DEALERS TIGHTEN THEIR BRAND BELTS

Converging factors within the custom electronics industry evident in our annual CE Pro 100 Brand Analysis survey finds installers consolidating product choices in everything from speakers and networking components, to furniture and cabling.

BY ROBERT ARCHER

NOT SINCE THE mid-2000s has the custom electronics industry gone through such a drastic shift. Back when the housing market crashed and the global economy fell it was obvious why the custom installation industry contracted just like every other market that had ties to homebuilding.

Based on the numbers revealed by the 2016 CE Pro 100 Brand Analysis, which surveys the highest-revenue integrators' brand choice in a variety of product categories, at the manufacturer level we are definitely seeing the results of industry-wide consolidation as integrators use fewer and fewer vendors. Today's market consolidation is likely the result of several factors, including:

1. The growing impact of "one-stop shop" companies led by the likes of SnapAV, and a handful of other similar-minded manufacturers and distributors. Suppliers that used to be siloed in one product category are now diverse. The benefit for integrators is that it offers them buying power with that vendor.
2. Acquisitions becoming prevalent in the industry as companies like Legrand, Nortek and others gobble up leading brands.
3. Buying groups are continuing to gain influence. This encourages integrators to support a limited number of vendors that are authorized by the buying group.
4. While harder to gauge, the continuing maturation of the market itself could be another factor, with categories such as networking, wireless audio and automation delivering robust and reliable solutions to a hungry marketplace. The maturing of the market could be establishing a natural order in which only the strong survive.

It should be emphasized that competition is a factor that cannot be overlooked. Perennial category-leading companies such as Sony, Sonance, Lutron, Middle Atlantic and Control4 continue to set the bar, while newer brands are helping to push the market to continue delivering creative solutions that meet dealers' needs. Competitors whose level of quality cannot keep pace are clearly being left by the wayside.

This year's Brand Analysis includes newly created categories such as Networking/Data Cabling, Structured Wiring Enclosures and Tools & Testers making their debuts. Read on to see how your suppliers stack up.

2016 BRAND LEADERS

2016 'BULLET' BRANDS MOVE UP

THE THEME OF THE 2016 CE Pro 100 Brand Analysis may be brand consolidation and greater dealer product discretion, but that doesn't mean that some manufacturers can't distinguish themselves in a competitive environment.

This year we've decided to highlight some brands that gained traction "with a bullet," as the saying goes. Here are eight that performed particularly well this year when compared against past numbers.

Acoustic Treatments: **Primacoustic** had zero dealers last year and four in 2016. While these numbers aren't outrageous, acoustic treatments is a small category. On a percentage basis Primacoustic's addition stands out.

HT Preamplifiers/Processors: **Yamaha** has been a brand experiencing a renaissance in popularity. The company more than doubled the CE Pro 100 representation using its pre/pros, going from six in 2015 to 14 in 2016.

Soundbars: **Bose** is one of the most popular brands in consumer electronics; its soundbar usage among CE Pro 100 dealers went from none in 2015 to 10 this year.

Wireless Audio: While **Sonos** remains a clear leader in the category, it is facing increased competition from HEOS by Denon. In 2015 HEOS had five dealers using its products, and in 2016 that number tripled to 15.

Headphones: For some perspective, roughly 60 to 70 percent of the CE Pro 100 offer headphones. **AudioQuest**, a popular manufacturer of cabling products and DACs, recently developed its first headphones and a welcome reception of seven dealers note using the products.

Video Distribution: Proving the power of **Control4**'s sizable dealer network, **Leaf**, a relatively new acquisition of the Utah-based control and automation company, rose to 30 dealers.

Satellite: Leveraging a new custom-installation market dealer program, **Dish Network** makes serious inroads. In 2015 Dish had 15 dealers; that total among the CE Pro 100 is now 23.

Networking: Early in 2015 **SnapAV** completely reengineered its networking products. Under the **Araknis** name, successful results showed a jump from 10 dealers in 2015 to 18 in 2016.

BRAND LEADER: AUDIO

ARCHITECTURAL LOUDSPEAKERS: Sonance
IN-ROOM SPEAKERS (FLOORSTANDING & BOOKSHELF): Klipsch
ACOUSTIC TREATMENTS: SnapAV
AUDIO AMPLIFIERS: Sonance
A/V RECEIVERS: Sony
HT PREAMPLIFIERS/PROCESSORS: Integra
OUTDOOR AUDIO: Sonance
MEDIA SERVERS/DVRS: Autonomic
SOUNDBARS: Sonos
TURNTABLES: Thorens
WIRELESS AUDIO: Sonos
SPEAKER CABLE/INTERCONNECT: Binary (SnapAV)
HEADPHONES: Sennheiser
WHOLE-HOUSE A/V: Control4

BRAND LEADER: VIDEO

FLAT-PANEL TVS: Samsung
PROJECTORS: Sony
PROJECTION SCREENS: Stewart Filmscreen
VIDEO DISTRIBUTION SYSTEMS: Binary (SnapAV)
SATELLITE TV: DirecTV
OUTDOOR VIDEO: SunBriteTV (SnapAV)
BLU-RAY DISC PLAYERS: Sony
HDMI CABLES: Binary (SnapAV)
GAMING SYSTEMS: Sony

BRAND LEADER: HOME ENHANCEMENTS

RACKS: Middle Atlantic
FURNITURE: Salamander
CENTRAL VACUUM: H-P Products/Dirt Devil
MOUNTS: Strong (SnapAV)
RACK COOLING SYSTEMS: Middle Atlantic
SEATING: Fortress
LIFTS: Auton
POWER MANAGEMENT: BlueBolt (Panamax/Furman)
REMOTE MONITORED SERVICES: Ihiji

