QuadReal | Mero

HOW MERO SAVED QUADREAL $350 000 IN CONSUMABLES IN 12 MONTHS WITH REAL-TIME SUPPLY MONITORING

Building

Commerce Court

Founded

2016

Company Size

1000

Commercial Cleaning Partners

Hallmark Housekeeping Services Inc

12x

return on investment

$350k

in annualized savings

20%

increase in labor efficiency

865

rolls of paper diverted from landfill

The Challenge

QuadReal needed real-time visibility over supply levels and the movement flows of cleaning staff to maximize labor efficiency. They also wanted a solution that would integrate with their existing 7 smart building vendors including occupancy monitoring.

The Outcome

Using Mero's real-time alerts, QuadReal dispatch cleaning staff to priority issues based on building traffic and reduced pre-emptively throwing paper rolls - resulting in annualized savings of $350,000 in consumables, a 20% increase in labor efficiency, and a 12x return on investment.

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When there's no way to act on real-time data visible to the entire organization, know-how is concentred in the hands of single individuals.

If they retire or switch jobs, that wealth of knowledge and experience is lost.

QuadReal and its cleaning provider, Hallmark Housekeeping had such a star player: a cleaning supervisor who worked there for over 20 years and knew the buildings like the back of his hand.

To take their buildings to the next generation, both QuadReal and Hallmark needed visibility on what was happening in their buildings to allocate labor more efficiently without the risk of relying on a single person.

> **"The goal was to find a solution that could transfer that knowledge from one person to the entire organization. The next person could walk into that role and become an expert on how the building operates and hit the ground running.", said Nathan, co-founder at Mero.**

But that's just the tip of the iceberg.

QuadReal is world-class in the level of sophistication and the scale at which they've rolled out technology across their buildings.

Their smart building journey was well underway with air quality monitoring solutions, leak detection units, and data aggregators as part of their infrastructure.

This new solution had to integrate into the mix, without adding complexity while providing ROI fast on the operational item of cleaning.

> **Mero fulfilled the role of this niche partner, providing real-time visibility on consumables levels and enabling dynamic allocation of cleaning staff based on priority issues and building traffic.**

This partnership started at Commerce Court, a large 50+ story office complex with over 7,000 visitors a day in downtown Toronto and a spend of nearly $1,000,000 a year on consumables such as paper towels, toiletries, and soap.

Since implementing Mero, QuadReal has seen 12x ROI, with $350 000 recovered from wasted consumables in 1 year. In addition, cleaners are now spending more time on valuable tasks such as deep cleaning of railings, elevators, and stairways - increasing labor efficiency by 20%.

This is the story of how they realized those massive savings.

Why QuadReal chose Mero

QuadReal was presented with a competing solution for supply monitoring sensors that was asking for a huge upfront payment.

This solution was not retrofittable. It was going to force QuadReal to use their refills – charging 2-3$ extra per refill compared to their current supplier.

No way were they going to change supplier and pay extra.

"They'd be losing any return on investment that they might have had from the system. It made no sense until Mero came along and provided a retrofit solution. It became much more effective in the long for the building manager", said Nathan.

> **Unlike its competitors, Mero's sensors are designed to fit over any dispenser on the market - there's no need to be locked into a specific supplier, 3-year contracts, or replace any equipment.**

Its peel and stick sensors require no drilling, alternations, or wiring and can be installed by anyone in 30 seconds or less.

How the Mero-QuadReal-Hallmark relationship began

As is typically the case with Mero, its team had a good relationship with the cleaning provider right from the beginning.

"I met Nathan and Cole (co-founders) years ago when the sensor was only a prototype. Hallmark is always looking for new innovations so we stayed in touch. When the system came out, we decided we needed to partner with someone that was providing results.", said Philip Clementino, President at Hallmark.

He added: "We worked with another company in the past but there wasn't much success. A lot of these companies don't provide support for the system. Our clients want to make sure it works. And because it's new, they're not familiar with it. So support is key. Mero has provided that."

The Hallmark team thought the Mero system was something that could help on a big scale in bigger buildings.

They introduced Mero to the property manager at the time.

Thinking it was a standout solution that could make a big change, he championed Mero upward all the way to the VP of smart building innovation.

"This gave him the opportunity to shine and bring a solution from an operations level to the portfolio level - which is not typical exposure for a property manager. I believe he got promoted since then", added Nathan.

"We always tell our clients that other companies we've worked with haven't followed through. They haven't provided us with results or a product that was working effectively. Mero does come through and they are responsive. That's a big reason why we choose to keep pushing the product and we still are to this day," shared Philip.

Plugging the 50-60% of wasted consumables

Mero started by installing sensors for a few months to monitor a baseline of what cleaners did without the Mero alerting system.

What the team found was that cleaners often threw out 50 to 60 percent of a roll every single time they entered the washroom. Because the washroom at that time was so busy, they never really knew the next best time to enter.

By using this routine-based cleaning, they were focused solely on ensuring tenants didn't find anything empty by preemptively throwing away perfectly good supplies.

Result: a huge waste of usable supplies that ended up in landfills.

Almost immediately after turning on the Mero system, cleaners were routed on a just-in-time basis. They were able to save up a difference of 35% of those rolls. The cost-benefit can be up to $350 000 for the entire building.

