



**BOMA**  
International

*Labor Shortages, Supply Chain Challenges, and World Events:  
The Effect on the Commercial Real Estate Industry  
and Promising Solutions*

**April 21, 2022**

## Moderator



**Alan Stein**

*Partner, Strategic Marketing*



## Introduction

Thank You Cornerstone Partners!



TRANE®



## Introduction



**Tom Walton**

Senior Vice President,  
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/// Allied Universal Security  
Services, Systems & Solutions



**Cory Bullis**

Senior Public Affairs  
Specialist

/// Flo EV Charging



**Juliet Hollyhurst**

Onvation Business  
Operations Leader

/// Kimberly-Clark Corporation



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Director of Business  
Development

/// Kings III Emergency  
Communications



## Introduction



**Rick Garlin**

Senior Corporate Accounts  
Manager

/// PPG Industries



**Jon Clarine**

Head of Digital Services for  
TK Elevator North America

/// TK Elevator



**Bill Collar**

Enterprise Sales Account  
Executive

/// Trane Technologies Inc.



## Current Labor Crisis



- **3.6%** - The national average for unemployment in March 2022
  - 2<sup>nd</sup> lowest rate in 50 years
- **"The Great Resignation"** - Several demographics taken out of the labor market
  - Will we get them back?
- **Hybrid Work** – Flexible hours and Work From Home options are growing in demand among workers, which is a challenge for the Commercial Real Estate industry
- **Cost of Living** - Inflation and current global events are driving up costs
- **New Normal** - This is not an isolated issue and is not temporary



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## Addressing the Crisis



### What You Can Do

- Ensure wages and salaries are at or above competitive standards
  - Use reputable indexes for comparison purposes
- Offer and promote comprehensive benefit packages
  - Require your business partners do the same
- Invest and commit to appropriate onboarding/training periods
  - Employees unsure of their job knowledge are more likely to seek other employment
- Invest in the work environment
- Strong leadership includes clear job roles, positive coaching and mentorship