BRAND LEADER: CONTROL & AUTOMATION

WHOLE-HOUSE CONTROL & AUTOMATION: Control4
UNIVERSAL REMOTE CONTROLS/SMART DEVICES: URC
LIGHTING CONTROL: Lutron
MOTORIZED WINDOW TREATMENTS: Lutron
IR DISTRIBUTION SYSTEMS: SnapAV
THERMOSTATS/HVAC: Control4

BRAND LEADER: NETWORKING/CONNECTIVITY

HOME NETWORKS: Pakedge
COMPUTERS: Apple
CELLPHONE BOOSTERS: Wilson
PHONE SYSTEMS/INTERCOMS: Panasonic
NETWORKING/DATA CABLING: Liberty
STRUCTURED WIRING ENCLOSURES: Wirepath (SnapAV)

BRAND LEADER: SECURITY

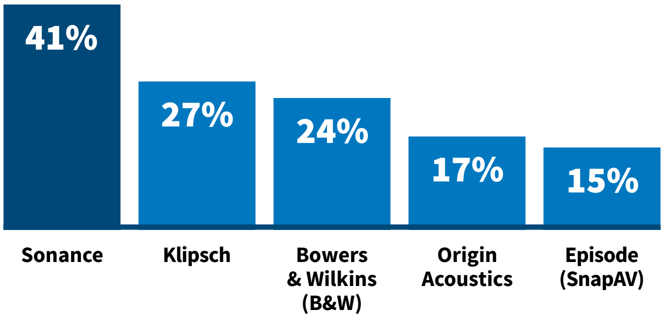
SECURITY & FIRE SYSTEMS: UTC
IP SECURITY CAMERAS/SURVEILLANCE: IC Realtime
ACCESS CONTROL: Control4

DEALER SUPPORT

DISTRIBUTORS: ADI
DESIGN SOFTWARE: D-Tools
TOOLS & TESTERS: Platinum Tools & Klein (tie)

AUDIO AUDIO

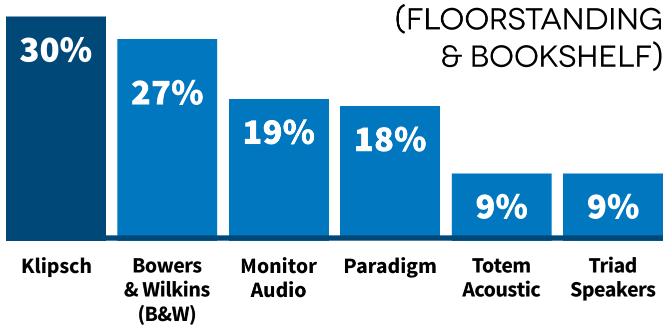
ARCHITECTURAL LOUDSPEAKERS



In an unusual development, particularly for audio, a majority of brands have fallen back to the pack to tighten this category. Sonance dipped but still shows its muscle to top this and two other categories; SpeakerCraft, however, fell for the second consecutive year and out of the top five. Relative newcomer Origin Acoustics jumps in, while Paradigm, Revel and Triad (13 apiece) just miss.

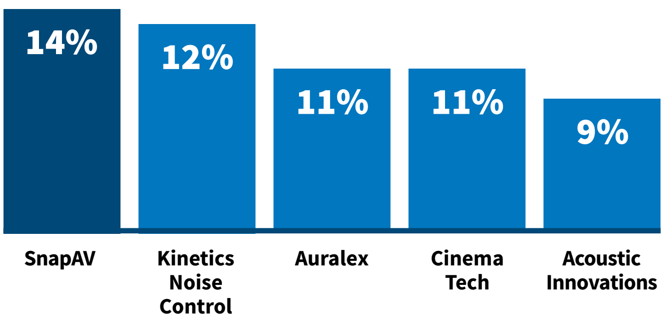
IN-ROOOM SPEAKERS

(FLOORSTANDING & BOOKSHELF)



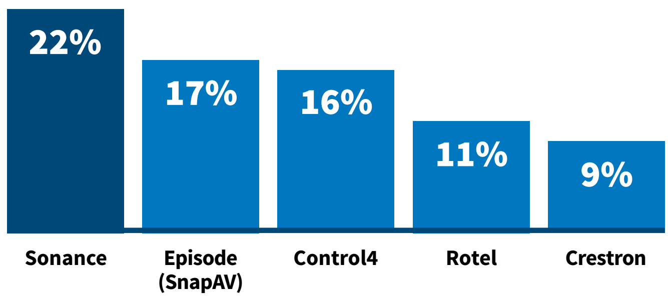
Like the Architectural Speakers category, the In-Room category features more brands than the previous year but the most frequently used ones from 2015 nearly all took a step back in their CE Pro 100 mentions. Unlike the architectural speakers, only four brands here received double-digit mentions, with Klipsch and B&W dealers clearly appreciating the companies' product diversity.

ACOUSTIC TREATMENTS



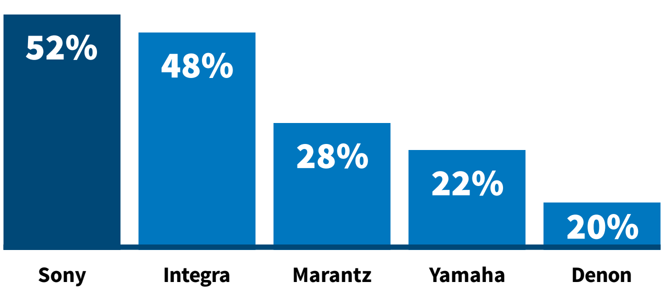
Taking sole position at the top, SnapAV inches past perennial pace-setter CinemaTech. After reaching the top five in 2015, Auralex solidifies its standing as a go-to brand in this category. Coming in from the pro audio market, Primacoustic falls just shy of the top five.

