de efecto invernadero que un auto. Por eso ahora busco productos que tienen el sello de ENERGY STAR. Sencillo. En cuanto a Mark... Corte al exterior del auto de Mark cubierto por varios discos colectores de microondas.

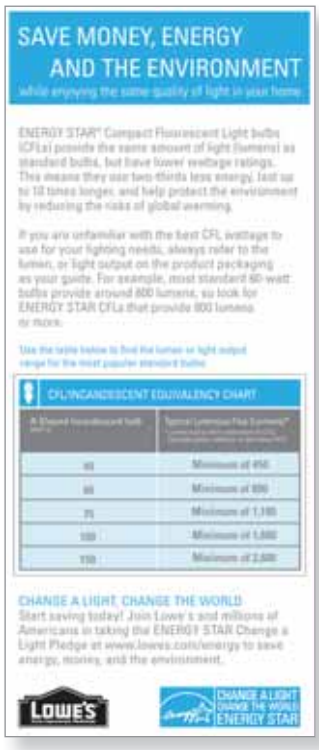
La cámara baja para descubrir que en el interior se encuentra Mark con sus amigos. Todos están acalorados, sudando y sin camisas. Locutor: Visita energystar.gov y descubre 5 maneras de reducir la contaminación del aire. ENERGY STAR. Una buena señal.

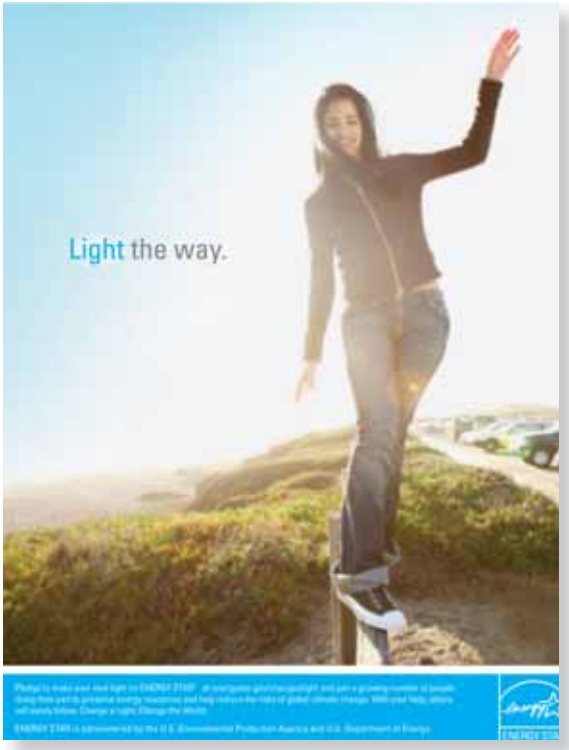
ENERGY STAR is sponsored by the U.S. Environmental Protection Agency and the U.S. Department of Energy.

CHANGE FOR THE BETTER WITH ENERGY STAR

IF YOU NEED A DIFFERENT DUB FORMAT OR A REPLACEMENT DUB, CALL GOODWILL COMMUNICATIONS, 703-426-0881, OR SEND AN E-MAIL TO BILL@GOODWILLCOMMUNICATIONS.COM.

ENERGY STAR Change a Light, Change the World Campaign. Each year, EPA issues a national call to action, enouraging individuals to help change the world, one light—one energy-saving step—at a time. In 2006, the seventh year of the campaign, nearly 800 participating organizations and more than 500,000 individuals pledged to replace more than 1 million bulbs with an ENERGY STAR qualified one. These pledges represent potential savings of more than 280 million kWh of energy, $28 million in energy costs, and the prevention of more than 400 million pounds of greenhouse gas emissions. In 2006, EPA effectively used the ENERGY STAR partnerships to expand the campaign by introducing the concept of pledge drivers—allowing organizations to set pledge goals, effectively engage their communities in the campaign, and track success.





