

Case Study

Department Store Saves \$70,000 Annually with AERCO

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| Customer | Yeongdeungpo Shinsegae Department Store |
| Location | Seoul, South Korea |
| Industry | Retail Store |
| Sales Representative | Watts Korea |
| AERCO Product Installed | Innovation 1060 |



What the Client Needed

Since opening its doors in 1984, Yeongdeungpo Shinsegae department store in Seoul, South Korea has been a popular destination for consumers, thanks to its appealing design and upscale merchandise. Behind the elegant product displays, however, the store's management team was dealing with a problematic hot water solution. First, the steam system they were using to heat water was bulky and complicated to service. Second, its operating efficiency had reached an all-time low with the addition of new equipment over the years.

The Shingsegae team needed to find a simpler and more cost-effective solution for the Yeongdeungpo store. They were spending money on an old, inefficient system that could be better spent on keeping the high-end retail hub looking like a million bucks. After weighing options, they decided to go shopping for a compact, gas-fired, high-efficiency solution that could deliver reliable domestic hot water.



AERCO's Solution

Sang Gi Park's company, Builcomm, manages hot water systems for all Singsegae department stores in South Korea. Sang Gi was familiar with AERCO's water heaters even before the system upgrade, as he'd spent considerable time window shopping hot water solutions. He believed that switching to an AERCO solution would result in significant cost savings. Manufacturing Rep Watts Korea and Builcomm selected two gas-fired AERCO Innovation 1060 (INNI060) water heaters to replace the steam system. They felt the Innovation units' high efficiency and precise temperature control $\pm 4^{\circ}\text{F}$, paired with their small footprint and tankless design, were just what the Yeongdeungpo store needed.



The first step was to remove the old steam system. This was no small task. The system was cumbersome and included three steam water heaters, a steam header, condensate tank, water purifier, two storage tanks, and all the requisite piping.

By contrast, installation of the Innovation water heaters was simple due to their venting versatility and compact footprint. The latter allowed installation plumbers to fit the units easily through a standard 36" doorway.

When all was said and done, the Innovation water heaters occupied only a third of the floor space the steam system had, which left plenty of room for other equipment. The Singsegae team knew that upgrading to the Innovation 1060 units would be an improvement, but even they were pleasantly surprised with the results.

Return on Investment

Singsegae management saw an almost immediate return on investment (ROI) after choosing AERCO. The superior performance of the Innovation units saved the Yeongdeungpo store 50% on fuel costs within two months – this translates to an annual savings of \$70,000. The units have also been easy to service, which means Builcomm can focus on other tasks. According to Sang Gi, satisfaction with the units is high, and they are now looking to install Innovation water heaters at all Singsegae department stores.



Heating and Hot Water Solutions

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