AUDIO AMPLIFIERS



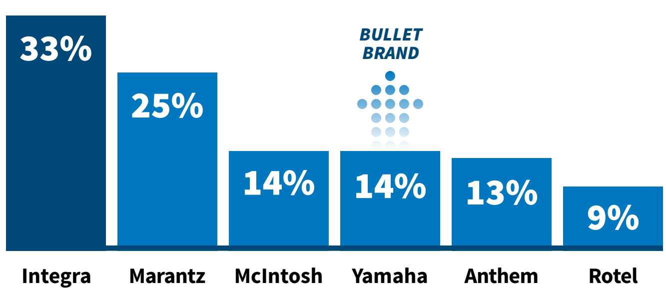
Reintroducing amplifiers into the Brand Analysis, the responses reflect the impact of whole-house audio, and control and automation companies. One interesting element when looking beyond the top five: Dealers are enlisting commercial products from companies like QSC, Crown and Extron.

A/V RECEIVERS



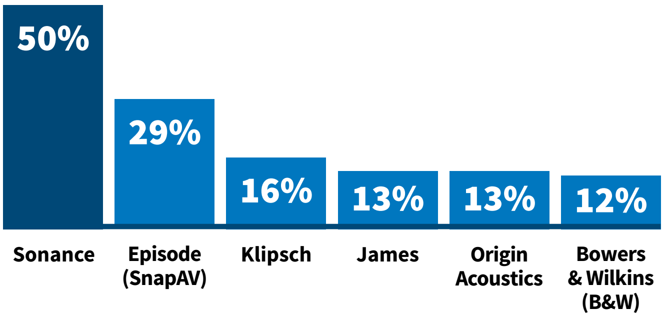
By basically holding steady from the previous year, Sony benefits from Integra's 11-point fall from the top of the A/V Receivers list. Denon's placement over the past three years has been inconsistent; this year's numbers are down but still double those of sixth-place Pioneer.

HT PREAMPLIFIERS/PROCESSORS



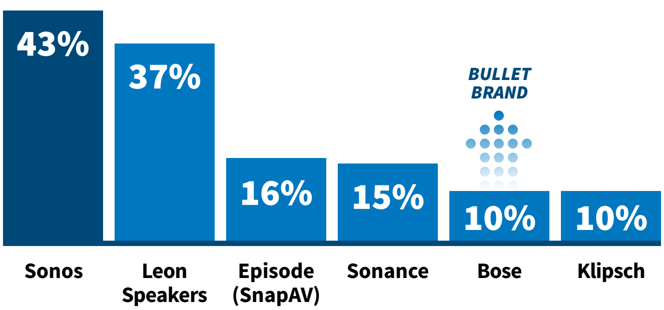
Integra and Marantz remain leaders, but increased brand competition is leveling the playing field. One brand that has fared well recently is Yamaha, which more than doubled its 2015 total to enter the top five. Rotel is a clear-cut next choice ahead of the rest of the pack.

OUTDOOR AUDIO



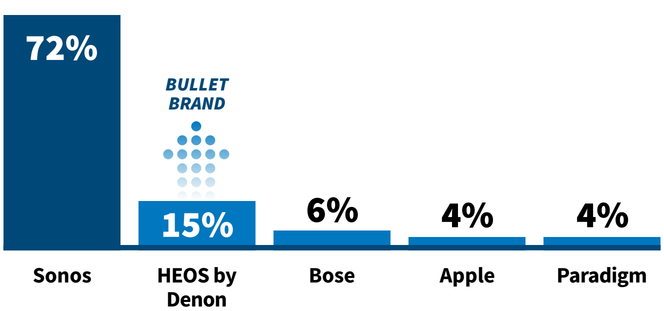
Sonance impressively paces the category again, but finds itself being pressed by the competition (38 more dealers than Episode last year compared with 21 this year). Origin Acoustics emphasized outdoor audio at the 2015 CEDIA Expo and its results appear to be validated by CE Pro 100 dealers.

SOUNDBARS



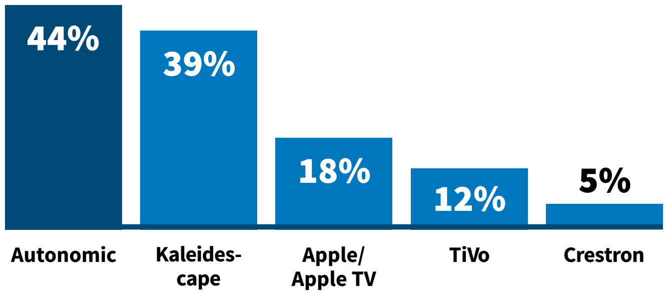
The top two brands basically held their ground. A newish category for Sonance, the manufacturer enjoys solid gains from its 2015 numbers to reach the top five. Bose scored similar success with the CE Pro 100 to also land among the leaders.

WIRELESS AUDIO



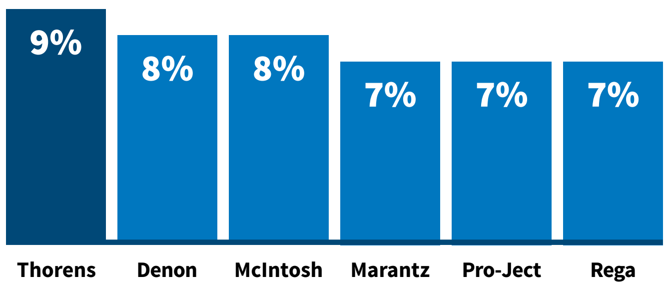
Chipping away at Sonos' substantial lead, HEOS by Denon triples its representation among CE Pro 100 dealers over the previous year. The rest of the Wireless Audio category remains relatively unchanged with the exception of Paradigm debuting in the category by matching Apple's mentions.