Per Nathan: "We usually think of toilet paper towels as cheap, but that's a mistake. Large buildings tend to spend up to $1,000,000 per year on consumables. And the average portfolio size for a major property manager is around 80 buildings. When property managers are working at this scale, these savings are extremely impactful."
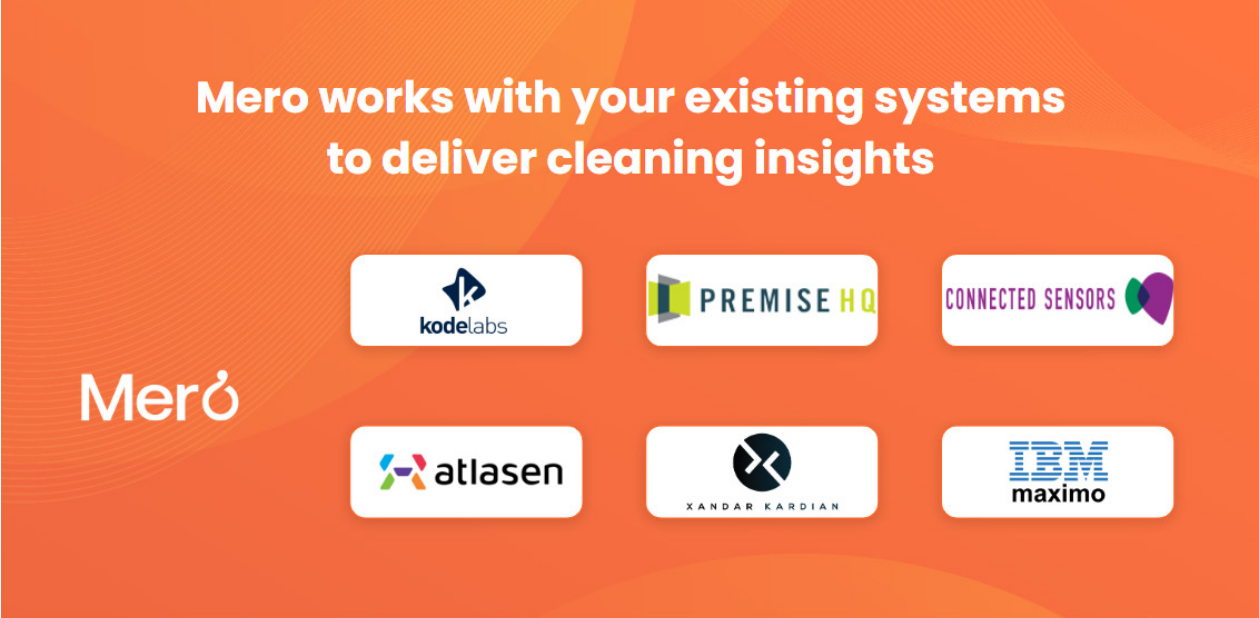
How Mero integrated with 7 smart building vendors without adding complexity

QuadReal had a sophisticated smart building technology stack comprised of Premise HQ (data aggregator), Xander Kardian (occupancy monitoring), Kode Labs (smart building software), Connected Sensors (leak detection monitoring), and more.

With such a complex ecosystem, it would be easy for an additional solution to add overhead.

Mero's integration capabilities allow it to connect one-to-one to each integration partner without added complexity or loss in data quality.

This means it can work with and enrich any existing building system, transforming its raw data into cleaning insights that properties can use immediately.

Mero works with your existing systems to deliver cleaning insights

Mero

kodelabs · PREMISE HQ · CONNECTED SENSORS

atlasen · XANDAR KARDIAN · IBM maximo

Integrate 2-way with your building management systems, work order solutions or tenant portal

More specifically:

- Building managers at QuadReal can visualize consumable levels provided by Mero right from their smart building platform in tandem with access control, leak detection, light, temperature, indoor air quality, occupancy, etc.
- Mero uses existing occupancy data to alert cleaning teams and dispatch them to priority areas based on building traffic.

"We built an API with their existing occupancy monitoring solution. This allows us to pull the data from sensors as if it was our own right in our platform without going through a middle layer. This lets us perform analytics much faster without any loss in data quality", specified Nathan.

This unique capability to fit perfectly with any building system makes Mero a cornerstone of any property manager's smart building journey - regardless of its level of complexity.

It also means the following:

- Faster adoption = faster ROI
- Unlock new use cases, multiplying the return on investment by providing additional insights with existing data.
- Easier to get buy-in from building owners because of its speed of implementation and the ease it integrates with existing systems.

The Mero-QuadReal Future

A holistic, 30,000-foot view of any building portfolio in the world.

And Mero providing granular cleaning data and insights leading to better collaboration between building service providers and PMs and additional savings in labor cost and consumables.

That's how Nathan envisions the smart building journey evolving through the partnership with Mero.

"The goal is to be an integrated solution and be the subject matter expert on a specific use case. Wide-angle approaches are not going to work. It takes a full business and operations to win a specific vertical.", he specifies.

Mero obsesses over cleaning efficiency every day. Because its solution focuses on one operational item, its team knows how to provide value in that specific area.

That allows it to scale really well.

"You're doing a disservice if you try to use a one size fits all solution. We'll be working with other technology providers who think the same way and are the best at their verticals whether it's air quality or access control. Then creating the most seamless way for us to integrate with one another."

Nathan also believes more property managers will realize the potential of Mero beyond cleaning and unlock cross-functional use cases.

"We're focused operationally on cleaning. But that doesn't mean a leasing agent couldn't use our data by providing occupancy data for new tenants."

"Or for mergers and acquisitions. Imagine increasing the sale price of an office building from 100 million to 200 million because you can produce the data to prove that its been fully occupied and is in a prime location. That's where the huge upside is going to come from rolling out technology and forward-thinking companies like QuadReal can take full advantage of that."