2013 CE PRO 100 BRAND ANALYSIS: VALUE IS KING

The custom installation market has emerged from the recession with a new set of standards that are much different than the free-spending days of the early 2000s.

BY ROBERT ARCHER

IN THE WORLD OF professional sports, advocates of fine-grained statistical analysis have long battled traditional scouts who prefer to evaluate players by what they see with their two eyes. As scouting evolves, teams are increasingly striking a balance that incorporates both the new- and old-school methods of analysis.

The world of business doesn't exactly have those same analytical battles, but like modern pro sports scouting, a case could be made that what business owners see with their eyes comes to fruition later through numbers. The 2013 CE Pro 100 Brand Analysis proves that numbers can validate what customer installers are seeing with their eyes.

This year's look at what products and services the 100 highest-grossing custom installation companies are offering shows that system traits such as value and versatility tops the public's wish list. Anecdotally, dealers have been saying that clients have been asking for solutions that provide better value for quite some time.

To prove that installers are correct with their assessment of the market, take a look at marquee industry categories like projectors, projector screens and wireless audio. Brands like Epson, Screen Innovations, Sonos and SnapAV top their respective categories. These companies' products all represent the value and versatility that consumers are looking for from their home electronics systems in today's new era of custom installation.

Speaking of SnapAV, it made significant gains in a number of categories. For many dealers SnapAV fills those value and versatility requirements that are now in high demand.

As for the specifics of the 2013 list, there are a few new categories and a few categories that have been "tweaked" to reflect evolution within the market. Moreover, some categories such as video processors have been eliminated. Newly added categories include turntables and wireless audio. The 2013 list features 47 categories. Also, since CE Pro 100 integrators prefer to purchase product direct from manufacturers, brands that are distribution-based often do not perform well in this brand analysis. The percentages add up to more than 100 percent in many cases because dealers were asked to list their top three brands used in each.

2013 BRAND LEADERS

2013 CE PRO BRAND LEADER Audio

FLOORSTANDING SPEAKERS
Bowers & Wilkins

ARCHITECTURAL SPEAKERS
Sonance

A/V RECEIVERS
Integra

A/V SOURCE/STREAMING MEDIA DEVICES/DVRS
Sonos

ACOUSTICAL TREATMENTS
CinemaTech

PREAMPLIFIER/PROCESSORS
Integra

HEADPHONES
Sennheiser

TURNTABLES
Pro-Ject

MULTIROOM AUDIO DISTRIBUTION
Crestron

WIRELESS AUDIO
Sonos

OUTDOOR AUDIO
Sonance

SOUNDBARS
Leon Speakers

2013 CE PRO BRAND LEADER Video

PROJECTORS
Epson

PROJECTION SCREENS
Stewart Filmscreen

FLAT PANEL TVs
Samsung

BLU-RAY DISC PLAYERS
Samsung

OUTDOOR VIDEO
SunBriteTV

GAMING SYSTEMS
Sony

VIDEO DISTRIBUTION
Crestron

MEDIA SERVERS
Kaleidescape

2013 CE PRO BRAND LEADER Home Enhancements

FURNITURE
Salamander

SEATING (HOME THEATER/VIDEO)
CinemaTech

CENTRAL VACUUM
Electrolux

INTERCOM
Control4

LIFTS
Auton

MOUNTS
Chief

RACKS
Middle Atlantic

COOLING SYSTEMS
Active Thermal Management

POWER CONDITIONERS
Panamax

PHONE SYSTEMS
Panasonic

2013 CE PRO BRAND LEADER Control & Automation

WHOLE-HOUSE AUTOMATION
Crestron

MOTORIZED SHADES
Lutron

LIGHTING CONTROL
Lutron

UNIVERSAL REMOTE CONTROLS/TABLETS
URC

REMOTE MANAGED SYSTEMS
ihiji

HVAC/ENERGY/SMART GRID MANAGEMENT
Crestron

IR DISTRIBUTION SYSTEMS
Xantech

2013 CE PRO BRAND LEADER Networking/Connectivity

COMPUTERS
Apple

STRUCTURED WIRING
OnQ

HOME NETWORKS
Pakedge

HDMI CABLES
SnapAV

SPEAKER CABLES/ INTERCONNECTS
Liberty

2013 CE PRO BRAND LEADER Security

SECURITY & FIRE SYSTEMS
Honeywell

ACCESS CONTROL
Control4

IP CAMERAS/SURVEILLANCE
IC Realtime

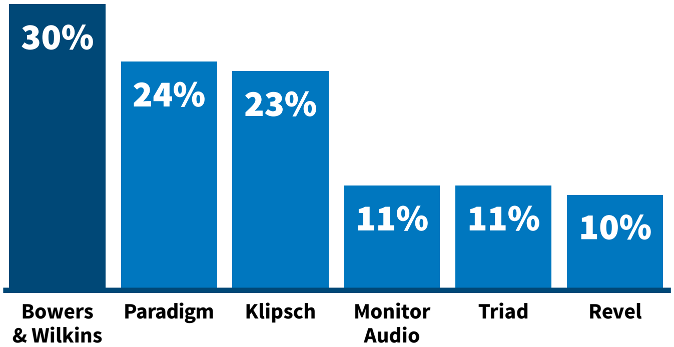
2013 CE PRO BRAND LEADER Misc.

DESIGN/PROPOSAL SOFTWARE
D-Tools

DISTRIBUTORS
AVAD

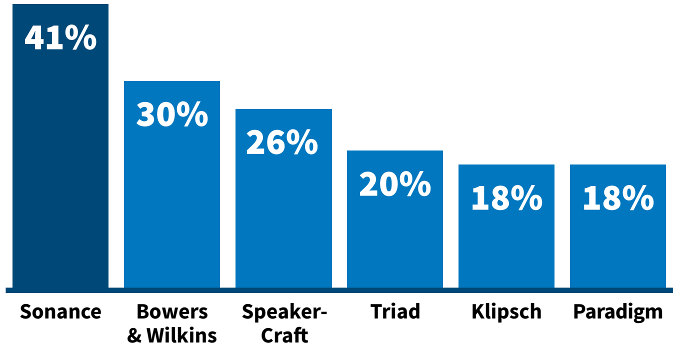
AUDIO AUDIO

FLOORSTANDING SPEAKERS



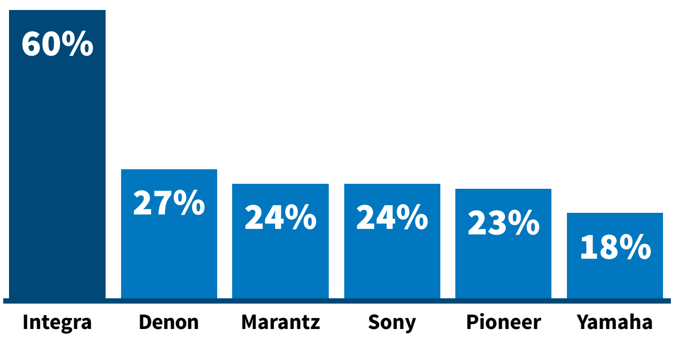
The top three brands remain unchanged from prior years. Jumping into the top five for 2013 is Revel which passed competitors such as PSB, Def Tech, Canton, Meridian and its sister company JBL.