The ENERGY STAR Buildings Challenge, Build a Better World 10% at a Time. In 2005, EPA announced a new national ENERGY STAR campaign in coordination with key professional associations and states. The ENERGY STAR Challenge is a call to action for building owners and operators to implement energy efficiency measures and reduce energy use by 10% or more. EPA estimates that if each building owner met this challenge, by 2015 Americans would reduce greenhouse gas emissions by more than 20 MMTCE—equivalent to the emissions from 15 million vehicles—while saving about $10 billion. By year end, more than half of the states and the District of Columbia—along with more than 20 major associations whose members manage many of the nation's office buildings, schools, hospitals, and other commercial facilities—were participating in the Challenge. These associations and states are encouraging their members to benchmark the energy use of their buildings, set an energy savings target of 10% or more, and make the investments necessary to achieve this goal. In addition, many of them are collaborating with EPA to train their members on how to achieve their goals.

New Homebuilders and Home Performance with ENERGY STAR. In the last several years, partners in the building industry have contributed to co-branded outreach. Examples of consumer placements are shown below and on the following page.

Placements for New Homes and Home Performance (continued)

Heightened Brand Management

The ENERGY STAR identity is a valuable asset, and like any asset with appreciable value, it must be properly used and protected. Over this period, EPA has put the brand management tools and standards in place to manage the ENERGY STAR brand for continued success. These tools and standards ensure:

1. The ENERGY STAR name and marks are applied properly and consistently in the marketplace.

2. ENERGY STAR delivers on its promise to designate products and services that protect the environment through superior energy efficiency, without tradeoffs in performance or quality, and with attractive financial paybacks on any additional initial purchase costs.

3. Consistent messaging is used to communicate clearly to target audiences about ENERGY STAR qualifying products, homes, buildings, and services.

4. The integrity of the brand is maintained overall.

Specifically, EPA has been tracking the use of the ENERGY STAR name and logo in the marketplace (and working to stop any violations) since the program began in 1992, and the name and trademark were formally registered with the U.S. Patent and Trademark Office.

Beyond this tracking, EPA undertakes a suite of brand management and tracking practices to protect the integrity of the program and ensure that consumers and partners can trust the ENERGY STAR identity. These activities include:

- Entering into Partnership Agreements with product manufacturers, retailers, energy efficiency program administrators, builders and others, specifically outlining the terms and conditions for use of the ENERGY STAR name and marks.

- Issuing ENERGY STAR identity guidelines to partners and others to ensure proper use of the logo.

- Monitoring the use of the name and marks in the following media: trade media, advertisements, the Internet, and stores.

- Responding when consumers, competitors, partners, and others bring possible trademark infringements to the attention of EPA or DOE.

- Testing the energy performance of select products.

- Requiring product manufacturers to report qualification test results, which are reviewed and approved or disapproved.
- Assessing consumer experience with and perceptions of ENERGY STAR when purchasing or shopping for qualifying products and services.
- Updating performance specifications as needed (e.g., when high levels for market penetration are reached, underlying reference standards are revised) to ensure that the ENERGY STAR designation delivers value in the marketplace.

Today the program has active licensing or partnership agreements with more than 1,700 manufacturers, 900 retailers, 2,500 home-builders, 500 utility, state, and other energy efficiency program administrators, 100 energy service providers and financial lenders, and 7 international governments or unions. The ENERGY STAR label is on more than 40,000 products across more than 50 product categories, as well as on new homes, buildings, and industrial facilities.

The activities undertaken to protect the integrity of the ENERGY STAR brand are detailed in the Maintaining the Value of ENERGY STAR Report (see Appendix B).

The ENERGY STAR brand is a significant asset that has been developed for more than 15 years through the investment of taxpayer and private sector dollars. It continues to be uncomplicated and reliable. The marketplace has grown confident that the stature and authenticity of the brand is established and legitimate. Nevertheless, much more can be accomplished.

Success of ENERGY STAR in 2006

The brand building initiatives undertaken between 2001 and 2005 contributed to the phenomenal growth in the ENERGY STAR program with many of the key program indicators tripling over this time frame, as shown below. As of the end of 2006, more than 9,000 organizations were engaged in the ENERGY STAR program, helping Americans save more than $14 billion on energy bills while avoiding the greenhouse gas emissions equivalent to those from 25 million vehicles. Other achievements include:

- Americans have purchased more than 2 billion ENERGY STAR qualified products through 2006 across more than 50 product categories, including appliances, heating and cooling equipment, consumer electronics, office equipment, and lighting. These products are providing consumer savings of as much as 90% relative to standard models.

