



EXPERT NEWS # 3/2012

**"WE SELL
PUMPS TO
THOSE WHO
THINK THEY CAN
NOT AFFORD
THEM!"**

**60 YEARS OF HEAT
IN MARKARYD**

SOLAR HEATED
fire station in Bålsta

MANY are
switching
to **NIBE**



NEW PROGRAMME OF TRAINING COURSES

WELCOME INTO THE WARMTH!

AN INCREASING NUMBER OF BUILDING SERVICES FIRMS ARE SWITCHING TO NIBE. Although the Swedish market for heat pumps continues to contract, we are proud to present a stronger market position across all product segments. Our market position strengthened considerably in the first six months and we hope you'll be enjoying an active autumn out in the field.

ONE OF THE MANY BUILDING SERVICES FIRMS to discover the advantages of partnering with NIBE is Mörbylånga VVS on Öland. In this case, the design of the products, ease of installation, the smart control system and wholesale distribution are particularly crucial factors. In other cases, performance, design and the extensive line of products with an ever growing range of accessories play a major role.

This autumn, we will be inviting more building services installers to try our products and to visit our facilities in Markaryd. They will take part in our product training programmes and find out about our 60 years in the business.

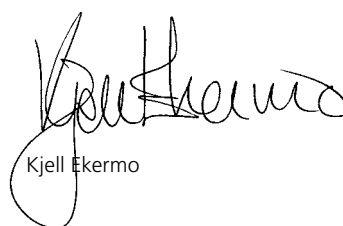
It goes without saying that the performance, quality and function of our products will continue to be world class. In conjunction with this, an attractive special offer will also be available during part of the autumn. Please contact our regional district manager or our Markaryd office for more details.

MANY HOMES AND LARGE PROPERTIES IN SWEDEN still rely on a far-too-expensive, non-environmentally friendly form of heating. Electric boilers and direct electrical heating products in particular are

now being replaced by heat pumps. Sven Berglund from the Stockholm company "Vi Värmer Sverige AB", which installs heat pumps in homes and commercial properties, offers some sound advice on energy-efficient end-to-end solutions.

The optimisation of our organisation at Markaryd this spring has improved our prospects for future growth. Highly-trained, experienced and product-oriented employees are taking on an increased responsibility, both nationally and internationally. This expertise already has an "ear to the market" and will be listening to and liaising with our Swedish and international partners in order to ensure that our move into the next 60-year period will be at least as successful as our past history. Never before have our product development teams been as strong, our product managers as experienced, our support and service teams as knowledgeable or our training and visitor programmes as extensive as they are today. Moreover, we have Europe's most state-of-the-art production facility in the industry. We are still completely and humbly aware that we can continue to make improvements across our entire business. As we look back at the past 60 years of our company's history, we are already writing the next chapter.

WELCOME INTO THE WARMTH THIS AUTUMN! It is most important that we conduct our business with you in a professional manner, providing support and products that strengthen our future partnership and our customer's confidence in NIBE and NIBE's installers.


Kjell Ekermo



60 YEARS OF HEAT IN MARKARYD

A photo from the 1950s shows NIBE's 25 employees enjoying a coffee break at Christmas. Today, 60 years later, there are more than 8000 of us working in the Group. That's twice the population of Markaryd ...

HAVE YOU BEEN PART OF THIS HISTORY? Or are you one of our new friends? Here are some highlights from our company's history ...

1950s – THE TANKS ARRIVED

Each heating system has a hot water heater. At the heart of each hot water heater is a tank. NIBE has mastered the skill of building these for 60 years.

1960s – "FRIDGES" FOR HEATING

NIBE COMPACT. Almost 50 years old. And from the outside, not all that different from a modern hot water heater. Even the name is the same.

1970s – BOILER ROOMS DISAPPEARED

The oil crisis created a surge of interest in clean heating and energy without dependence on foreign oil. Electric boilers replaced oil boilers on assembly lines and boiler rooms were converted into saunas or hobby rooms. The EVC 150 became NIBE's best seller.

1980s – MAGICAL PUMPS

The magic of the heat pump entered our homes. Many found the idea of heating their homes with excess heat rather odd – that would be like running cars on their own exhaust fumes. But it worked!
And the FIGHTER TWIN, launched in 1981, became more or less standard in all newly-built houses.

1990s – GEOTHERMAL OR PELLETS?

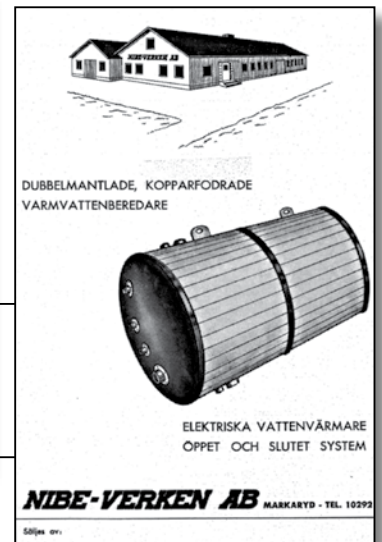
It was a much discussed topic among home owners. NIBE was active in both areas and launched the NIBE FIGHTER 1210 back in 1998. A minor revolution.
In 1997, NIBE's shares were floated on the Stockholm Stock Exchange. A small company had grown big!