ARCHITECTURAL SPEAKERS



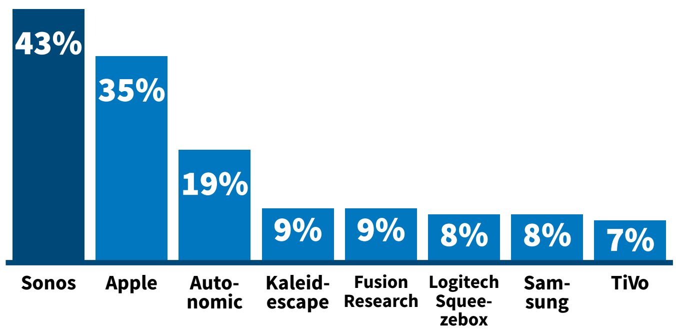
The architectural speaker category numbers are in line with the 2012 numbers with the same companies topping the list, and approximately the same number of brands in total represented in the list (37 brands in 2012 and 36 brands in 2013).

A/V RECEIVERS



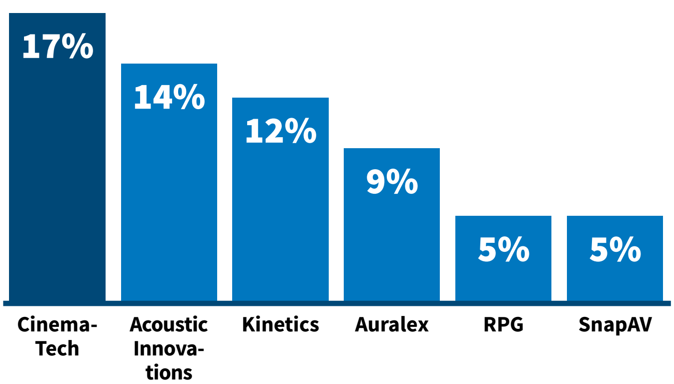
Integra continues to lead the receiver category and for the second consecutive year, with Denon and Marantz placing second and third. Sony picks up a handful of dealers to jump from fifth to third place (tie), and for the first time Yamaha enters the top five brands.

A/V SOURCE/STREAMING MEDIA DEVICES/DVRS



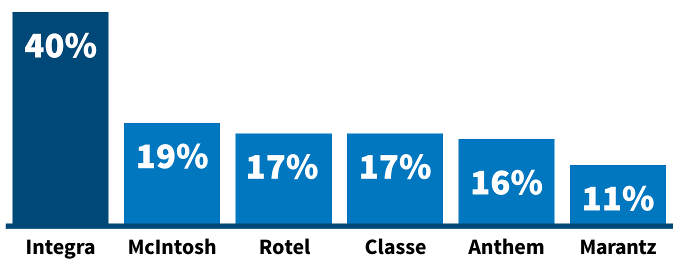
This is a newly revised category for *CE Pro* with DVRs joining the streaming media category that was created for 2012. In the 2012 listing Apple topped the list. This year finds Sonos as the top brand. TiVo is the sole representative in the top eight from the DVR market, surpassing products from the satellite providers.

ACOUSTICAL TREATMENTS



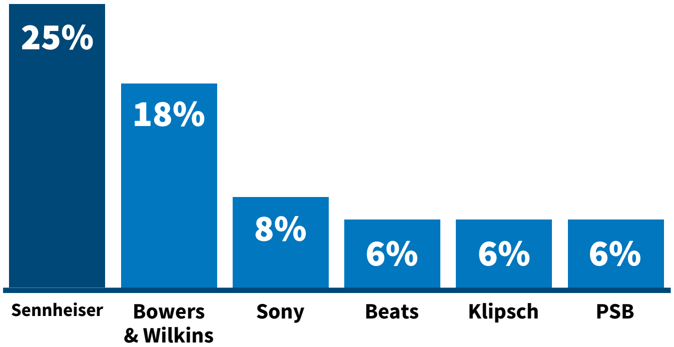
Trading places with 2012's top manufacturer Acoustic Innovations, CinemaTech leads the acoustical treatment category with 17 dealers. Moving into the top five is SnapAV with five dealers using its acoustical products.

PREAMPLIFIER/PROCESSORS



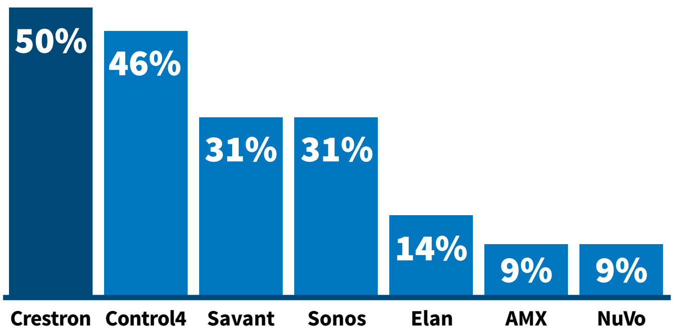
Integra leads the pre/pro category once again, but the biggest takeaway from the category is that dealers continue to offer multiple brands to clients. Looking specifically at the brands used, McIntosh has increased its dealer base within the CE Pro 100, while several brands, including Krell, Meridian and NAD see a slight drop in their respective numbers.

HEADPHONES



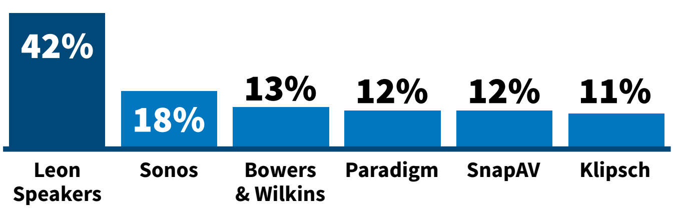
Overall there are slightly fewer dealers in the 2013 CE Pro 100 offering headphones than in 2012. Sennheiser and B&W remain the top brands in the category. Sony maintains the same level of dealers as the prior year and jumping into the most frequently used brands is PSB.