- More than 725,000 new homes have been constructed to meet ENERGY STAR guidelines, with the market penetration exceeding 20% of new home starts in more than 10 states and 20 metropolitan areas.

- A growing number of buildings have been rated for energy efficiency, an important first step in targeting energy efficiency improvements. More than 30,000 buildings have been assessed using EPA's energy performance rating system. These buildings represent more than 5 billion square feet and include 42% of hospital space, 30% of supermarket space, 25% of office building space, 18% of school space, and 17% of hotel space across the country.

- More than 3,200 buildings, representing almost 575 million square feet, have earned the ENERGY STAR label for superior energy and environmental performance based on EPA's building rating system. On average, these buildings use about 35% less energy than typical buildings, and about 400 of them use 50% less energy than typical.

- EPA is working with a record 10 manufacturing sectors in the industrial sector to provide focused energy guidance, energy performance indicators, and networking opportunities and has expanded the ENERGY STAR label to manufacturing plants that achieve top energy performance. Twenty automobile assembly, cement, and wet corn milling plants met the newly established energy performance criteria in 2006 and displayed the ENERGY STAR mark at their facilities.

ENERGY STAR Key Program Indicators for 2000 and 2006

	Indicator	2000	2006
Qualified Products	Products Sold**	600 million	>2 billion
	Product Categories	40	>50
	Product Models	11,000	40,000
	Public Awareness	40%	68%
	Retailers (Partners)	25	900
New Homes	New Homes Built**	25,000	725,000
	Homebuilders (Partners)	1,600	3,500
Commercial Buildings	Buildings Benchmarked**	4,200	31,000
	Buildings Labeled**	545	3,200
	Building Types Eligible for Label	2	11
Industrial Improvements	Industry Focuses	0	10
ANNUAL RESULTS*	Energy Saved (kWh)	62 billion	170 billion
	Avoided Emissions (MMTCE)	15.8	37
	Dollars Saved (billions)	5	14

* Estimated as of Spring 2007
** Results are cumulative

In addition, many program partners are continuing to increase their use of the ENERGY STAR mark and messaging, and consumers are receiving ENERGY STAR information through many channels, such as the media and partner advertising, at a rapidly growing rate. For example:

Mentions of ENERGY STAR in local, regional, and national press now have an average circulation of 100 million per month—more than double the circulation of media coverage from four years earlier (see chart below).

Usage driven by large partners such as Lowe's, Home Depot, Sears, Best Buy, Maytag, Rex, and Window World has grown to about 16,500 advertisements per month—nearly four times the number of advertisements in 2001.

Further, the ENERGY STAR program and brand are performing well against a number of brand performance metrics. The most recent National Awareness of ENERGY STAR® report (see Appendix C) shows that ENERGY STAR continues to reach new levels across the performance metrics in 2006 (see charts on page 35).

AWARENESS: 68% of households recognized the label.

UNDERSTANDING: 73% had a high or general understanding of the label's purpose.

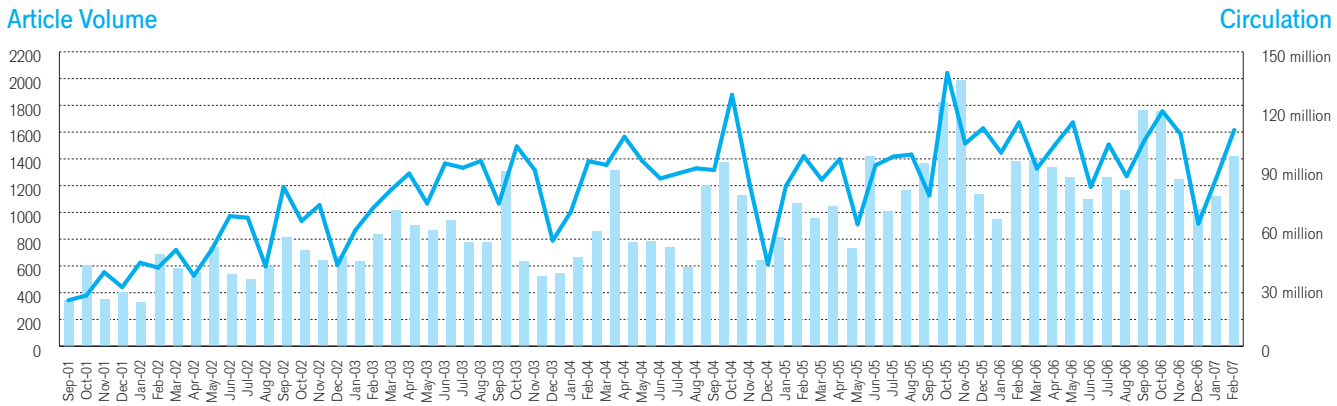
RELEVANCE: 55% agree "buying ENERGY STAR labeled products makes me feel like I am helping to protect the environment for future generations."

