

Modular Lighting Instruments

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Refurbishing in modular architectural lighting

Modular Lighting Instruments was keen to commit to refurbishing, but for a manufacturer of high-quality designer lighting, this is not an obvious move. Where are the opportunities? What does the business case look like? With Sirris' guidance and expertise, an internal team effectively managed to structure their approach to circularity.

A new product life extension team

At Modular Lighting Instruments, sustainability and environmentally conscious initiatives are deeply embedded in the company's DNA. The organisation wants to actively **contribute to a greener economy** (through recycling) and more energy-efficient lighting applications (e.g. LED lighting vs conventional technologies).

A new team started to explore product life extension opportunities (remanufacturing, refurbishing, upgrades, retrofits, etc.). In collaboration with Sirris, Modular Lighting Instruments formed a small team of employees with **complementary specialisations** in project management, quality, product and market knowledge, customer relations, and after-sales service. They were given the necessary resources to collect internal and external data.

Leveraging and increasing knowledge and insights

Modular Lighting Instruments already had many **ideas around circularity** ready. Sirris helped to structure them, explain concepts, and formulate the right direction and steps. The team also realised that both the type of product (product group) and the type of customer (customer segment) and the different sales channels each presented their own opportunities and challenges. After the initial kick-off, the task was straightforward: identify the customer segments and product types that could make the most impact.

Sirris offered essential **guidance**, questioning which product groups and customer segments would benefit from extending product lifetimes. Leveraging these insights, Modular Lighting Instruments quickly developed new concepts, upgrade kits, and modular solutions for existing designs.

At this stage, detailed data or feasibility analyses weren't necessary - trust in the expertise and experience of the professionals was enough. In later phases, any remaining uncertainties and technological challenges will be addressed in greater detail.

Hands-on approach

Together with Sirris, Modular Lighting Instruments developed a three-step plan:

- 1. **Start with a clear end goal:** a sustainable business focused on life extension and energy savings, with a payback period of less than two years.
- 2. **Build on what is already there:** By using existing knowledge and experience, the team gains confidence and can identify viable next steps. Colleagues are involved for additional valuable input, focusing on customer contact, upgrade experiences and modularity.
- 3. **Identify short-term actions:** small, targeted initiatives that can be implemented immediately and contribute to the ultimate objective.

Using this approach, Modular Lighting Instruments was able to develop a **new revenue model** that enhances the sustainability of a specific product group. The service life was extended without any additional investment by the customer, thanks to energy savings with more energy-efficient sources. At the same time, this does provide the company with additional revenue.

Trust and context as levers for iterative decision-making

As the team makes progress, <u>decisions from the management</u> are needed, which are usually about additional investments in time and resources for the next step, such as an initial pilot project for a specific product. It is not about a go or no-go for a business case, but decisions that reduce risks and make the potential impact clearer. Because the management has confidence in the team, these decision moments are seen as **confirmations of overall progress**.

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