MULTIROOM AUDIO DISTRIBUTION



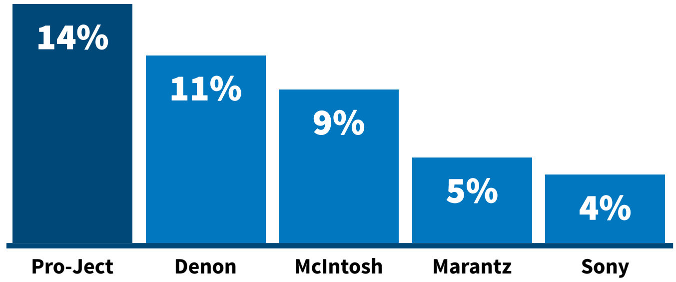
For several years now manufacturers such as Crestron, Control4 and Savant have dominated the whole-house audio market. It is clear that whole-house audio sales are tied to control and automation. Sonos has nearly doubled the amount of dealers offering its products.

SOUNDBARS



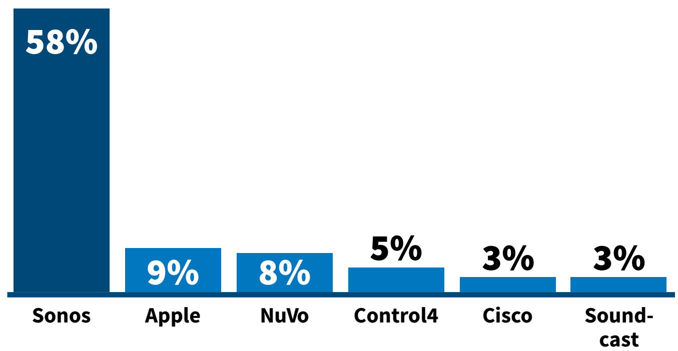
The soundbar category is one of the fastest growing markets in the entire world of consumer audio and 2013 marks the debut of the category in this analysis. Leon Speakers leads the category by a large margin and this is likely due to its early support of the category and its true custom manufacturing capabilities. Interestingly, many installers are also using mainstream brands such as Bose, LG, Samsung, Sony and Yamaha. The use of mainstream and value brands like Polk, Boston Acoustics, as well as the aforementioned mainstream brands, indicates that price point is a concern to consumers that are purchasing products in this category.

TURNTABLES



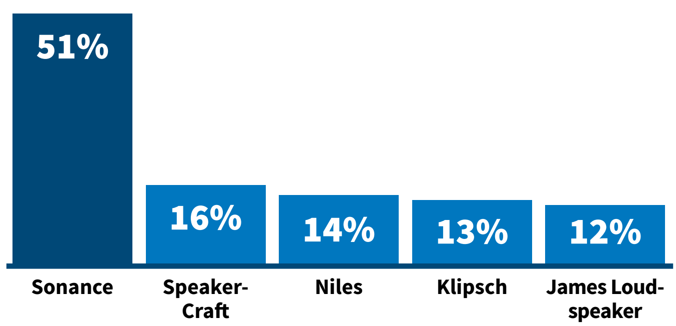
Turntables is a new category added to the 2013 analysis and given the amount of dealers offering turntables it is clear that installers offer an array of products and services to their clients. Approximately one-third of the CE Pro 100 dealers offer a turntable solution to their clients. Sumiko's Pro-Ject brand leads the way with Denon and McIntosh close behind as the top-ranked brands.

WIRELESS AUDIO



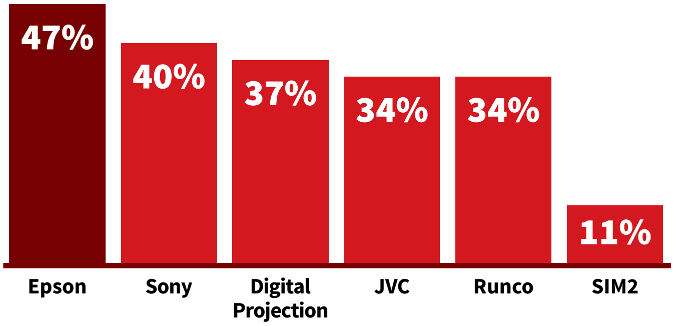
This is the first year *CE Pro* has tracked the wireless audio category and to no one's surprise Sonos leads the category by a large margin. The Apple ranking could be based on deployment of AirPort Express base stations.

OUTDOOR AUDIO



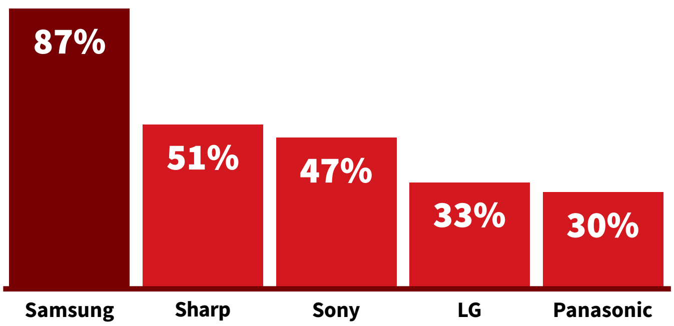
New in 2013 *CE Pro* has broken out the audio and video categories separately in the outdoor A/V market to individually track their respective numbers. Sonance leads with 51 dealers, followed by a tight group of companies. Falling just outside of the top brands are Bowers & Wilkins and Paradigm.

PROJECTORS



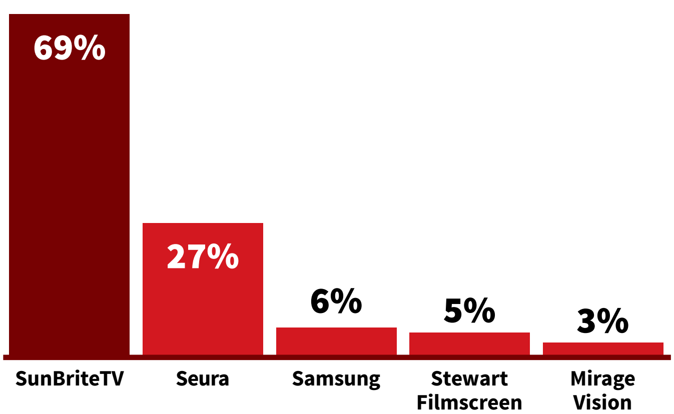
For years Runco topped the projector category, but 2013 finds a new company leading the category: Epson. Its rise to the top is likely due to the shift away from high-end media rooms and dedicated theaters, to more affordable, multipurpose media rooms.