SATISFACTION: Households that recognized and purchased ENERGY STAR products rated them 4.3 (out of 5; 5 = very satisfied).

LOYALTY: 71% of knowing purchasers would likely recommend ENERGY STAR to a friend; 29% of these households reported they were "extremely" likely to recommend ENERGY STAR labeled products.

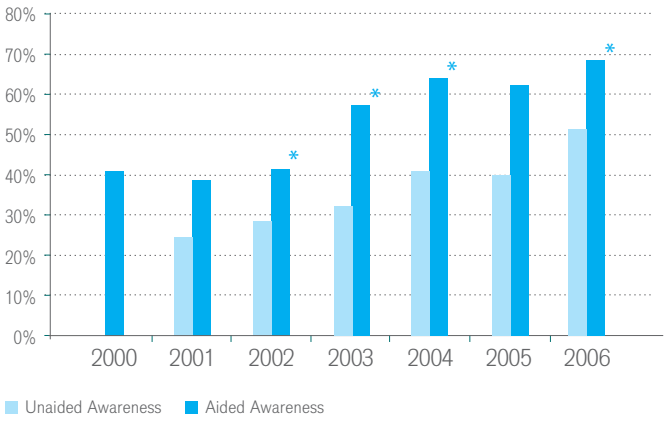
And EPA has brand management tools and standards in place to manage the ENERGY STAR brand for continued success. This includes tools and standards to ensure that (1) consistent messaging is used to communicate clearly to target audiences about ENERGY STAR qualifying products, homes, buildings, and services and (2) the integrity of the brand is maintained so that its value grows over time.

ENERGY STAR in the Media (September 2001 — February 2007)



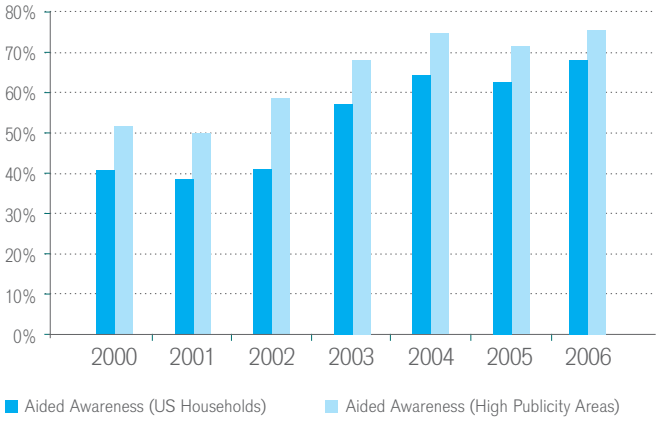
ENERGY STAR Success Through 2006

Total Awareness of ENERGY STAR

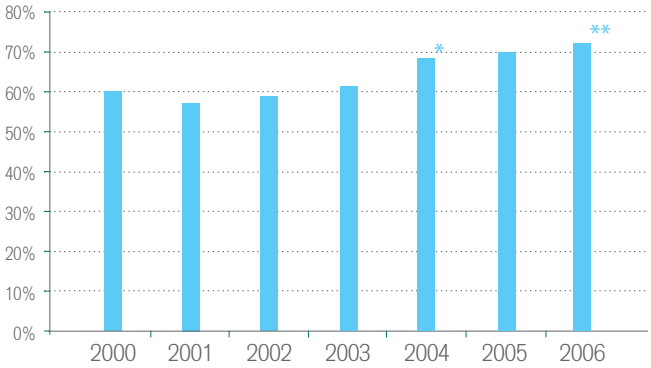


* Annual result is statistically different from the result of the prior year.