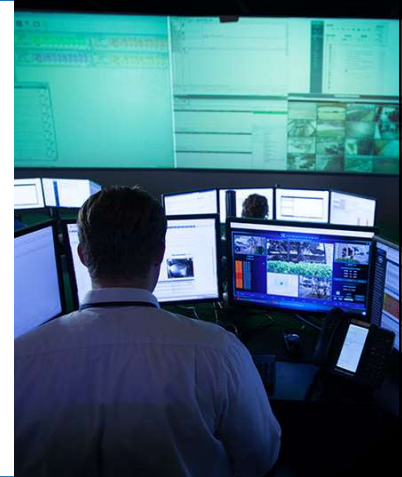


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## Labor Alternatives

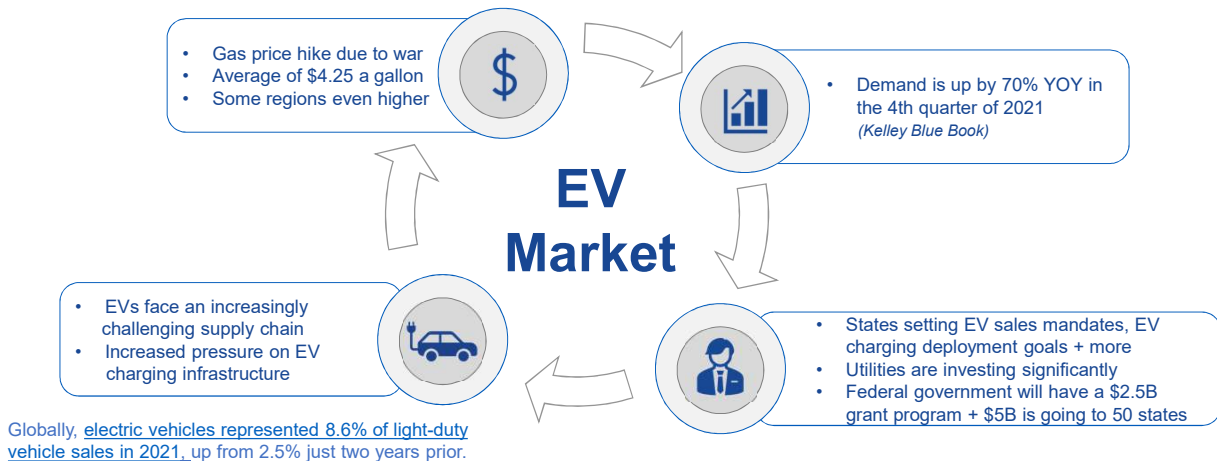


- **Robotics** - Identify tasks that are necessary, but may not require human engagement
  - Robots are not a replacement for humans, but could be a supplement
- **Consolidate Functions** – Use remote video monitoring of cameras in place of on-site personnel
- **Invest in Talent** - Consider how a more skilled, higher compensated employee could produce more value than two lower paid employees
- **Update Policies** - Consider reevaluating outdated policies and practices



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## The EV Market is Rapidly Changing



Flo

## Government and the Market is Planning & Investing NOW



- Federal \$5B formula program for EV charging [fact sheet](#) & [guidance](#).
- Federal government will also have \$2.5B discretionary "community" grant program.
- President Biden [set a goal](#) to achieve 50% EV sales by 2030.



- [California](#) and [Massachusetts](#) banning the sale of new gas cars by 2035.
- [Washington State](#) to ban them by 2030.
- California projects needing 1.2M EV chargers by 2035 (515K at apartments alone by this date).
- Oregon [projects](#) needing 155K chargers by 2035.
- 17 states have EV [production mandates](#).



- Other highlights: building code requirements, utility incentive programs, GM [announces](#) \$7B investment in EVs, 165 EV models to be available by 2025



Flo

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**ONVATION®**

A connected software solution  
for **smart** restroom servicing



**Kimberly-Clark PROFESSIONAL** **Scott** **gojo** **Purell**


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Discover  
**ONVATION®**

A connected software solution for  
**smart** restroom servicing

What if, instead of asking  
your resource limited  
janitorial team to work  
harder you gave them tools  
to work **smarter**?



Increased hygiene expectations & heightened germ anxiety

Unpredictability of footfall as buildings reopen

Today's market forces

Volatile supply chain and cost control

Crippling labor shortages, especially cleaning staff

Lower technology costs and proven solutions

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**ONVATION** Labor Inefficiencies

### Today's Restroom

**Scheduled Servicing**

Dispensers need to be checked multiple times / day whether they need it or not.

Kimberly-Clark Professional estimates show it's likely cleaners spend up to

**25% of their shift\***  
*checking dispensers*

**Limited Data**

Unpredictable footfall makes it difficult to estimate how long product will last

**A Source of Disruption**

Facility managers experience frequent complaints and extra operational costs

\* 30 restrooms contain approx. 180 devices and Kimberly-Clark estimates show it takes 1 minute to check each dispenser, which equates to approx. 3 hours work per day, 25% of a 12 hour shift.

Kimberly-Clark Professional

**ONVATION** Labor Efficiencies

### The Onvation Restroom

**Real-time notifications**

Save time and resources by servicing dispensers only when and where needed

**Routine Dispenser Checks vs. Onvation Alert Resolution (Hours)**

Method	Hours
Routine Checking	156
Responding to Onvation Alerts	43

**-72%**

**Proactive maintenance**

Resolve dispenser issues quickly so visitors always have product available

**Time Dispensers Stand Empty\* (Hours - Minutes)**

Period	Time
Before	14:07
After	0:06

**-99%**

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Discover  
**ONVATION®**

Your connected software solution for  
**smart** restroom servicing

 **#1 ranked smart restroom solution\*\***



**Intelligence**

Real-time alerts and predictive analytics inform you of restroom conditions and opportunities, allowing for proactive cleaning and efficient labor optimization.