FLAT PANEL TVs



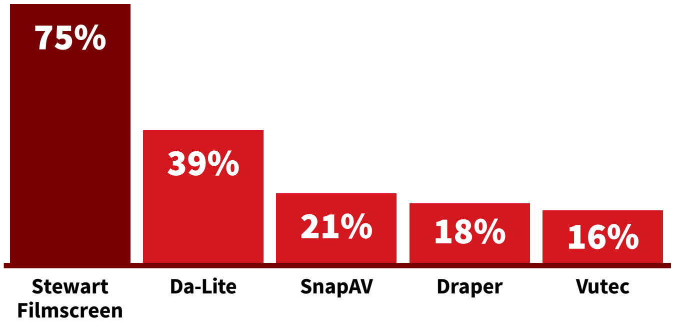
Samsung leads the flat panel category once again, but Sharp's rise in usage continues through 2013 as it passes Sony for second place. Most surprising is the market's move away from Runco's flat panel products, which fell from 21 to just eight dealers.

OUTDOOR VIDEO



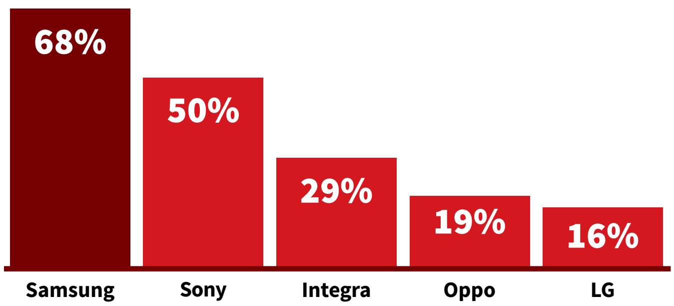
This is the first year that outdoor video has been broken out into its own category and it appears that dealers are finding opportunities in the outdoor video market.

PROJECTION SCREENS



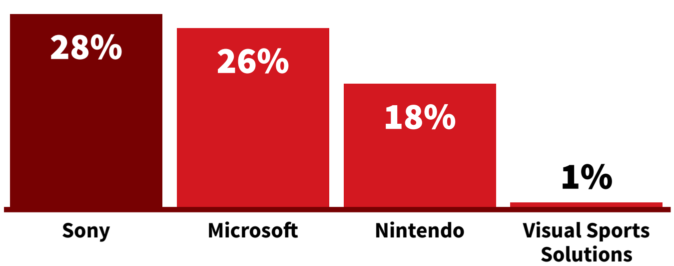
Stewart leads the projection screen category with 75 dealers. Da-Lite and SnapAV follow in second and third place respectively. The shift from high-performance dedicated theaters and multimedia rooms, to cost effective, multipurpose rooms has likely enabled SnapAV grow its market share in this category by approximately 40 percent. Screen Innovations (SI) just missed the top five brands by more than doubling the amount of dealers (15) using its products.

BLU-RAY DISC PLAYERS



Just like in past years Samsung and Sony place first and second, respectively, as the most preferred custom installation Blu-ray disc player manufacturers. Integra grew its share of CE Pro 100 dealers by approximately 40 percent, while the other top-ranked manufacturers remain at near the same level as past years on the list. Overall, there appears to be a slight consolidation in the amount of brands installers are using to satisfy their clients' Blu-ray needs.

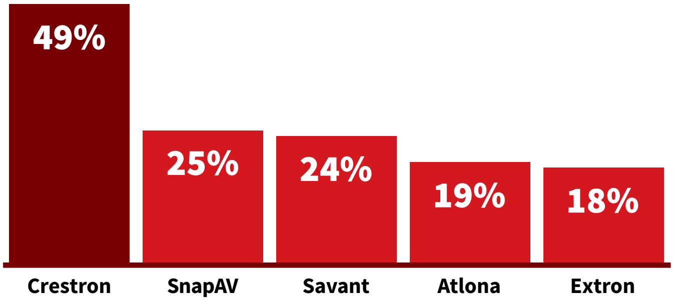
GAMING SYSTEMS



After two years of increasing numbers, the gaming category has experienced a drop in dealer usage. All of the manufacturer numbers are down and overall the numbers have dropped by approximately 8 percent in 2013.

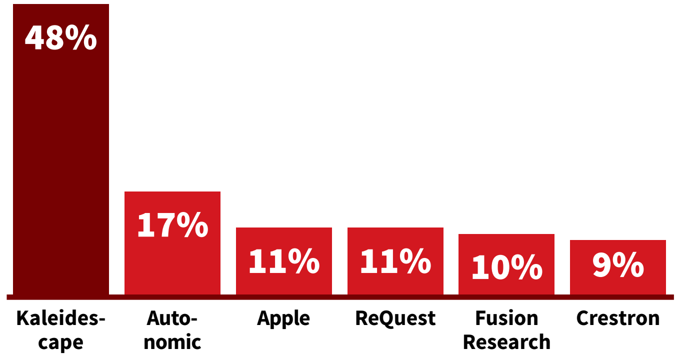
VIDEO VIDEO VIDEO

VIDEO DISTRIBUTION



Video Distribution is another new category added to the 2013 Brand Analysis and like its sister category, Multiroom Audio, Crestron leads the way. Unlike its audio counterpart however, Video Distribution sales don't mirror the manufacturers in the control and automation market. SnapAV, Atlona and Extron are all major companies in the A/V market with products that are also designed for commercial installations.

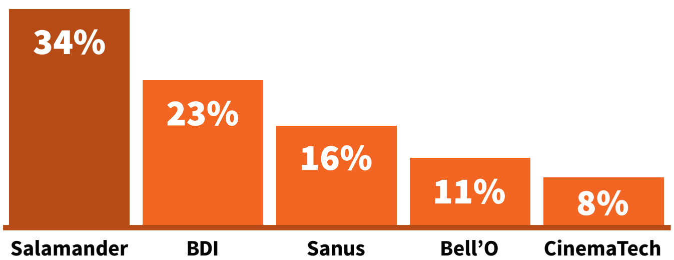
MEDIA SERVERS



Kaleidescape maintains its position as the top media server company with just about half of the CE Pro 100 representing the company's products. Apple, ReQuest and Crestron lost dealers in the 2013 list and Autonomic gains several dealers.