Regional Awareness of ENERGY STAR



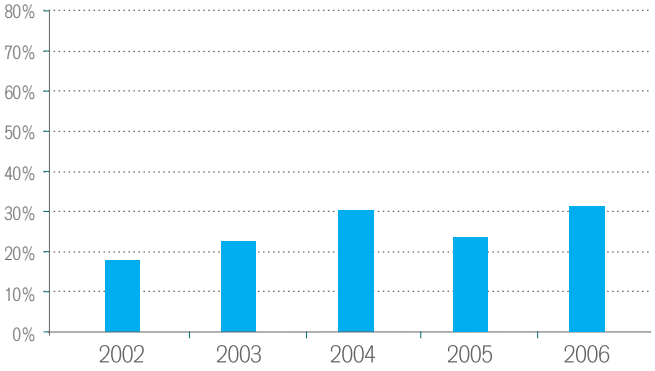
Understanding of ENERGY STAR Label



* Annual result is statistically different from the result of the prior year.

** Adjustments were made to make 2006 results comparable to earlier survey results, due to a change in survey method.

Knowingly Purchased an ENERGY STAR Product



The Future of the ENERGY STAR Brand

Everyone wants to ride a winner and one can predict that initiatives to exploit and dilute the brand lurk in the shadows. Temptation to broaden the brand and extend its influence is understandable, given the achievements to date. Such expansion needs a measure of caution and restraint; no brand has boundless opportunities.

Challenges for the ENERGY STAR Brand

The landscape is replete with the bones of failed brand extensions: Virgin Coke, Bic Perfume, Levi's tailored suits, Bayer "Aspirin-free," New Coke, AT&T phones, McDonald's Arch Deluxe (for adults).

ENERGY STAR clearly has permission to expand its boundaries, but new developments must be disciplined by the heritage and credibility of its current reputation. ENERGY STAR benefits from the simplicity of its promise and the reliability of its core competencies: proven technology and services that save energy and money. Any departure from this proposition will invite confusion and challenge the credibility of the brand. Therefore, any movement or expansion from the essence of the brand must be carefully examined to ensure that short-term gain is not compromised by long-term alienation from loyal constituents.

Following are the brand tenets that **cannot** be compromised:

- Technology must be proven, impeccable, and predictable.
- Benefits must be reasonably immediate and measurable.
- Outcomes must contribute to carbon reduction.
- Opportunities must be easy to access and simple to manage.

- Actions must motivate change and reward advocates of environmentalism.
- Brand protection must be a shared responsibility of owners and users.
- Effectiveness is the result of consistency in meaning and implementation.

With EPA's limited resources, it is important to focus first on managing the ENERGY STAR brand—a job it is currently doing well. But EPA, like all brand owners, must never assume that the current status of the brand gives permission to shift priorities. The reality for all brands is that they rarely tap their potential. Too often, the brand owner becomes complacent and wanders off to capture new frontiers–almost always at the expense of the core brand. Always secure a solid and defensible foundation. With that guaranteed, it is then possible to consider expansion opportunities, provided they are consistent with the current brand promise and using resources cost effectively.

Imperatives moving forward:

- Need for consistency to increase communications efficiency.
- Need to protect the brand definition.
- Need to remain customer focused and responsive.
- Need to remember that tangible results are critical.
- Need to treat partners in fair and open manner.
- Need to innovate to maintain momentum.

Continued Strong Brand Management Over the Next 10 Years

Many of these imperatives are addressed through strong brand management. ENERGY STAR will continue to grow in value and results as EPA continues to manage the brand carefully in the following areas:

- Protecting the integrity of the brand by routinely monitoring the marketplace, carrying out product and home testing as warranted, keeping the specifications up to date, and providing for enhanced quality control where necessary.
- Expanding to new energy efficiency opportunities that are consistent with the brand promise and expanding the value to consumers through homebuilding services with Home Performance with ENERGY STAR or simpler home improvement advice and information.
- Enhancing touch points and relevance for consumers by providing clear information on the emotional reasons for energy efficiency.
- Reinforcing the government source of authority.