MEDIA SERVERS/DVRS



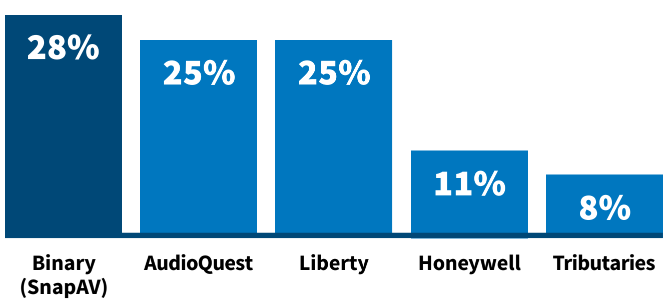
Autonomic and Kaleidescape remain the top two, and by a wider margin over the rest as both Apple and Sonos received fewer mentions here than in the past. TiVo enters the top five, while dealers also note favoring home automation giant Crestron in this capacity.

TURNTABLES



None of these companies actively seek out the custom installation market, but despite this lack of attention nearly half of the CE Pro 100 offers these products. This year's list finds one classic brand overtaking another with Thorens passing McIntosh. While not as popular as other product categories, turntables can deliver high-margin capabilities.

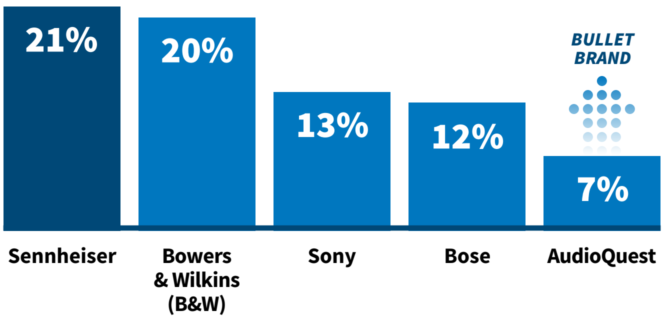
SPEAKER CABLE/INTERCONNECT



Comparing the Speaker Cable/Interconnect list to 2015's numbers, this category experienced one of the larger reductions in brand mentions in the entire analysis. Binary's standing as the top brand remains unchanged from 2015, while AudioQuest gains some dealers and capitalizes on Liberty's five fewer to share the second spot.

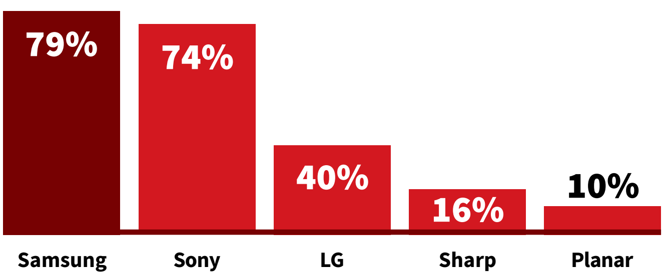
AUDIO VIDEO

HEADPHONES



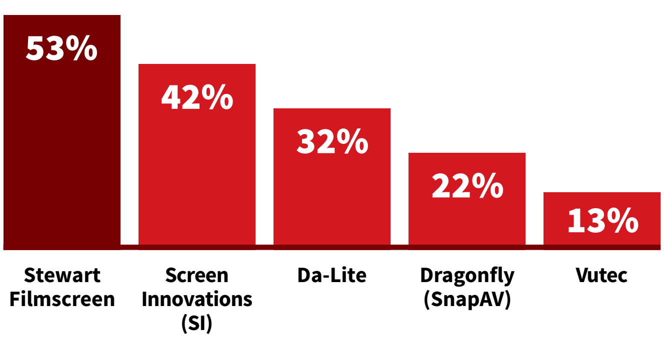
Sennheiser drops 10 percent from 2015, and B&W holding steady pulls it into a virtual tie among favored CE Pro 100 status. Popular manufacturers Sony and Bose also stay put, while a brand new entrant into the headphone market — AudioQuest — makes a strong debut.

FLAT-PANEL TVS



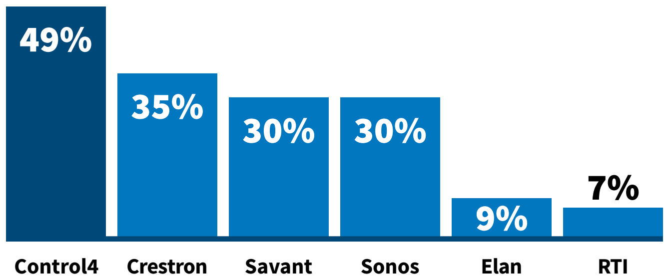
Samsung sheds its consensus No. 1 status from the 2015 list to fall into a near tie with the second-place Sony. Overall the category saw seven fewer brands mentioned than the previous year, including Runco whose parent Planar remains but the question is whether dealers are using it for residential installations, or are the Planar brand products going into commercial projects?

