

## AIMCO

**Customer:**  
Apartment Investment and Management Company (AIMCO)

**Web Site:**  
[www.aimco.com](http://www.aimco.com)

**Customer Size:**  
7,000+

**Country or Region:**  
USA in 47 States

**Industry:**  
Multifamily Housing

**Customer Profile:**  
AIMCO is the largest multifamily REIT. A Fortune 1000 and S&P 500. Over 230,000 apartment homes under management with about 18,000 buildings - estimated 200 million square feet.

**Services:**  
Specification Development  
Vendor Qualification  
Competitive Bid Management  
Negotiations

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## Strategic Procurement – AC Condensers

### Situation

AIMCO had over 230,000 apartment homes (2006) with many of them having heating and cooling delivered by split systems. A split system usually has the condensing units outside on a pad with the evaporator coil and fan unit inside. The regular failure of the condensing unit would be identified and repaired or replaced through local service manager's efforts.

Each year AIMCO replaced about 4,000 condensers purchased by the sites.

A cost of \$1,741,800.00

### Actions

A historical replacement history was collated on the various condensing unit sizes, regions and other necessary information to understand the procurement patterns.

A condensing unit specification

Expected costs to purchase 13 SEER units using 75% of previous year's buy of 3450 units. \$1,400,737.50

### Results

Negotiated pricing for Garrison (Nordyne) 13 SEER units from baseline expected cost of 13 SEER units.

**Savings ~\$341,062.50**

**Cost reduction ~20%**