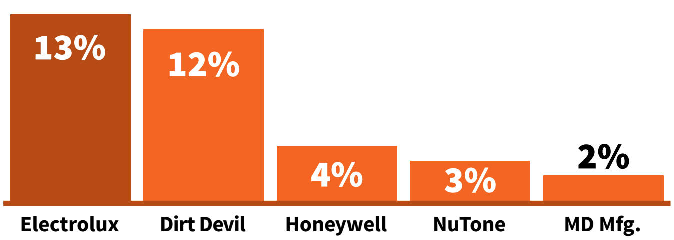
HOME ENHANCEMEN

FURNITURE



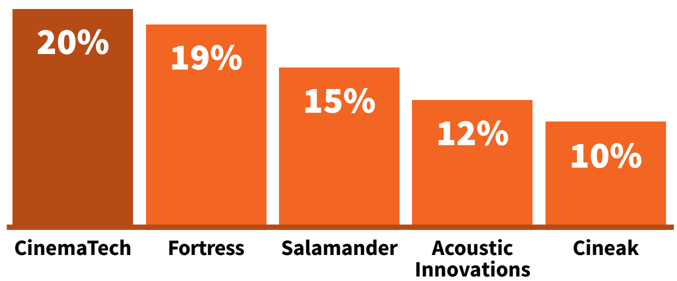
For the fifth year in a row Salamander leads the furniture category with about one-third of the CE Pro 100 offering its products. Companies two through five remain in the same order as in past years. There are still many dealers not offering furniture products to their clients.

CENTRAL VACUUM



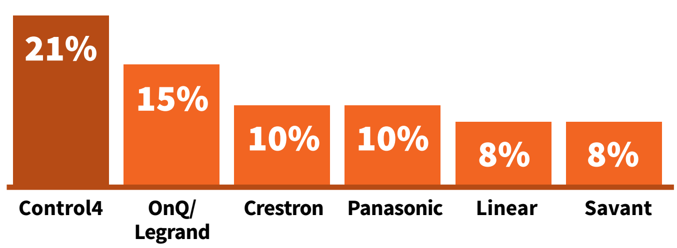
Thirty-one dealers offer central vacuum products and between these companies nine brands are used. In the 2012 listing Electrolux was represented by 16 dealers and nine dealers resold Dirt Devil. The 2013 list shows the distance between the two companies has tightened while the distance between the number two and three ranked brands shows a slight increase.

SEATING (HOME THEATER/VIDEO)



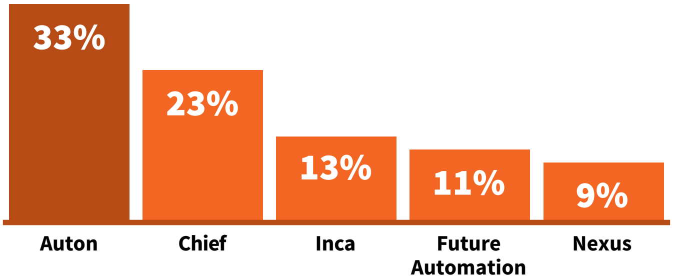
The seating category is extremely competitive with approximately 25 companies vying for the top installers' business. For a number of years CinemaTech, Fortress, Salamander, Acoustic Innovations and Cineak have been the leading vendor partners and in 2013 each of these companies gained dealers.

INTERCOM



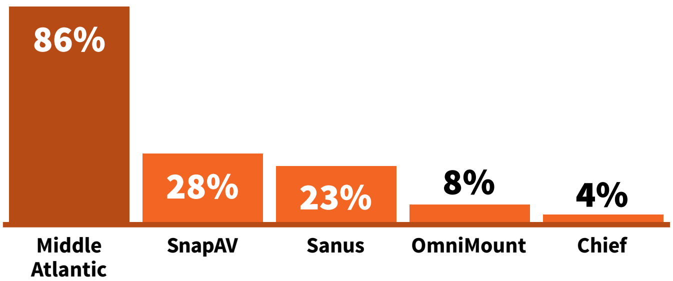
The consolidation of brands in the highly competitive intercom category remains in place. Surging into the most frequently used vendor position is Control4 with a group of companies that includes OnQ/ Legrand, Crestron and Panasonic.

LIFTS



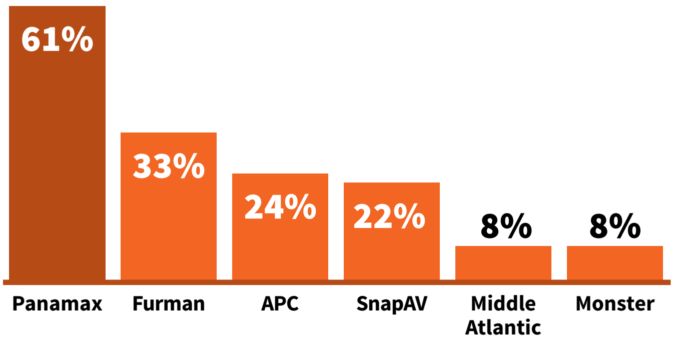
The lift category is one of the smaller markets in the world of custom installation with just 17 manufacturers represented. For the second consecutive year Auton leads the category with Chief and Inca in second and third place respectively. Each of the top three manufacturers added dealers when compared to 2012's numbers.

RACKS



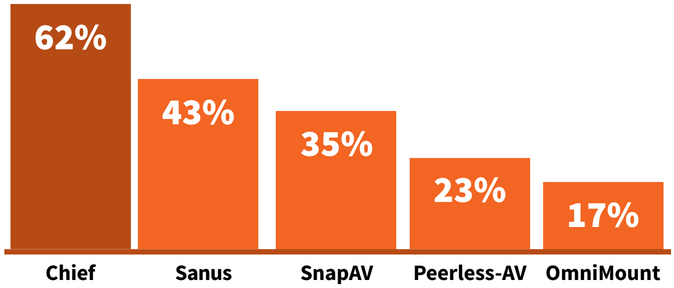
Middle Atlantic maintains its strong position within the rack category with its 86 percent market share. Increasing its market share with the rack category are SnapAV and Sanus. Racks like some of the other hardware categories such as lifts and mounts are experiencing a contraction in brands.