**Flexibility**

Integrates within your business and servicing operations by securely connecting to existing smart devices and systems, providing adaptable cleaning protocols that boost team productivity.



**Easy to use**

Simple, intuitive Dashboard and App keep you informed and in-control of restroom performance.



**Ready to Learn More?**

We're ready when you are.

Let's measure the impact Onvation will have on your property  
[kcpprofessional.com/Onvation](https://kcpprofessional.com/Onvation)

Email Us [kcpinfo@kcc.com](mailto:kcpinfo@kcc.com) | Call Us 1-800-241-3146

\*\*based on KCP US customer survey August 2021

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## Leverage Industry Expertise & Give Your Team Time Back

**Emergency Monitoring & Dispatch**

With ongoing labor shortages and teams already stretched thin, it's crucial to find ways to elevate your onsite safety and give time back to your team.

**24-Hour Onsite Security Currently Answering Your Emergency Calls?**

- What new responsibilities have they inherited during the pandemic?
- Is your third-party security provider struggling with labor shortages?
- Are they buried with nuisance calls?

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## Specialized Onsite Emergency Response & Security Guards



**If your emergency elevator phones currently ring to your security guards, keep in mind that:**

- Sometimes, they are the entrapped party or the very person needing help
- They are sometimes unavailable to take the call
- Not all are trained to handle medical emergencies until help arrives
- You are missing out on key benefits of a specialized monitoring partner (call recording, location and elevator cab ID, language translation, etc.)
- Lastly, you need a service that supports your incident response plan

**Regardless of staffing constraints,** it's always important to provide your security teams with the best tools and additional safety methods to minimize the margin for error, especially when it comes to areas such as your elevators.



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## Looking Beyond Labor Shortages to Tightening the Budgetary Belt

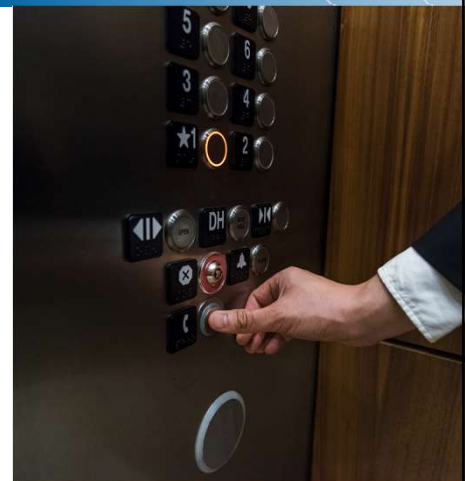


### **Do You Have a Replacement Strategy in Place for Your Traditional Telephone Lines?**

Properties experiencing significant price increases as lines are no longer being serviced and technology is being sunsetted.

#### **Moving to a new technology can help:**

- Future proof your communications
- Improve reliability, continuity and compliance
- And potentially provide significant savings



Kings III

## Global Pandemic & Supply Chain Crisis



### The Paint Industry has been hit especially hard by the combination of the Coronavirus Pandemic and the worldwide supply chain crisis

- The pandemic created massive excess demand for paint while raw material & labor shortages, coupled with natural disasters have hindered paint production



2 years of staying at home had many homeowners repainting, leading to skyrocketing DIY sales



Paint manufacturers have struggled keeping up with excess demand, causing drastic paint shortages

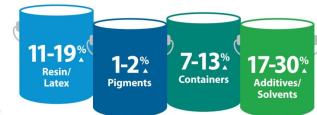
#### % Cost Inflation of Paint Components (2021 est. vs. 2020)<sup>1</sup>

A can of paint includes these key ingredients:

- Resin/Latex (41%)
- Pigments (29%)
- Coalescers (15%)
- Additives/solvents (15%)

The prices of these materials have a significant impact on manufacturing costs—and costs are increasing.

<sup>1</sup>The reported price range is based on the average of the prices of the materials used in the paint industry. The prices of these materials are subject to change and may vary significantly from one region to another.