2000s – LOVE LETTERS FROM THE ELECTRICITY UTILITY COMPANY

Heat pumps weren't magic any more. They were a standard installation in Swedish homes. The NIBE FIGHTER 1250 became the first pump with speed control and took energy savings to a new level. Electricity bills were looked upon as love letters ...

2010s – THE NEW GENERATION

The new generation of heat pumps. Colour displays and remote control. A royal visit from the King of Sweden. Acquisition of the Swiss Schultess Group brings an increase in sales and workforce numbers.





“We sell pumps to those who think they can not afford them!”

“There are a lot of people who ought to invest in ground-source heating, but they don’t. The problem is that installers try to sell them systems that are too expensive.” That’s how Sven Berglund from the Stockholm company “Vi Värmer Sverige AB” views the situation.

“Many installation companies don’t seem to realise that if they focused on the NIBE F1226, business would be booming! In my opinion, this is Sweden’s best heat pump for most homes.

VI VÄRMER SVERIGE is the largest heat pump installation company in Stockholm. It employs 36 personnel, owns two drilling rigs and has a team of people dedicated to sales. Every year, it installs about 300 ground source heating systems, around 100 of which are the NIBE F1226.

Sven says, “The NIBE F1226 is the best heat pump in the market for 70% of all households.

Many installers lose business through

trying to sell a system that’s too expensive for what the customer needs”.

KILLING OFF ELECTRIC BOILERS

A typical example is a house that uses just over 20,000 kWh per year and is heated by an electric boiler.

“When the old electric boiler packs up, the customer has to pay SEK 40,000 for a new one. At that point, we usually tell the customer that we can install a complete ground-source heating system, with 120-metre boreholes and a NIBE F1226, for a cost of SEK 105,000, after the ROT tax deduction for home improvements. And that they save the additional cost of SEK 65,000 in just two and a half years.

It’s most probable that we would have

scared the customer away if, instead, we had started talking about expensive heat pumps.

What we now have is a whole new group of customers who didn’t believe they could afford ground-source heating.

LISTEN MORE, TALK LESS

Sven says that installers must learn to listen more and talk less.

“Most customers want heating, hot water and a low electricity bill. They’ll never push a single button on their heat pump. There’s a real risk of scaring the customers away if we start talking about product features. It makes things sound complicated and expensive.

A lot of installers have almost made a



Sven Berglund in front of a NIBE F1226.

AN INCREASING NUMBER OF INSTALLERS – are switching to NIBE

An increasing number of building services installation firms in Sweden are switching to NIBE. One of the firms that made the change last year was Mörbylånga VVS on Öland. It has 13 employees and installs some 30 heat pumps each year. Ola Malmqvist, who owns the company with his wife Mia, explains, “Our installers came up with the idea.”



habit of offering a top-quality product, like the NIBE F1245, from the start. If they are then faced with a competitor who has decided to offer a simpler solution, there is a risk that they reduce the profit margin to win the sale,” Sven explains.

“We’ve learned never to over-sell. Offer the customer the product that meets their requirements at the best possible price. Don’t try to solve a problem that the customer does not have. The NIBE F1226 is what’s needed for a standard home with 12 radiators.

You’ll find you have some extremely pleased customers as a result.”

“I don’t know of a single customer who has been dissatisfied with this particular product. They just expect it to work and every additional small detail means they are more satisfied than they ever could have imagined.

WE WERE PREVIOUSLY WORKING with another brand, but some of our customers asked particularly for NIBE. Our lads were surprised how much easier it was to install and work with NIBE’s products than those of the competitors.

They especially liked the removable cooling module. When it is removed, the weight is distributed and the heat pump becomes much lighter and easier to handle.

“There’s always a risk of trapping your fingers when carrying a large, heavy heat pump up a narrow stairway.

It’s a major step forward!”

They also liked the menu system and the USB feature for uploading settings.

Ola points out another strong reason for switching to NIBE – wholesale distribution.

“Wholesalers have their own stock of products which makes delivery times very different to what they would be if we purchased directly from the manufacturer. Nowadays, products are delivered in a few days at most whereas previously it could take up to 4 or 5 weeks.”

“We were working with both manufacturers’ products for a while, but when it came to choosing one or the other, the decision was unanimous.”

“My only real concern was with service and having access to good support. We contacted NIBE’s local service representative and together we came up with a smart solution.”

“I must say that despite its size, NIBE is a flexible company that understands small businesses.”



NIBE installation honoured in the UK!

A project installed by HT Energy, of Swainby in North Yorkshire, won the National Heat Pump Award for Installation of the Year - Air-source Domestic.

THE SYSTEM, which comprises four NIBE F2015/11 heat pumps (the export version of the F2025) and solar panels, was installed at Newton Hall, an 18th century Grade II-listed house. It replaced an oil-fired heating system that had cost more than SEK 20,000 a month to run. Not only has it cut running costs, the system has vastly improved the level of comfort inside the property!