POWER CONDITIONERS



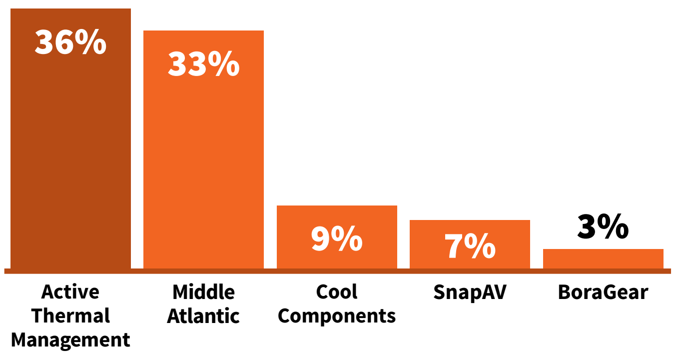
Panamax has been the leading company in the power conditioner category for several years and this year it has opened up a significant lead in dealers on its sister company Furman. Another company that has made a significant surge in dealers is SnapAV, which has grown its representation in the category by 14 percent. After experiencing a sharp decrease in dealers Monster has stabilized itself within the power conditioner category.

MOUNTS



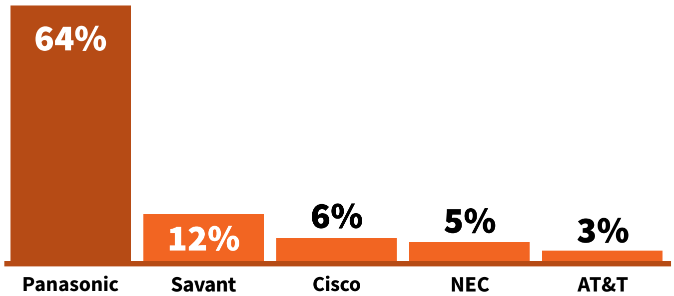
Chief is the only manufacturer to place in the top five most used brands in both the lift and mount company. Chief remains as the mount category leader, but like it has in other categories, SnapAV has made a substantial jump in the amount of dealers using its products in a specific category (in this case it is mounts). The other noticeable component of the mount category is its consolidation with one-third fewer manufacturers being used compared to last year.

COOLING SYSTEMS



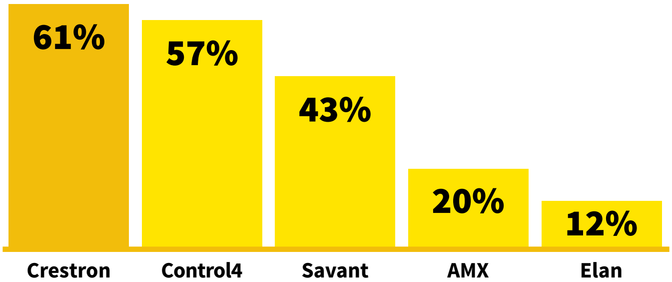
All five companies in the top five gained dealers within the CE Pro 100 over the previous year. Active Thermal Management (ATM) retains its position as the most frequently used cooling product manufacturer, but Middle Atlantic has narrowed the gap.

PHONE SYSTEMS



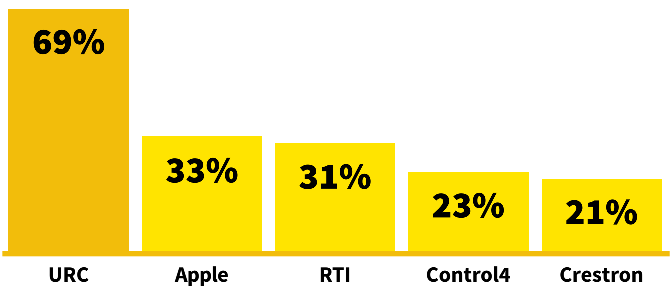
Panasonic has dominated the telephone category for a number of years and its run of dominance continues through 2013. The company now has established relationships with service providers that offer recurring monthly revenue to integrators.

WHOLE-HOUSE AUTOMATION



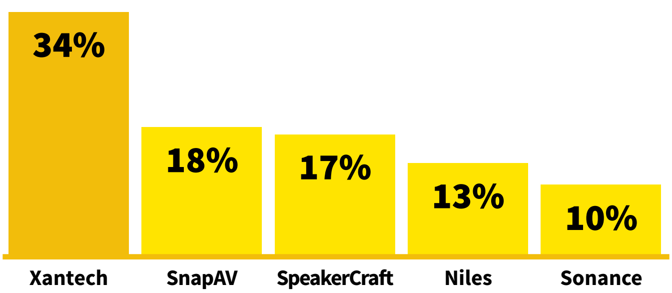
For several years Control4 and Savant have been narrowing the gap between their respective companies and the market share lead Crestron holds. That trend continues in 2013, and in addition, AMX also gains several dealers to narrow Crestron's lead on its control system offerings. The control and automation market looks to be experiencing a small consolidation in brand use.

UNIVERSAL REMOTE CONTROLS/TABLETS



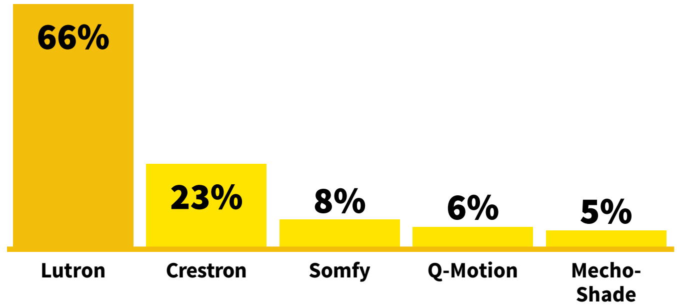
The universal remote control/tablet category has remained stable for a few years. URC continues to lead the category with dealers either using its products exclusively or using them in combination with other vendors. Without digging deeper into the smart device portion of this market, it appears that dealers are comfortable with Apple iOS products.

IR DISTRIBUTION SYSTEMS



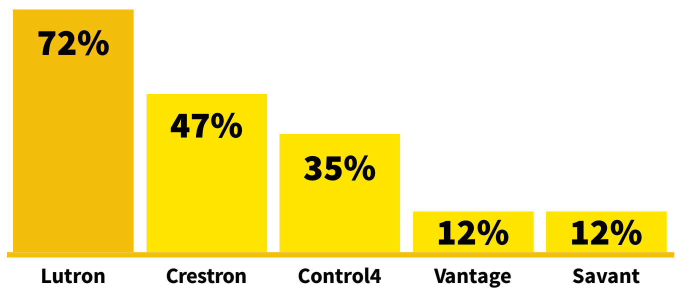
On the surface the vendor numbers look to be relatively the same, but the IR distribution market competition is increasing. Other than SnapAV, which grew its dealer numbers in the category, all of the other major manufacturers' numbers are down. The category also has also added more companies to further intensify that competition.

