

**Worldwide
Energy
shines by
handling
all aspects
of energy
efficiency**



Gaylen Davenport, COO of Worldwide Energy Inc., says the Kansas City area has an aging supply of buildings that is ripe for improvements, such as lighting systems. He is transitioning the company to have more recurring revenue by selling wholesale lighting.

The energy-efficiency business is not exactly hurting for attention these days.

Rising utility rates, a sluggish economy and stimulus-related federal subsidies for energy audits have led to a flood of consultants offering to identify and connect businesses and homeowners with ways to reduce their power bills.

Despite the congestion, Worldwide Energy Inc. has carved out enough of a niche to quickly ramp up revenue and triple its work force, leading the company to move to a new, larger office in February.

The Lenexa-based company's method has been a combination of marketing for the long term - some jobs the company is doing now first were pitched three or four years ago - and providing a comprehensive service that doesn't just find and install more modern equipment but fills out all of the paperwork to maximize the efficiency-based utility rebates and federal tax credits due the customer.

"The biggest thing about the way we go to market is we sell the return on investment over anything else," said COO **Gaylen Davenport**, who co-founded the company in 2006. "We want to make sure they have the right technology, whether it's lights or heating and cooling or power correction. But we really work hard to make sure that the client gets all the incentives."

Davenport said utility rebates differ widely from state to state and company to company. But rebates and the breaks on corporate income taxes can cover as much as half of a project's investment.

The strategy has paid off. The company recorded \$3 million in revenue last year and had booked that much business through the first two months of this year. It also grew from five employees at the end of 2009 to slightly fewer than 20 now, most of the growth coming in sales.

Davenport said he sees growth continuing in the short term because the Kansas City area has a largely mature real estate market, and its aging supply of buildings is ripe for improvements to heating and cooling systems and lighting.

He also has taken the company's expertise on the road, doing projects from Texas to Nebraska and Iowa, as well as work as far away as San Francisco.

"All of those (states) have great rebate programs," he said.

Most of the projects have come from referrals or existing customers asking Worldwide Energy to do efficiency work on their other sites throughout the country.

For example, Olathe-based Tompkins Industries had Worldwide Energy do efficiency work on its five locations in the Midwest two or three years ago after using it on a small location in California.

"The biggest impact was the lighting. We didn't know how bad our lighting was," CFO **Ben Blades** said. "It reduced our power bills quite a lot."

The boost in sales force during the past year also has allowed the company to do more cold calling and sales visits to prospective customers.

Worldwide Energy has vetted and trained a pool of contractors on pricing jobs for removal of old equipment and installation of new devices.

"We're able to come in there with a lot of value because we're the client's advocate," **Davenport** said. But he's also not content to keep riding the incentive wave, which he says even now is starting to ebb, with federal government's stimulus program fading into history and utility companies planning to sunset some rebate programs as they deal with lower revenue.

Although he said he doesn't expect a steep drop-off in projects - businesses still like saving money and pointing to a smaller carbon footprint, after all - he is taking steps to make Worldwide Energy's cash stream more predictable.

"We're able to come in there with a lot of value because we're the client's advocate," Davenport said.

The company's new 5,000 square-foot office includes warehouse space, which has allowed Davenport to start a wholesale business for lighting fixtures. Considering the backlog that many manufacturers face because of high-efficiency lights popularity. Davenport said the inventory is a big seller to building management companies that need replacements quickly.

"We want to be more service-oriented and transition our business to move recurring revenues," he said, estimating that wholesale sales eventually will make up 20% of revenue.

In its main business, Davenport said worldwide Energy's point of differentiation is that unlike some electrical or building contractors that many do efficiency upgrades as a side business, this is the company's primary job, as in keeping up with rebates and tax benefits. Although the tax work can be performed by any auditor and the rebate applications are straightforward, he said that overseeing the incentives process is important because potential and past clients who have attempted to do it themselves sometimes end up with less than half of what they could have received.

David Zimmer, president of Zimmer Real Estate Services LC, said affiliated company Zimmer Realty Co. reviewed several vendors to help upgrade lighting on its 1960's - and 1970's - era industrial buildings in North Kansas City.

Zimmer settled on Worldwide Energy to oversee removing the old lights, installing the new ones and then securing incentives, which Davenport said reduced the project's total cost by half.

"There's a whole list of things you have to do for the full-service package, and we've never been able to identify anybody that has been able to provide it soup to nuts," said Zimmer, who added that the company is considering

WORLDWIDE ENERGY INC.

Description: Performs commercial energy efficiency audits, coordinates installation and processes paperwork for tax and utility incentives

Revenue: \$3million (2010)

Top executives: COO Gaylen Davenport, President Dawn Davenport

Employment: About 20 full time

Address: 10413 W. 84th Terrace, Lenexa, KS 66214

Telephone: 913.310.0705

