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Interview

It's not easy being green



Bricks & Bits' Daniel Schlitner sees the "greening" of Polish business as a challenge

Bricks & Bits provides electrical-energy savings solutions and advisory services in the energy auditing, conservation and efficiency sectors. WBJ sits down with the firm's president, Daniel Schlitner, to discuss how Poland compares with the rest of the region in terms of energy efficiency, and what can be done to encourage Polish companies to do more

Mladen Petrov: How would you evaluate Poland in terms of energy-conservation?

Daniel Schlitner: To start with, from the negative things that I've observed in running Bricks & Bits for more than five years, I have to stress the fact that Poland generally lacks incentives for reducing energy costs. For example, countries such as Germany and the UK are very efficient in this area and businesses are actually being encouraged to adopt energy-saving approaches in their everyday operations – lots of benefits are linked to this.

Has the government been helpful?

The government, more than three years after Poland's accession to the EU, hasn't moved significantly in this direction. Businesses here are not encouraged to save and the ones that actually try don't enjoy any benefits. It doesn't make a lot of sense to me that the government, which has expressed strong concerns about the need to conserve energy, actually does nothing about it. The fact that energy in Poland is relatively cheap is another reason why general awareness of this problem is lower than in some Western countries. However, the price will eventually go up and it is high time for the government to do something to deal with it.

What positive changes, if any, have you observed lately?

Since Poland's accession to the EU, Polish companies' interest in reducing energy costs has grown. They understand the importance of saving and they see increasing energy costs eating their margins. That is true especially for the retail industry, in which margins are lower than in other industries. I am happy to see Polish retailers like Bomi, Berti and Smyk among our customer portfolio. Bricks & Bits is also working with several municipalities around the country, such as Kutno, Piaseczno, Toruń and Wołomin, where the local authorities have adopted our street-light conservation solutions. As a result, they are now enjoying up to 25-percent lower electricity consumption. Unfortunately, once a municipality decides to start conserving there is a wait of up to three years before a solution's actual implementation, because of the time-consuming administrative procedures.

What kind of companies in Poland consider energy conservation a priority?

Small and medium-sized companies based 100 percent on Polish capital are not as energy-conscious as big international companies operating in Poland, which have a long tradition of environmentally friendly activity. Energy conservation is part of their inter-

nal policy and they are well aware of the benefits.

What about domestic firms?

Polish companies are suspicious when our specialists contact them, but the mistrust disappears when they learn how much they can actually save. We offer them a free trial on their premises, where they can see how much changing their energy strategy would save. We also offer financing or what we call a "savings sharing scheme" [where the money saved is split between the client and Bricks & Bits], so that any company which can't afford expensive solutions can still partially benefit from savings, while sharing the outcome of savings with us. However, our experience has shown that Polish companies are afraid of long-term contracts. Convincing them to go "green" remains our top priority and biggest challenge. It's important to mention, though, that most of our solutions are paid off within two years.

Your company also has operations in other CEE countries, such as the Czech Republic, Hungary and Romania. How does Poland compare to them in terms of reducing energy costs?

We earn more in Hungary despite the fact that the market there is much smaller. This shows that Poland has lots to do when compared with its neighbors. The other CEE countries in which we operate are well aware of the importance of these issues and there is no need for a nationwide promotional campaign.

What can be done to improve things in Poland?

The Polish government could run a promotional campaign – which is not expensive or time-consuming – and the benefits are worth the effort. Of course, it could also follow the example of the UK, where businesses enjoy significant subventions in the form of tax breaks for every pound invested in energy-conservation solutions. It is also crucial to point out that every company could save from five to 10 percent on its energy consumption without any significant investments. Now imagine what that would mean for the whole country. ●