

**CUSTOMER SUCCESS STORY**

---

# Franchise Management Inc.

Improving our planet and improving your profits,  
**one building at a time.**

## Franchise Management Inc.

---

With 270+ locations and more franchise locations being purchased or already under construction, Franchise-Management Inc. (FMI) is among Canada's largest owners of franchised quick serve restaurants.

FMI is home to more than 5,000 team members and extensive career opportunities, including additional opportunities for team members willing to relocate.

**SITUATION**

Franchise Management Inc. (FMI), has increasingly grown their nationwide footprint to include 270+ restaurants, including Pizza Hut, Panera, KFC and Taco Bell.

Managing a large, nationwide network of restaurants is not a small task, and the ability to derive value from more efficient, productive facilities management process is difficult at best.

Restaurant franchisees, on-site team members, and corporate decision makers faced many challenges, including depreciating facilities equipment, managing new equipment, maximizing equipment life expectancy and overall facility condition. But, that was before FMI chose ENTOUCH to gain insight and top-quality control over their energy use and maintenance spend. First, let's take a closer look at the true scope and costs of the problems FMI was experiencing.

**CHALLENGE**

FMI's Development Manager conducted a comprehensive energy evaluation to determine the extent of lost opportunities in existing operations. This evaluation considered energy use, operations and company policies affecting 24/7 runtime of HVAC systems, lights and leaking water fixtures.

---



## 360°

SERVICE

## 24x7

MONITORING



Walk-in coolers and freezers run and cycles times and iced-over units increased the overall energy costs.

The initial evaluation of 12 stores found significant energy consumption and expenses resulting from electricity, natural gas, water, and sewage utility providers. They identified extensive waste in operating and on-demand power, based on a 40-percent cost savings profile for renewed energy management strategy, prompting the need to move to an automated system and upgrade additional facilities' equipment.

FMI needed a holistic energy savings partner with a proven implementation process.

Upon vetting of companies who met the defined qualifications, FMI's Development Manager enlisted the services of Stirling Energy Management Inc. (SEMi) as a consultant to develop the initial energy management strategy (now called "Smart Green Store" program by SEMi) and supplied the equipment and products necessary to gain control over expenditures. From the four vetted companies to control and monitor the energy (as well as supply out-of-limit alerting), ENTOUCH was the clear choice for FMI.

### SOLUTION

Review of the full testing evaluation resulted in executive-level leadership and FMI's chief financial officer agreement to an initial 20-store pilot or "test" to discern actual expenses versus savings over the course of one year for full-deployment of smart building systems to lower facilities costs.

ENTOUCH's experience in the restaurant space and their ability to meet the defined qualifications for Energy Monitoring, Equipment Controlling, HVAC Controlling, Equipment Alerting, and ease of use, as well as the ability to continue energy evaluations and increase savings beyond the initial time-line, using the powerful, dedicated account management of smart building solutions of ENTOUCH.360, ENTOUCH's energy management platform allowed FMI to identify weaknesses and strengths to create a strategic action plan that yielded savings and improved operational efficiencies across FMI's distributed portfolio.

## OVERALL



# 75%

LESS ENERGY



# 50%

LESS WATER & SEWAGE



## SAVED

# \$1M

ANNUALLY ACROSS

# 270

STORES

Following a Quality Service Regulation (QSR) audit, the partnership with ENTOUCH and SEMi generated an immense savings profile and plan for improvement, including:

- » Automated controls to reduce vacancy energy consumption
- » Retrofitting of light fixtures with 2x2 LED lay-in panels, round LED lay-in panels, and LED replacement bulbs
- » Installation of solar-powered lights and LED flood lights in parking areas
- » Installation of low-flow aerators and toilet water savers

## RESULTS

Facilities making delineated improvements to equipment and operations saw an overall decrease of 75-percent in lighting and electrical costs, which include HVAC system operation, 50-percent decreases in water and sewage costs and additional savings from increased equipment life expectancy. These cost savings across a system-wide portfolio of over 270 stores add up to savings between \$3,000 and \$18,000 per store, amounting to more than \$1 million in annual savings.

To date, FMI has verified payback on investment costs vary from 9 months to within 2 years of implementation and achieved consistency in maintenance costs, eradicating the maintenance backlog and moving to a near 100-percent preventative maintenance program, as shown below.



## FINANCIAL IMPACT

- 75% energy savings
- 50% water & sewer savings
- \$3k-18k saved per store
- \$1M annual utility savings

## KEY BENEFITS

---

From the four vetted companies to control and monitor the energy (as well as supply out-of-limit alerting), ENTOUCH was the clear choice. FMI has saved over \$1.0M year after year following deployment of new systems, equipment, and energy management platforms across their entire portfolio.



### BEST-IN-CLASS EQUIPMENT

Eliminates the need for FMI to search for multiple manufacturers and evaluate equipment durability and value. This would reduce any future warranty claims, which drains staff productivity and valuable company time, if the providers equipment would truly last 7 years.



### RAPID DEPLOYMENT, INSTALLATION, AND RETROFITTING OF EQUIPMENT

Each system required a different installation skillset, and finding the right, trained, and qualified technicians for installation of equipment was difficult. Having a partner that would coordinate this proved beneficial.



### RETROFITTING OF FACILITIES EQUIPMENT

Included possible minor demolition and renovation with minimal disruption at the facility without impacting the overall guest experience was critical.



### OPTIMIZATION

Controlling and monitoring of equipment was necessary as the FMI's executive team expected verifiable results along with meeting milestones within the 3-year plan.

## KEY BENEFITS

---



### INNOVATION CONTINUES

Using ENTOUCH.360, FMI now has the capability and processing power necessary to drive FMI's energy savings strategy forward. ENTOUCH sequences large equipment to optimize energy usage and reduce demand for electricity and natural gas on an equipment-specific basis. Meanwhile, dedicated account support and continued innovation is pushing FMI forward to take advantage of outdoor air temperatures for indoor environmental controls through dampers and economizers. This will enable FMI to finally slay the 800-Pound Gorilla of improving guest experiences.

Future improvements to facility HVAC systems could save another 20% or more on energy costs. In addition, ENTOUCH is integrated with ServiceChannel which is FMI's work order management or CMMS platform. The result is that FMI can now streamline their work order processes while aggregating historical repair and maintenance (R&M) data with ENTOUCH data providing FMI with a clear picture to the overall health of each facility and extending FMI's investment in ServiceChannel.

The opportunities for improvement in FMI facilities will increase as the partnership with ENTOUCH matures, driving new revenue streams and pushing the boundaries of equipment efficiency and life-expectancy through bigger, better analytics platforms and the unrelenting support of dedicated account management. FMI success can support other restaurateurs who can use this experience as a proof-of-concept when seeking C-Suite approval or buy-in for implementing smart building solutions.

## ABOUT ENTOUCH

---

ENTOUCH.one is a fit-for-purpose suite of devices that collects all the data from your facility's systems needed to transform your operations and make better decisions digitally. Our ecosystem includes our controller—the smart thermostat, lighting and load control, utility-grade energy meters, and wireless sensors to monitor everything from in-room temperature and indoor air quality to all of your refrigeration assets. Our patented technology stack and unmatched experience with nearly 90,000 installed devices, coupled with our mobile installation app and cloud-based commissioning tools, produce simple, fast, high-quality one-and-done installations that do not disrupt your business.

To learn more about ENTOUCH's smart building solutions, visit [www.entouchcontrols.com](http://www.entouchcontrols.com)