PROJECTION SCREENS



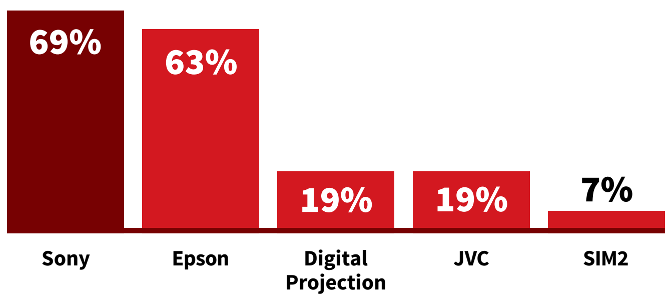
After narrowly beating out perennial leader Stewart Filmscreen and taking the top spot in the 2015 category, SI and Stewart flip-flop. Both had 20+ fewer mentions in 2016; third-place Da-Lite maintained that spot but its margin ahead of Dragonfly shrank from 24 to 10. Vutec regained a position within the top five.

WHOLE-HOUSE A/V



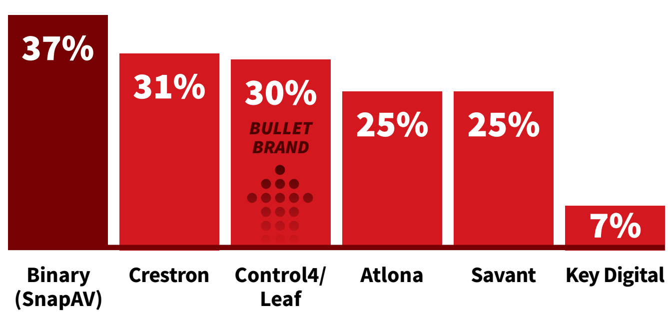
This marks the first year in which the Brand Analysis has consolidated the Whole-House Audio and Whole-House Video categories into Whole-House A/V. This list unsurprisingly reflects similar results in the previous whole-house categories where the carryover from home control and automation impacts A/V. The brands in this category overall pull equally from the audio, control and video markets.

PROJECTORS



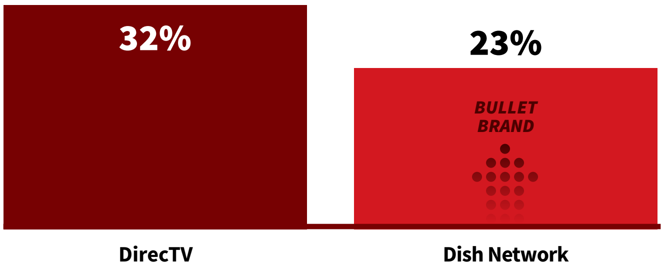
Top two Sony and Epson remain status quo as does most of the category, though DP stays in third with 23 fewer mentions than in 2015. Looking ahead, it will be interesting to see how Christie and Barco's respective entries into the residential market affect CE Pro 100 projector choices.

VIDEO DISTRIBUTION SYSTEMS



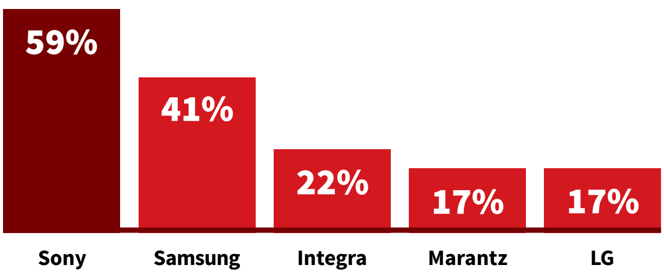
With Binary, Crestron and Savant all losing numbers from 2015, Video Distribution Systems has turned into a highly competitive category. Control4 appears to have benefited from its acquisition of Leaf, adding eight dealer mentions from the previous year.

SATELLITE TV



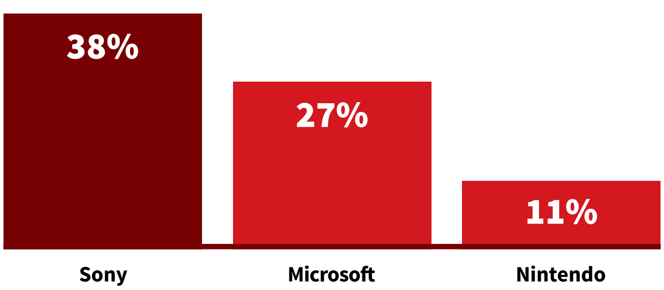
Validating Dish Network's commitment to the custom installation industry is the Colo.-based company's growth from 15 to 23 dealers. Some of Dish's increase could be attributable to eight fewer DirecTV dealers from the previous year, plus Dish's tiered custom integrator packages.

BLU-RAY DISC PLAYERS



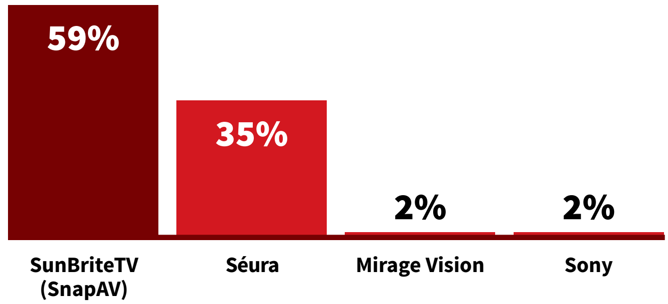
Perhaps more used for streaming purposes than discs themselves these days, Blu-ray players is one of the more competitive categories with seven brands garnering plenty of support. For the second year in a row Sony leads with almost 60 percent of the CE Pro 100 using its products. Just missing the top five were Oppo and Yamaha.

