

# Green for Growth

Tom Allett spoke to Walter Hammel, Managing Director of Conrac, about the importance of being 'green'.

As everyone knows, environmental issues have been at the forefront of political discussion in recent years. The media coverage it has generated has resulted in far greater public awareness of the subject and, in some parts of the world, it has changed many aspects of everyday life. Taking much of Europe as an example, being 'educated' about the environment hasn't just made people appreciate the responsibility we all have towards the generations that follow, but it has also made us realise how expensive energy consumption is.

However, heightened environmental awareness has in more recent years been accompanied by a global economic slowdown that has brought business costs sharply into focus. Today, more than ever, industry faces a dilemma. Is it better to buy the cheapest product and replace it when required; or invest a little more to get a better long-term total cost of ownership deal through environmentally-friendly and lower energy consumption equipment?

## Sales Contest

One manufacturer that is involved in exactly this kind of sales contest is Germany's Conrac, which has a long-standing reputation for producing high-end information display screens and flight information display systems (FIDS) software. While discussing this question with the company's Managing Director, Walter Hammel, I explained that several companies I had spoken to in recent years had given me roughly the same answer: "it doesn't matter how 'green' your credentials are, if you are 10% more expensive than the competition then you are not going to win the contract."

Mr Hammel replied: "I agree that is the case to a certain extent but it depends on several factors



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including where your target markets are. To explain our situation, we have made a great effort to produce environmentally friendly equipment; products that are more energy-efficient and easier to dispose of/recycle when they reach the end of their working life. In some areas of the world; Europe for example, where there is a widespread desire from companies to enhance their 'green' credentials and save money at the same time, the low-energy consumption/easy to recycle argument works well. That said, there are other regions – for example, South America – where at the moment the product with the lowest initial expenditure requirement usually wins the contract."

Conrac provides information display screens – and the essential software behind them – for most types of transport facilities. Airports and airlines account for about 40%, with the lion's share of the rest going to railways, metros and other types of public transport. Whatever the market though,

the lowest purchase price versus total-life cost argument remains the same.

Mr Hammel added, "Think about airports that are the size of Frankfurt, Heathrow or Dubai for example, where they have several thousands of information display screens running on a 24/7 basis. Equipping them with screens that reduce electricity consumption by 20 to 30 watts per unit is going to save a lot of money for the operator while improving their environmental footprint. An increasing number of energy-conscious airports have installed carbon meters now, so that they can easily see the benefits of their low-energy systems.

"Buying products based on television technology may save your initial outlay costs, but total-life costs are going to be much higher. Some cheaper television-type airport units are being replaced every two years or so, whereas the majority of our public displays are in operation for around seven years. If you take the time to do the maths, then there is only one choice really and I believe that our approach will sell more units for transport applications than consumer technology will. Being 'green' saves money and brings growth."

## The Future

Looking forward, I asked Mr Hammel for his opinions on what would be the next 'big thing' to happen to FIDS. He replied that big-screen technology was sure to progress even further than the impressive equipment that is already available and that more public displays would be placed outdoors, such as in car parks, as part of a move to feed visitors with information before they reach the terminal building.

"When you think about how travellers get the information that they require, we are competing with smart phones to provide that data to people, but I can't envisage FIDS ever being completely replaced in passenger terminals," he concluded. ■



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