

Open for business? Try LED “open” signs

Almost any business—big or small—looking to attract attention or convey that it is open for business can benefit from an “open” sign in the storefront window. Historically, neon signs have been the most popular versions; however, signs using light-emitting diodes (LEDs) are now a great energy-saving, cost-effective alternative that requires no compromise. In fact, LED “open” signs are a better option!

A comparison study of neon versus LED “open” signs by Southern California Edison shows that:

- *Both have the same potential to attract attention.* They have similar brightness and are equally eye-catching, which is their main purpose.
- *They are available in the same styles and sizes.* You don’t have to compromise the look of your sign.
- *LED signs have a cheaper initial cost.* On average, they are \$30 cheaper than neon signs (\$192 for LED signs versus \$222 for neon signs of comparable size ranging from 22”x10” to 37”x20”). Many neon signs are hand-formed, which requires the skills of traditional craft labor. They also have been on the market for a while and have had time to settle into their current market prices. LED sign production is more automated, and because the technology is newer, it is still decreasing in price.
- *LED signs have lower maintenance and replacement costs.* Because they last much longer than their neon counterparts, LED signs do not need to be replaced as often, saving you valuable time and money. The estimated useful life of an LED sign is 16 years; you would need to purchase four neon signs in that period. At an average cost of \$222 per neon sign, that’s a total cost of \$888 versus the \$192 spent on a single LED sign—a difference of \$696!

- *LED signs use less energy, resulting in lower operating costs.* For a sign of a typical size that is on for 12 hours per day, 365 days per year, LEDs can save business owners 133 kilowatts per year, or an average of almost \$14 per year in electricity costs (using the 2009 U.S. Energy Information Administration average electricity price of \$0.1031 per kilowatt-hour for commercial customers).
- *LED signs can be animated.* Many LED signs have an animation feature at little or no additional cost that allows each individual bulb to blink sequentially to create an illusion of motion or animation. Neon signs have limited animation because only whole tube sections can be turned on and off, whereas individual LED bulbs can be.

If you’re looking to attract customers with an “open” sign in your window, look for LEDs—you’ll reap the cost-saving benefits and put more money back in your pocket.

Need more help?

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Financial incentives for selected energy efficiency improvements are available from Focus on Energy, Wisconsin’s statewide program for energy efficiency and renewable energy. See focusonenergy.com/incentives for more details.

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