Global constraints are causing paint raw material prices to increase at unprecedented levels, leading to industry-wide inflation

Inflation: What are the causes & how should shops plan ahead? - Repairer Driven News/Repairer Driven News



PPG

## Pandemic Innovation - PPG Copper Armor



### INTERIOR ANTI-VIRAL & ANTI-BACTERIAL PAINT

- KILLS 99.9% OF VIRUSES AND BACTERIA\*
- CONTINUOUSLY KILLS FOR UP TO 5 YEARS<sup>^</sup>
- POWERED BY CORNING GUARDIAN ANTI-MICROBIAL COPPER ION TECHNOLOGY
- EXCELLENT HIDE & DURABILITY
- PAINT + PRIMER
- PROVIDES A MILDEW RESISTANT COATING
- LOW ODOR
- FORMULATED WITHOUT VOCs<sup>†</sup>
- MPI CERTIFIED (ENTRY, INSTITUTIONAL, HPA)
- LEED EMISSIONS CREDIT
- GREENGUARD
- EPD & HPD

\*Kills 99.9% of bacteria Staphylococcus aureus (Staph), Pseudomonas aeruginosa, Enterococcus faecium, Klebsiella pneumoniae, Acinetobacter baumannii, Enterobacter aerogenes, Methicillin-resistant Staphylococcus aureus (MRSA), Vancomycin-resistant enterococci (VRE), Escherichia coli (E. coli), and Salmonella, and viruses Feline Calicivirus and SARS-CoV-2 within 2 hours of exposure to paint surfaces.  
<sup>^</sup>Effective for up to 5 years based on test method. \*Protocol for the Evaluation of Bactericidal Activity of Antimicrobial Control Surfaces (BIOB-5102-2021) as long as the integrity of the surface is maintained and is part of a comprehensive infection control and hygiene program. Cleaning agents typically used to maintain painted surfaces are permissible including multi-purpose, bleach, and peroxide cleaners. Quaternary ammonium (quat) disinfectants should be avoided.  
<sup>†</sup>Colorants added to this base paint may increase VOC level significantly depending on color choice.



PPG

## Supply Chain Impacts – Electronics in General & Microchips



- Shortages in microchips has affected manufacturers of everything from cars to cell phones and even elevators
- Disruptions in supply chains have also driven inflationary pressures and extended lead times in various components
- We have had to be proactive vendors and end-users to ensure customer satisfaction, predictable lead times and quality



TKE

## API & Building Management System Integration



**Corporate real estate (CRE) and Building Management functions are often managed in disparate, decentralized systems**

- Leveraging API's (Application Programming Interfaces) and advanced AI (Artificial Intelligence) technologies creates value in building ecosystem
- Streamlined communication and collaboration between systems drive down operating costs, increase productivity and enhance tenant experiences



TKE

## Occupant Apps on the Rise with Mobility



- Occupant convenience & technology differentiates buildings
- Tenant wellbeing and productivity is a top concern on property managers
- Building security and access control is fundamental
- Touchless technology using proximity sensors and mobile controls is on an accelerated uptake
- Small, low energy, battery-powered beacons can be hidden anywhere in a building



TKE

## Supply Chain Challenges: HVAC Industry



- Industry-wide Challenge
- Manufacturing Disruption
  - Parts shortages disrupt advanced manufacturing processes
  - Widespread shortages
- Implementation of New Strategies
  - Does not provide immediate solution



Trane



## Supply Chain Challenges: Trane Response



- Executive Level Engagement
  - Top priority
  - Team of supply chain SMEs
- Proactive Planning/Forecasting
  - High level of communication on lead times
  - Proactive project forecasting
- Exploring Out-of-the-Box Solutions
  - Shorter lead-time products
  - Limited stock unit options or Rentals

### Forecast:

Variability will continue to stabilize in 2022, but parts shortages will keep pushing lead times.



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Follow Up  
Q&A



