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Contractors must educate themselves to become experts on green buildings

Navien sees momentum growing for high-efficiency technology.



Navien CEO Scott Lee

Plumbing & Mechanical interviewed Navien CEO Scott Lee July 13 in his office in Irvine, Calif., to discuss trends in water-heating technology and the plumbing industry. Before he was appointed to his current position in January 2015, Lee spent four years with KD Navien in Korea as overseas team leader. He previously worked in the electronics industry for 16 years, including nine years at Daewoo Electronics where he was chief operations officer.

PM: What did you learn in the electronics industry that you've applied at Navien?

SL: I learned technology is not as important as how we treat our customers. That lesson can be the same in this business as it is in other industries. I learned the philosophy: If I love my customer, business will come automatically. I also learned I should keep an open mind. If I share the business and the profit with my customers, my customers will very soon recognize we can make a long-term business relationship.

PM: Why did Navien introduce the NaviLink app?

SL: You can understand NaviLink more easily if I first explain that our company name Navien means "navigator in environment and energy." Our vision is to be a worldwide, first-class e-squared solution company where e-squared means energy and environment.

We want to be the comfort solution, and we think NaviLink is a very innovative product to give consumers the kind of information they need for a comfortable environment. The future of household appliances is moving toward information technology and connected homes. NaviLink can give users unprecedented comfort, control and peace of mind when it comes to hot water delivery.

PM: What innovation in water-heating technology excites you the most?

SL: To me innovation means the change of quality. For example, I saw a paradigm change in the electronics business from black-and-white to color TV. Sony caught that paradigm change and enjoyed success in that industry for a long time. After this time, color TV started to go to flat-screen TV, then PLP, PDP, and right now LCD and OLED TV. Samsung caught the change to become successful.

We think Navien has a chance to bring these types of innovations to our industry. Our condensing tankless water heaters have almost 40% market share here because we focus on high-efficiency technology. Our combi-boiler market share is almost 50%. It can supply hot water and space heating all together in one high-efficiency product. We want to focus on high-efficiency products where we will bring innovation.

PM: How is Navien making its mark in the commercial market?

SL: The strength of the NPE tankless series and NHB boiler series designs is that they serve both commercial and residential applications. If the contractor installs our product with common vent-

ing in a cascaded system, then it expands the commercial capabilities. The benefit of our product is that it requires no external control panels, no special wiring, no fans, fewer penetrations for venting pipe, and it still offers combustion options. This modulated function in a cascaded system can save energy and space.

Navien revolutionized the instantaneous domestic water heating industry, being the first to introduce easy common venting, which allows further commercial applications. Common venting quickly became the desired application choice of engineers, contractors and building owners depending upon operational temperature.

PM: If you had only one piece of business advice to give to contractors what would it be?

SL: First is education. Let us educate you on high-efficiency technology. In order to join the overwhelming trend toward condensing high-efficiency technology, you need to be trained. As a leader in condensing technology, we will train more than 25,000 individuals this year on the advantages of installing our condensing product. This is knowledge we are happy to share.

Second is to go green. When you go green, you are acting in good faith to planet Earth and you will get good business as a result.

Our goal as a company is not just to sell product. We want to give consumers comfort in their surroundings, and we want to change the lifestyle of some consumers for the better.

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