GAMING SYSTEMS



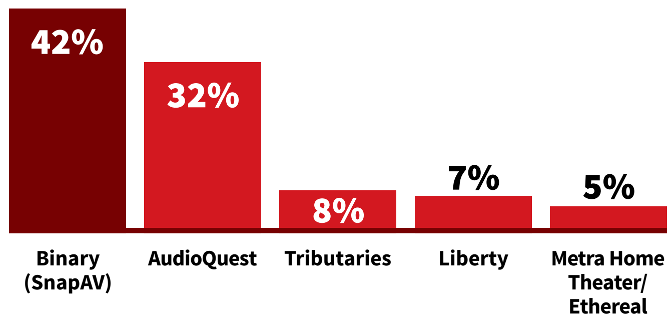
Approximately 40 percent of the CE Pro 100 offer gaming systems. The same three companies occupy the same top three slots as 2015. However, unlike past years not one CE Pro 100 dealer listed an advanced gaming solution such as golf or racing simulators.

OUTDOOR VIDEO



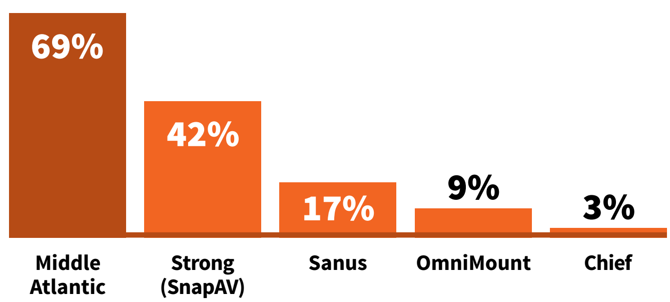
SunBriteTV and Séura hold their respective rankings with approximately the same dealer totals as 2015. Halving from 18 to nine brands, this year's category numbers suggest that CE Pro 100 dealers for the most part are firm in their go-to outdoor video providers.

HDMI CABLES



HDMI Cables is one of the few categories in the 2016 Brand Analysis that saw an increase in the amount of brands mentioned. Binary and AudioQuest for the second consecutive year respectively lead the category.

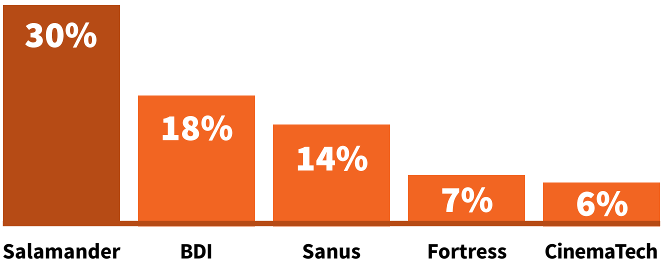
RACKS



One of the industry's smaller categories in terms of options, there's been little movement in the amount of brands or brand preference with long-time leader Middle Atlantic pacing the field and SnapAV's Strong brand a solid second again.

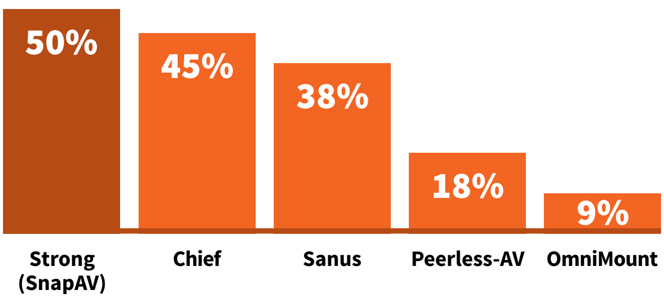
HOME ENHANC

FURNITURE



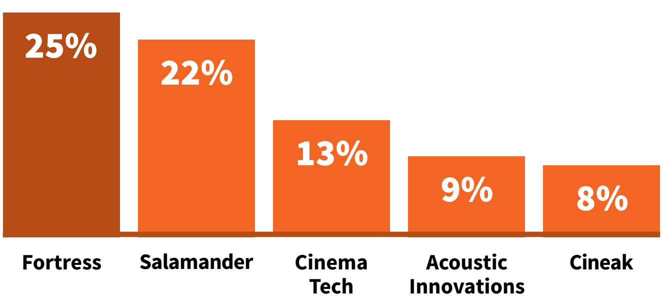
The Furniture category has been experiencing consolidation of choices for a few years, with the trend continuing in 2016. Losing 16 percent of its vendor list from the previous year, the category is down to 20 representatives among the CE Pro 100 with Salamander maintaining its comfortable leadership position.

MOUNTS



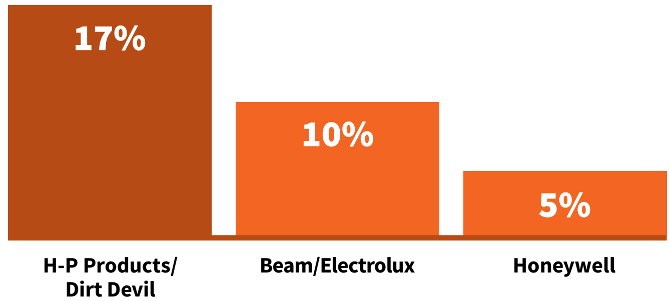
Not only has the Mounts category experienced the addition of manufacturers to the field, it has a new leader: Strong. This remains a highly competitive category, with Sanus close behind Chief.

SEATING



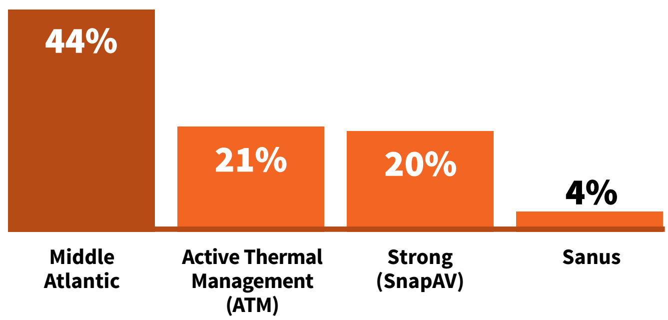
One of the most competitive categories, this year's big development is Salamander's surge into the second spot behind the leader. Fortress for the second year in a row tops the list with CinemaTech, Acoustic Innovations and Cineak rounding out the top five.