FRESH PROGRAMME OF COURSES

NIBE'S TRAINING COURSES ARE WIDELY RECOGNISED and many installation companies have realised that it pays to have well-trained staff.

"This year, we've reviewed our training courses and will be making a number of changes to the various programmes.

There will be Basic, Technology and Service courses for domestic heat pumps and a further specialisation course for each type of heat pump. Courses will be similarly divided up for commercial heat pumps."

"We've noted that requirements for training are becoming more specialised

and we think this will be a very good solution. All the courses will be run a number of times each year."

NIBE TRAINING COURSES	BASIC	TECHNOLOGY	SERVICE
Ground and air/water heat pumps – domestic	X		
Ground source heat pumps – domestic		X	X
Air/water heat pumps – domestic		X	X
Exhaust air heat pumps		X	X
Heat pumps – commercial	X	X	X



SOLAR HEATED

emergency services

A brand new heating system has been installed in the emergency services premises in Bålsta, near Enköping. Solar panels and ground-source heating now provide almost free hot water throughout the summer.

BÅLSTA FIRE STATION is quite an extensive building. In addition to the firemen, who need to shower, and the fire engines, that need washing, there is a sports hall for local authority employees and local sports clubs. It also has a garage where seven fire engines and an ambulance have to be kept warm, dry and ready for action whatever the weather. This means enormous amounts of hot water - all year round. The solution, provided by TA Brunnsborringar, was to combine two NIBE F1330 commercial heat pumps with 40 square metres of IntelliHeat solar panels on the roof. This means year-round economical heating and also a virtually free supply of hot water during the summer months.

The heat from the solar panels is used to produce large quantities of hot water and to recharge the boreholes.

"We pump hot water from the solar panels down into the boreholes to raise the temperature there even more. And this helps improve the efficiency of the system in the winter!"

HÅKAN BERNTSSON

– Newest recruit in Mälardalen!

IF YOU WORK WITH NIBE in the Mälardalen region of Sweden, you're bound to bump into Håkan sooner or later. Håkan is NIBE's most recent addition to the district sales team.

"I'll be working a lot with our wholesalers. Having a good relationship with them is key to success. I want it to be possible for all installers to get hold of our main products in one or two days." Håkan has previously worked with radiators and knows many people in the building services sector.

"I have to say that I really like NIBE. It's a genuine company where everyone, even those at the top, has their feet firmly on the ground! And it seems the company listens to the market." Håkan lives in Enköping and is based at the Stockholm office, close to Infra-City next to the E4 motorway on the way to Arlanda Airport.

You can contact him on
+46 (0)433-27 34 86.



THERE'S SO MUCH HEAT OUT THERE...

– Just waiting to be collected

Some 30 years ago the Swedish company NIBE started to manufacture ground source heat pumps. What was then seen as a novelty, is today the primary source of heating in new houses in large parts of Scandinavia. Heat pumps have also played a major part in Sweden reducing its dependency of fossil fuels for heating by close to 80%.

And as someone said – if it can heat a house in Scandinavia, it can heat a house anywhere!

TODAY NIBE IS A MAJOR player in the heating industry with an annual turnover of some € 900 million and more than 6,000 employees on three continents.

A large part of this is the result of the success of ground source heat pumps. With the aid of a ground source heat pump, solar energy stored in the ground can be collected and used to heat homes and commercial buildings.

Warmth builds up underground from

the first days of spring when the surface of the earth starts to thaw, to high summer, when the rays of the midday sun penetrate deep down into the ground. By the time the autumn leaves are falling, there's enough energy stored in the ground to heat up any house throughout the coldest winter. A heat pump collects and upgrades this naturally occurring warmth.

Even a wet and cool summer can still provide enough energy to maintain a

comfortable indoor temperature in the coming winter.

If at any point it gets too hot inside the house, the same system can be used for cooling.

Drawing on the lower temperature underground (between 4 and 12 C°) passive cooling also exploits nature's own resources – simply for cooling instead of heating.

It's amazing, but true.

THREE KINDS OF HEAT PUMPS

Heat pump is a word with many different meanings. Today NIBE produces three kinds of heat pumps.

Exhaust air heat pumps

An exhaust air heat pump ventilates the building and recovers the energy in the warm air, reusing it to warm up your sanitary water and fuel a central heating system. Ideal for heating domestic premises and tap water.

Ground source heat pumps

Drawing heat from surface soil, bedrock or the water in a nearby lake, this is a great option for heating houses, multiple-unit properties and other larger buildings. Available with or without an integrated water heater.

Air/water heat pumps

These pumps extract heat from the ambient outside air. In contrast to simpler types of air-to-air heat pumps, they are connected to the building's heating system and are able to produce both heat and hot water.

HEAT PUMPS MEANS RENEWABLE ENERGY!

The 20/20/20 European directive imposes compulsory targets on the EU's 27 member states, specifying that 20% of energy consumption must be met by renewable sources by 2020. Since ground source heat pumps are now classified as a renewable energy source their installation will help member states reach this ambitious target. And in many cases, local or regional authorities are offering home owners subsidies to switch their existing.



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