MOTORIZED SHADES



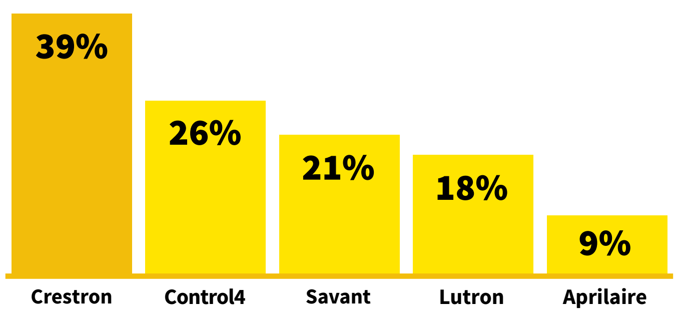
Lutron has innovated in the shade category for a number of years and the Pennsylvania-based company has continued to promote its benefits in an effort to bring more exposure to this still emerging category. Approximately two-thirds of the CE Pro 100 employ Lutron products. Crestron makes the biggest gains in the category by picking up 14 dealers, and as a whole, the category grows by a small amount by increasing the amount of manufacturers used from 13 to 16 companies.

LIGHTING CONTROL



For the most part the lighting control category remains status quo. The biggest news in the category is the gains Savant made to grow its lighting control business. In 2012 the Cape Cod-based company had one dealer utilizing its products. In 2013 Savant makes it into the top five with 12.

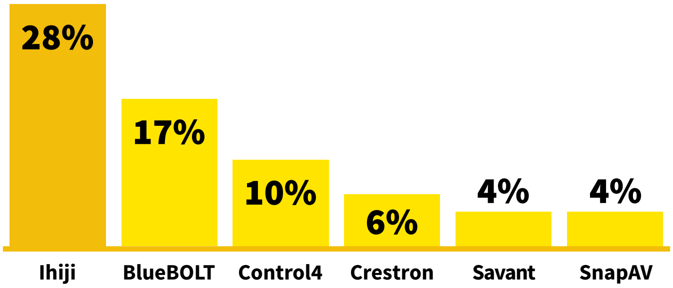
HVAC/ENERGY/ SMART GRID MANAGEMENT



This is an evolving category that is gaining a lot of momentum. All of the major control and automation manufacturers are the leading vendors in this market with Aprilaire placing in the top five just above Leviton (HAI).

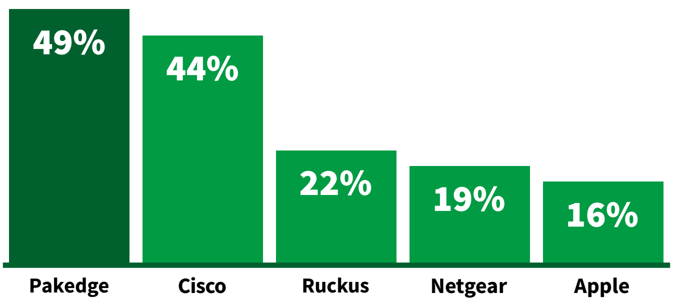
NETWORKING

REMOTE MANAGED SYSTEMS



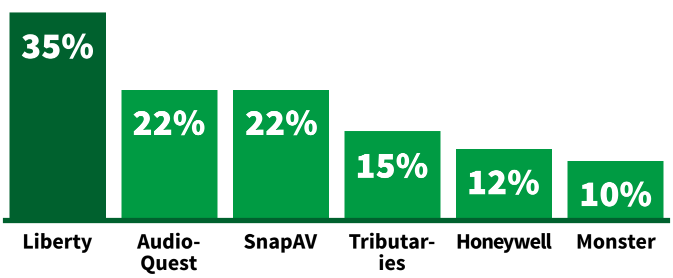
This is the second year that *CE Pro* has tracked the Remote Managed Systems category and this emerging market is still taking shape. Ihiji gains 17 dealers to move into the top position surpassing the BlueBOLT family of products. Looking past Ihiji and BlueBOLT, the other top companies all come from the world of automation and control (other than SnapAV). As this category matures the custom install industry will gain a better grasp of what level of services dealers are looking from these solutions.

HOME NETWORKS



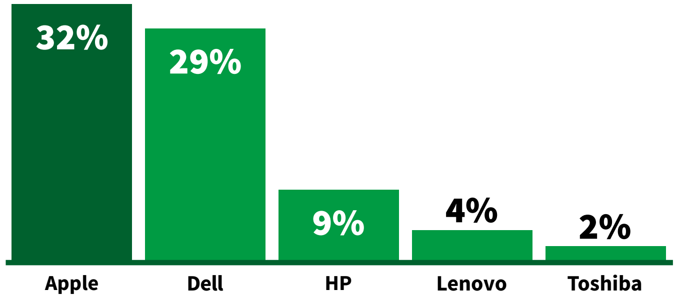
Home networking is a category that has evolved from the Router, Hub and Modem category. Through a better name for the category Pakedge emerges as the top brand in the market. Following in a close second place is Cisco with Ruckus, Netgear and Apple rounding out the top five. Luxul adds 10 dealers to the 2013 to finish just outside of the top five manufacturers.

SPEAKER CABLES/INTERCONNECTS



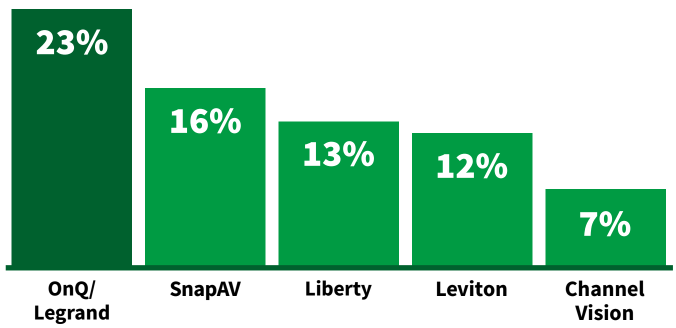
For the most part CE Pro 100 dealers have relied on the same cabling brands for a long time. Jumping into the top five however is SnapAV, which gained 11 dealers over the previous year to place in a tie for second with AudioQuest. As a whole, installers are utilizing significantly fewer vendors as the number of manufacturers has dropped from 43 in 2012 to 28 in 2013.