CENTRAL VACUUM



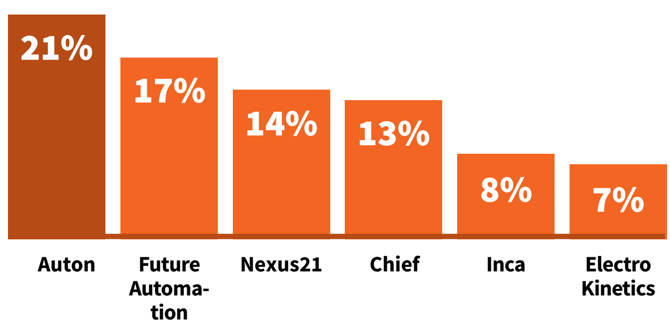
Trading positions in 2016, Dirt Devil takes over the top spot from Beam/Electrolux. Overall the Central Vacuum category maintains the same number of manufacturers and percentage of dealers offering the products as the previous year.

RACK COOLING SYSTEMS



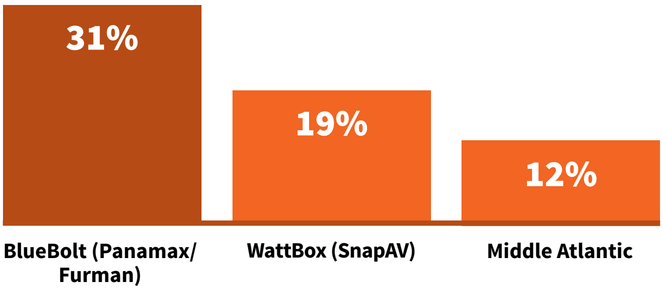
Leveraging its popularity in the Racks category, Middle Atlantic overtakes ATM as the most used manufacturer of these complementary devices. One of the smallest categories, just nine brands were noted in the 2016 list.

LIFTS



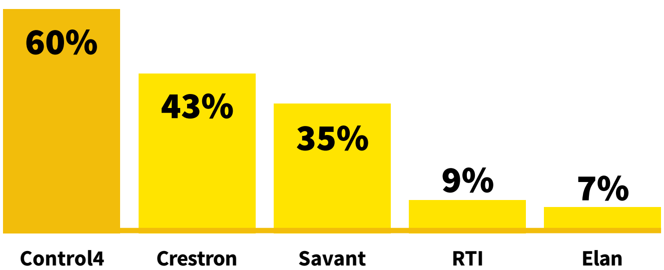
Finishing in the exact order of 2015's top five, the Lifts category is top heavy. After sixth-place ElectroKinetics, there are seven manufacturers and the majority mentioned by only one CE Pro 100 member.

POWER MANAGEMENT



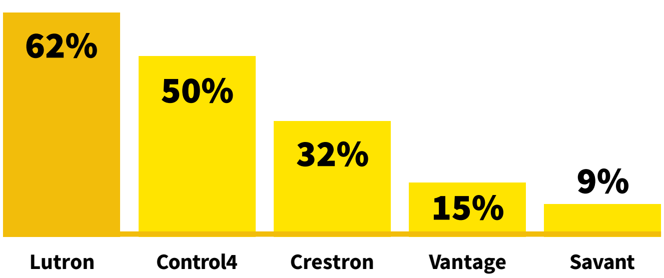
Panamax and Furman's BlueBolt format surges to assume the top brand/technology position in the Power Management category, ahead of SnapAV's WattBox and Middle Atlantic.

WHOLE-HOUSE CONTROL & AUTOMATION



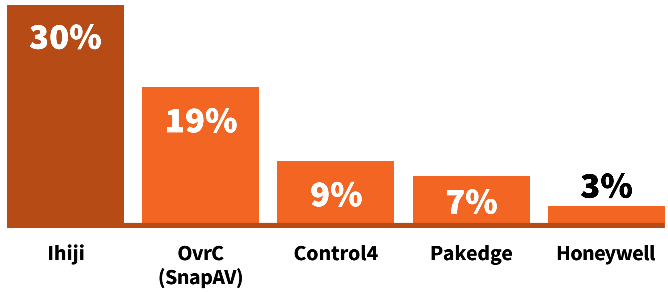
Showing that 2015 was no fluke, Control4 not only maintains hold as the most frequently used brand in the Control and Automation category, it increases its lead over perennial stalwart Crestron. Savant retains third place, while RTI moves from sixth to fourth.

LIGHTING CONTROL



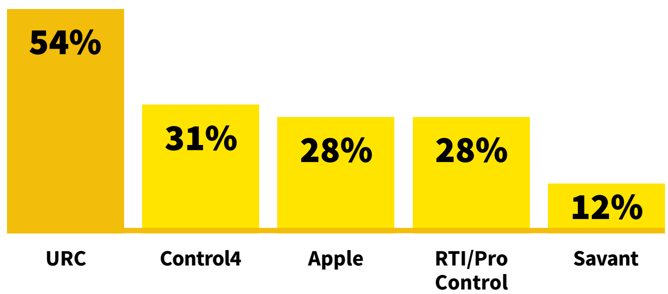
While the number of total vendors remains about the same as 2015, the gap between the top two brands — annual leader Lutron and Control4 — and the rest of the list has begun to widen. Each of the top five brands had less dealer representation from the previous year's totals.