Opportunities for ENERGY STAR

The brand building and management activities of the past 15 years have not gone unnoticed, as the success measures listed previously demonstrate. As an "ingredient" brand, ENERGY STAR has a tremendous level of goodwill and positive associations attached to it. This accomplishment can be leveraged. The growth into services and advising is a logical extension of the brand, but warrants careful assessment. The credibility for the brand has come from its longevity and performance. This credibility translates into an enhanced reputation where trust and integrity become the hallmarks of the brand. Trust is earned and ENERGY STAR has the stature and the substance to expand into a less empirical authority and into a more advisory/consultative influence. This is a seemingly logical evolution, but it must be a measured and cautious expansion of authority and influence. Advice is only as good as the ability of the recipient to follow the guidance provided.

ENERGY STAR is entering the realm of subjectivity and a heightened discipline to protect the integrity of the brand is of utmost importance. Similarly as ENERGY STAR expands to energy efficiency services, it is important to pursue mechanisms that provide robust quality control and assurance and ensure customers of high quality, energy saving experiences.

Questions that may need to be answered in the coming months and years might include, but are not restricted to, the following:

- Can the brand expand to emerging technologies, such as wind, water, and agrifuels?
- Can the brand be more international?
- Can the brand be a source of advice and knowledge, as well as technology?
- Can the brand be consultative?
- Can the brand sponsor broad media outlets (ENERGY STAR tips on the 6 p.m. news)?
- Can the brand certify greenhouse gas reductions?

An additional caution is warranted as ENERGY STAR may enter new areas of influence. While ENERGY STAR has been the invention of EPA, it is the product of others. Many partners have assumed the responsibility of deploying the brand as they qualify and as they see fit. When EPA moves into new areas, such as advice and consultative services, the ENERGY STAR owner has less control. The effort to substantiate and to codify advice will be a shared burden and the resources to manage a more complex brand must be weighed carefully. This can be managed, but it must be clear that new skills, guidelines, and resources will be required to protect the integrity and credibility of the brand going forward. Similarly, as expanded international opportunities are explored or emerging technologies are contemplated, great attention must be given to the core tenets of the brand and the ability to ensure that the expectations of the customer are consistently met.

Ensuring Success

The future is bold and bright. The ENERGY STAR brand sits in a very enviable and very poignant phase of maturity. ENERGY STAR has traveled in a progression of planned growth, careful to consider each step with deliberate and thoughtful examination.

The brand has not lapsed into complacency nor has it been diluted into hyperbole. Fortunately, the driving forces of environmentalism and citizenry shape the ENERGY STAR agenda.

Therefore, the brand principles now ingrained in the organization and its partners, and brand disciplines that are broadcast internally and externally will pay welcome dividends as everyone can now participate in making this place we call home better for future generations.

Appendices

Appendix A	EPA Office of Air and Radiation, Climate Protection Partnership Division. Using the ENERGY STAR Identity to Maintain and Build Value. U.S. EPA, 2003.
Appendix B	EPA Office of Air and Radiation, Climate Protection Partnership Division. Maintaining the Value of ENERGY STAR Report. U.S. EPA, 2007.
Appendix C	Poll Statistics Relating to ENERGY STAR and Attitudes towards Environmental and Energy Issues: Schulman, Ronca, and Bucavalas, Inc., (SRBI), and Research into Action, Inc. 2006 Energy Conservation, Efficiency and Demand Response. Report not yet published. EPA Office of Air and Radiation, Climate Protection Partnerships Division. National Awareness of ENERGY STAR® for 2006: Analysis of 2006 CEE Household Survey. U.S. EPA, 2007.
Appendix D	Summary of the scope of ENERGY STAR related materials Interbrand reviewed in 2001 and partners interviewed.

Designed and Written by
Interbrand
"Creating and managing brand value."

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New York, NY 10011

www.interbrand.com