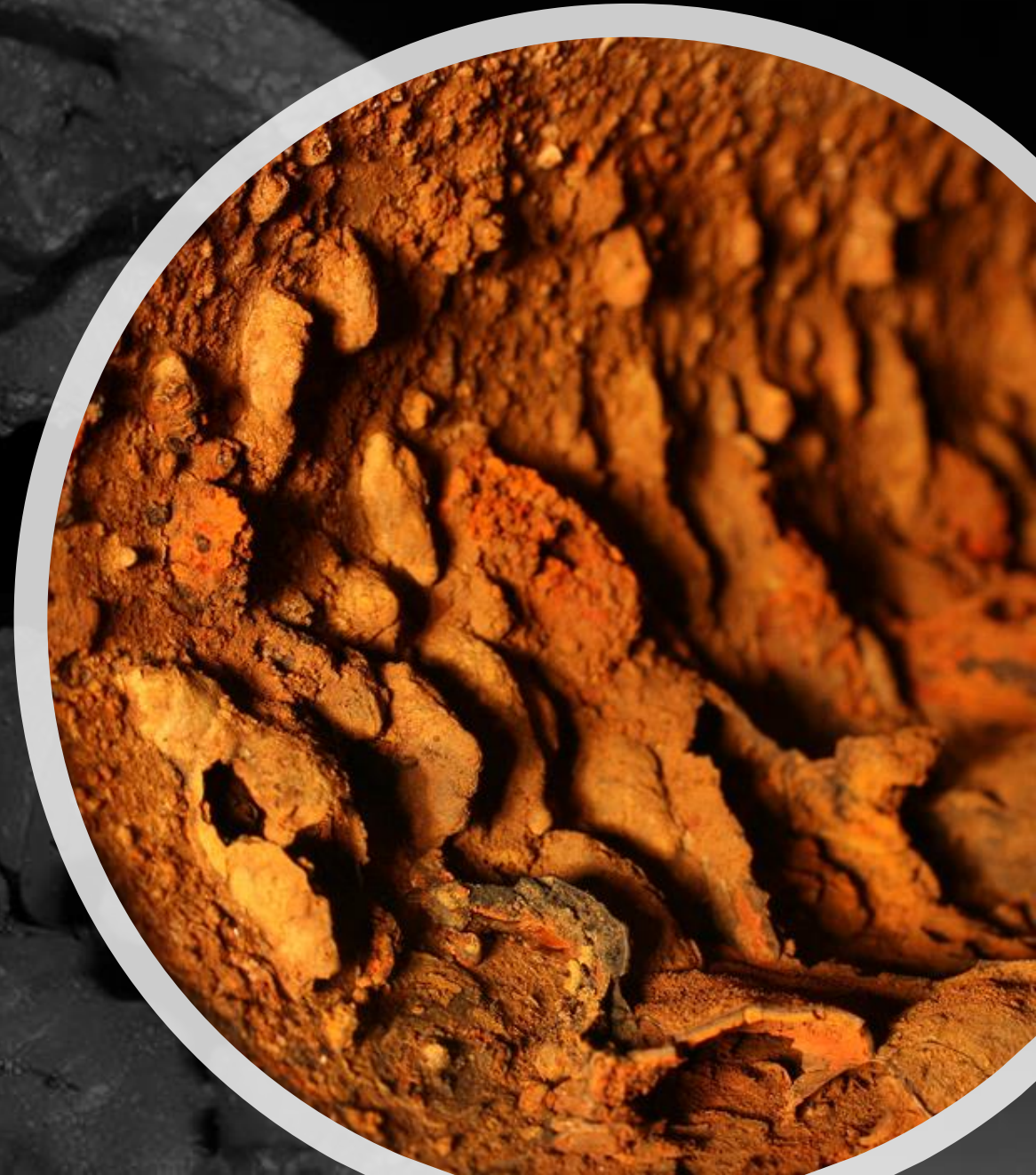


# How has sprinkler pipe corrosion affected your facilities?

- Dry and preaction systems are involved in 59% of fire losses caused by corrosion-related obstructions to sprinkler flow (FM Global)
- 73% of dry and preaction systems inspected had significant corrosion issues after 12.5 years (VdS Study)
- Corrosion leads to property damage, ongoing pipe repair and replacement, decreased c-factor and sprinkler head blockage – potentially rendering the system inoperable in the event of a fire



