Climate Action at the Retail Level - Insights from The Ratio Institute to Increase Your Store's Bottom Line and Improve Efficiencies

July 19, 2022
Our Mission

To accelerate viability and measurable sustainability in food retail through expert collaboration, industry resources, and practical tools.
Increasing Your Store's Bottom Line and Improve Efficiencies

Business Case for Operational Sustainability

- Appliances
- Grills
- Doors

Up to $12,000 in increased costs =

$216,000 in sales
Appliances

Exterior Vending Machines

- $500 - $1,000 per year in energy costs
- Stores must sell 25-50 sodas a day to pay for the energy use
Grills

Proper Stocking of Refrigerated Display Cases

- Reduces energy use
- Maintains proper air flow
- Increases product shelf life

Each foot of blocked air vents costs about $100/year in energy expense, equivalent to $1,800 in sales.
Grills

Proper Stocking of Refrigerated Display Cases

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20 feet
=$1,971/year in energy expense, equivalent to $35,478 in sales.
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Business Case for Operational Sustainability

Cost Saving Potential
Every $1 saved with energy efficiency is equal to $18 in revenue.*

Operating Costs
- Electricity
- Maintenance
- Labor
- Rent
- Water
- Advertising
- Etc.

Revenue
- Sales
- Recycling
- Efficiency

Supermarkets: An Overview of Energy Use and Energy Efficiency Opportunities- EnergyStar
Appliances

$400/yr/store = $7,200 in sales equivalent

$80,000 for a 200 store chain

$1.4 million

For just one machine!
Appliances
Appliances

600 Watts
$275 per year in wasted energy per machine is equivalent to $5,000 in sales.

Heat Wrapping Machines

Take Action:
• Create an SOP
• Train staff
• 1-Yr Payback to replace with efficient units
Appliances
Appliances
Appliances
Let’s go to the back room.....
Doors
Maintain gaskets and strip curtains on walk-in freezer doors:

- Do an inspection of freezer and cooler doors
- Notify the manager or the refrigeration tech
Maintain gaskets and strip curtains on walk-in freezer doors:

- Do an inspection of freezer and cooler doors
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Doors

$4,000/yr/store = $72,000 in sales equivalent

$800,000 for a 200 store chain

$14.4 million

For just one door!
Refrigeration & HVAC
Low Cost Retrofit Measures
Appliances
Sample of EASY operational activities

$12,000 savings per store per year from some NO COST tasks

<table>
<thead>
<tr>
<th>Tasks to measure</th>
<th>Yearly savings per store</th>
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<tbody>
<tr>
<td>1. Keeping one walk-in doors closed additional 4.5 hrs</td>
<td>$4,000</td>
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<td>2. Reduce air infiltration</td>
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<td>3. Grill vents clear per 20 ft</td>
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<td>4. Fix a leaky walk-in freezer door</td>
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$216,000 in sales equivalent per store
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$216,000 in sales equivalent per store
Other Measures
Peter Cooke
Peter comes to Ratio Institute with over 20 years of experience developing sustainability programs, including starting one of the nation’s first green hotel programs. That success led Peter to develop a similar program for Hannaford, New England’s largest grocery chain. Later, at Manomet, a sustainability non-profit, Peter founded the Grocery Stewardship Certification (GSC) Program in 2012.

Jonathan Tan
Jonathan brings to Ratio Institute more than 20 years of experience as an entrepreneur and a business executive for both Fortune 500 and privately held companies. His career began with driving energy efficiency at food manufacturing and food packaging plants. He transitioned to energy-efficiency work at food retail outlets in the early 2000’s, focusing on refrigeration, HVAC, and lighting.

Courtney Dragiff
Courtney joins Ratio Institute with over a decade of experience in land conservation and water management. After receiving an M.S. in International Sustainable Development and Climate Change, she worked on RI’s suite of ESG evaluation tools. She now focuses on circular economies and organizational efficiency within the food retail industry.