COMPUTERS



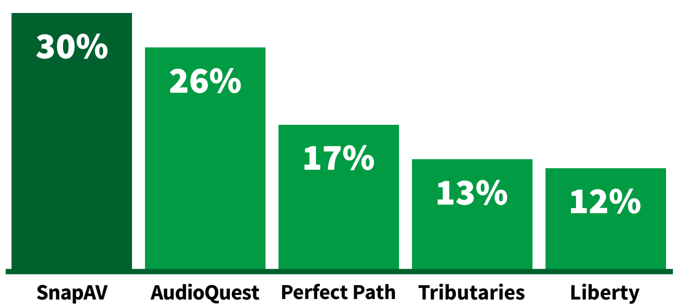
Despite the relatively high numbers of dealers utilizing popular brands like Apple and Dell, there are still a significant amount of dealers that don't offer computing products. The overall numbers are about the same as the prior year, but it is noticeable that Dell has narrowed the lead of Apple as the top brand.

STRUCTURED WIRING



For a few years the structured wiring category had contracted, but over the past two years the category has stabilized with dealers reporting they have used products from 24 manufacturers each of the past two years. Companies like OnQ/Legrand, Liberty and Channel Vision maintain their respective figures from 2012. SnapAV doubles the amount of dealers using its structured wiring products in 2013.

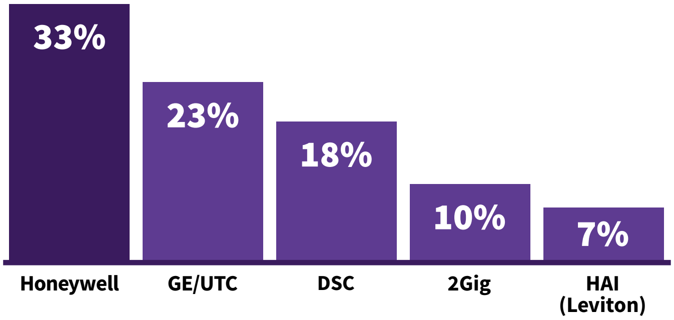
HDMI CABLES



This is the first time that HDMI cables have been represented as its own category and the N.C.-based manufacturer SnapAV debuts as the top brand. Following close behind are AudioQuest, Perfect Path, Tributaries and Liberty rounding out the top five manufacturers. In total CE Pro 100 dealers use HDMI cables from 33 different manufacturers.

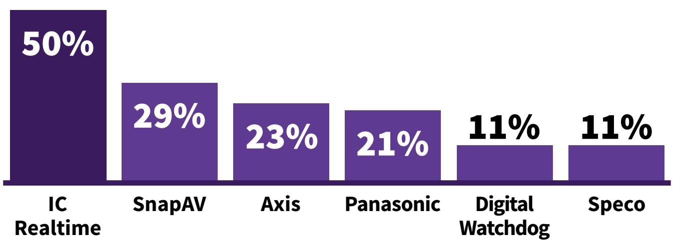
SECURITY SECURITY

SECURITY & FIRE SYSTEMS



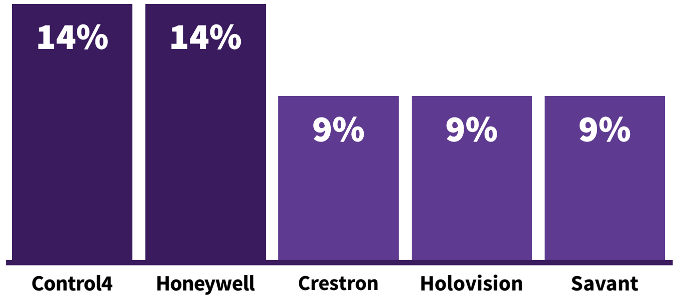
Approximately one-third of the CE Pro 100 list does not offer security and fire system solutions. Of the dealers that are offering security and fire system solutions a little more than half utilize products from Honeywell. A third of those dealers offer GE/UTC and about one-quarter use DSC products.

IP CAMERAS/SURVEILLANCE



IC Realtime continues to grow its market share within the CE Pro 100 through an increase of 11 dealers over the past year. Axis and Digital Watchdog also make modest gains within the category, while Panasonic continues to see its numbers drop. SnapAV surges into the top five by adding 26 dealers. There are 35 total vendors being used in the category.

ACCESS CONTROL



The Access Control category is one of the most competitive markets within the custom electronics space, likely because some vendors are commercially oriented while others focus on the residential side. In total there are 42 brands represented in the category with no single company dominating the market. Control4 has established itself as the leading vendor in the category for two consecutive years, but other companies such as Honeywell, Crestron, Holovision and Savant aren't far behind.

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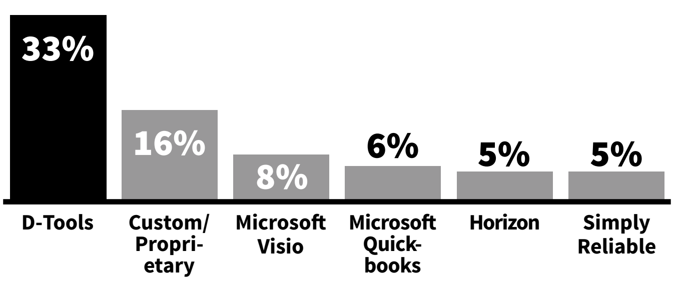
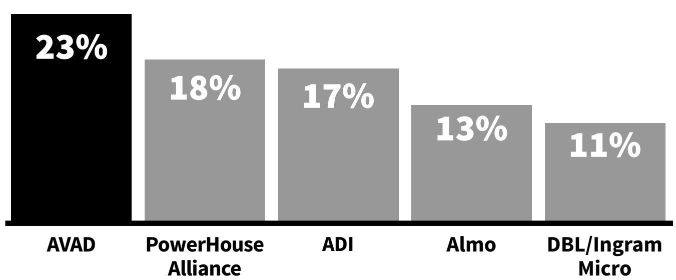
MISC. MISC. MISC. M

DESIGN/PROPOSAL SOFTWARE



The Design/Proposal Software category remains relatively unchanged with the same basic amount of products being used, and the specific products being used. D-Tools leads the category and customized solutions are the next most popular solution for dealers.

DISTRIBUTORS



Distributors is a newly added category for 2013. Debuting as the most frequently used distributor is AVAD. Following close behind are Powerhouse Alliance, ADI, Almo and DBL/Ingram Micro. In total the CE Pro 100 dealers used the services of 35 distributors. CE Pro