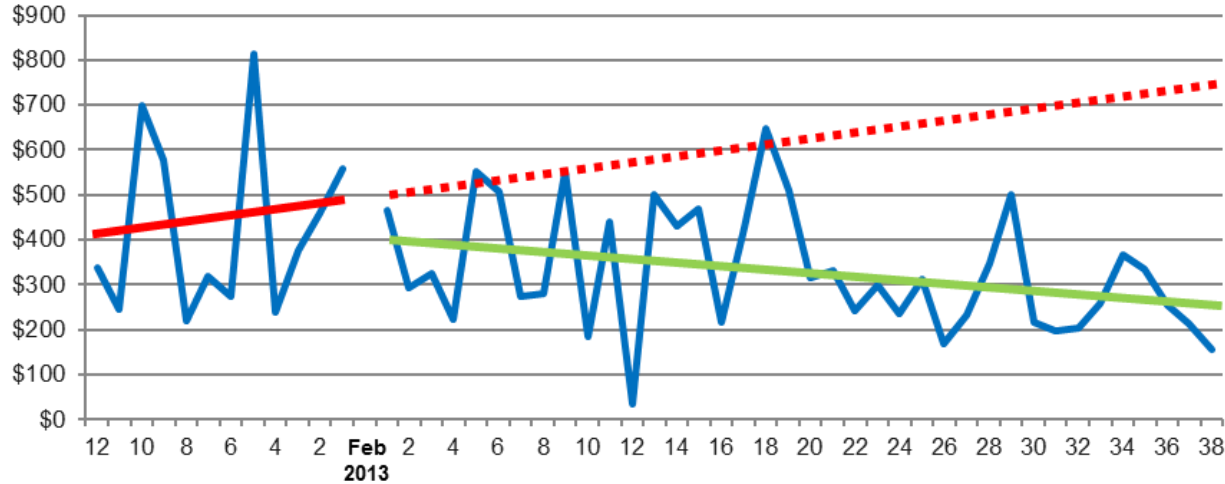
# Case Study: Fortune 500 Company Pilot Program

- Study included 77 facilities (15+ years old) with the highest dry sprinkler system break/fix expense history
- Data collected Feb. '13 – Apr. '16 to compare avg. monthly spend on dry system repairs before installing nitrogen generators vs. post-installation
- Each facility contains 1-2 dry systems comprising up to 1,800 gallons of total pipe capacity
- Facilities received nitrogen generation system upgrades in lieu of wholesale pipe replacement
- Avg. cost of nitrogen generator (installed) – \$26K/unit vs. avg. cost of wholesale pipe replacement – \$75K/facility






# | Trend Analysis: Repair Count and Cost Reduction

Pre-N<sub>2</sub> Trend vs. Post-N<sub>2</sub> Trend



## Legend:

- Pre-N<sub>2</sub> Trend: Actual avg. repair cost trend line pre-N<sub>2</sub> 
- No N<sub>2</sub> Trend: Trend line if N<sub>2</sub> was not installed 
- Post-N<sub>2</sub> Trend: Actual avg. repair cost trend line post-N<sub>2</sub> 

## Methodology:

- Analysis uses the avg. dry system repair cost over 27,000 repair work orders incurred from Jan. '11 – May '15
- Assumes each facility incurred one repair per month

## Results:

- Repair work order count reduction – 32%
- Avg. repair work order cost reduction vs. Pre-N<sub>2</sub> – 48% (\$495 to \$255)
- Avg. repair work order cost reduction vs. No N<sub>2</sub> – 66% (\$745 to \$255)
- Projected cost savings at month 38 – \$906,675
- Total investment – \$2.002M
- Projected return on investment – 4.8 years

# N<sub>2</sub>BLAST<sup>®</sup>

## Dual-bed PSA Nitrogen Generators



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