REMOTE MONITORED SERVICES



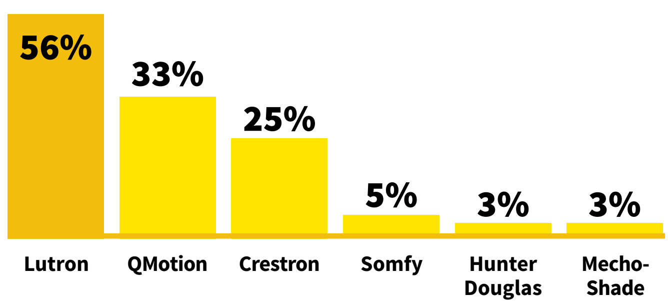
Within the past couple of years the Remote Monitored Services category has matured rapidly. Made up of a mix of control and automation, and new-era service companies, Ihiji ranks as the most-used brand. SnapAV's OvrC, Control4's 4Sight, Pakedge's BakPak, and Honeywell's Total Connect offerings round out the top five.

UNIVERSAL REMOTE CONTROLS/ SMART DEVICES



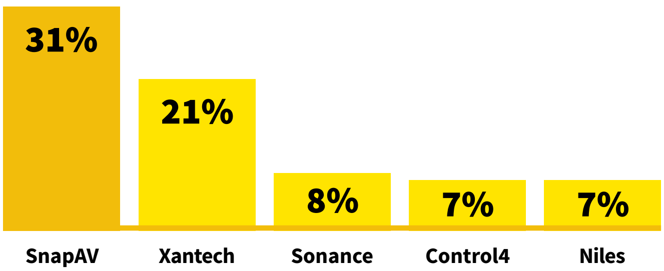
Over the past three years Control4 has shaved long-time leader URC's edge as the top brand with 2016's numbers the closest yet (32 points last year to 23 this year). Despite the slowing sales of iPads, custom installers still mentioned Apple with regularity, while Apple-based Savant cracks the top five this year.

MOTORIZED WINDOW TREATMENTS



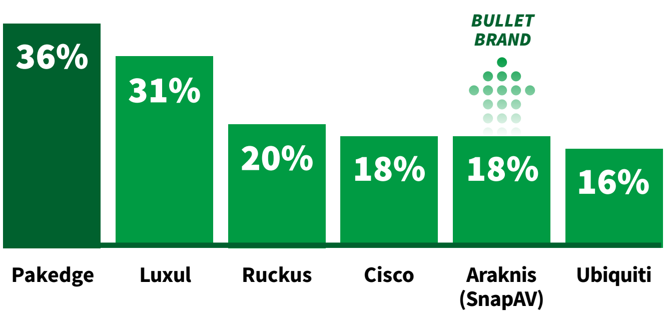
Piggybacking on its advantage in lighting control, Lutron is the clear frontrunner in this complementary category. Crestron has a quarter of the CE Pro 100, with the rest of the market fragmented in small representation from a number of manufacturers.

IR DISTRIBUTION SYSTEMS



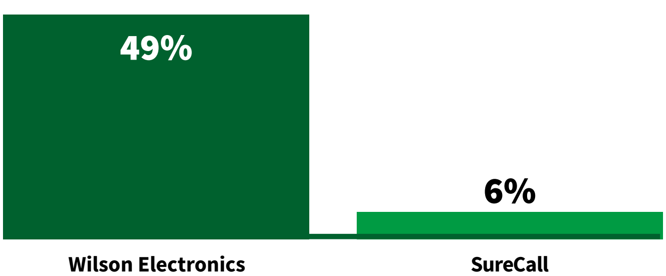
IR Distribution Systems is a top-heavy category with the long-time category leader Xantech second only to SnapAV's array of solutions from its Binary, Wirepath and Episode brands. Sonance, Control4 and Niles are in a near dead heat following the two dominant brands.

HOME NETWORKS



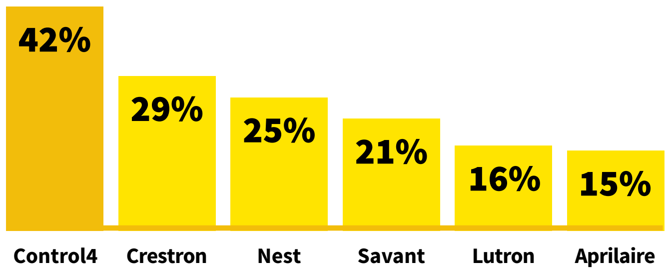
This is a very competitive and intriguing category. Pakedge is still the top brand, but Luxul is inching closer. Araknis nearly doubles its previous year numbers and cracks the top five. Ruckus, which is used by providers such as Access Networks, has a strong showing. The effect of acquisitions of Pakedge and Luxul by Control4 and Legrand, respectively, will be worth keeping an eye on.

CELLPHONE BOOSTERS



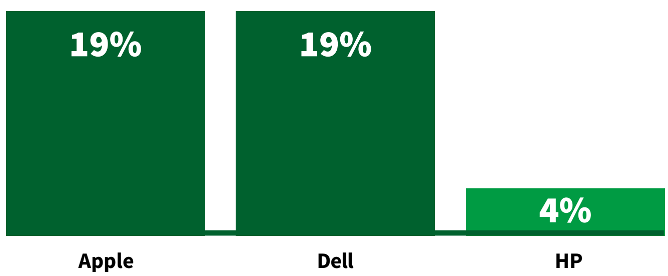
CE Pro has been tracking this category for three years, and over this time not much has changed. Wilson continues its dominance with SureCall a distant second. CE Pro 100 dealers mention seven other brands but each only in single instances.

THERMOSTATS/HVAC



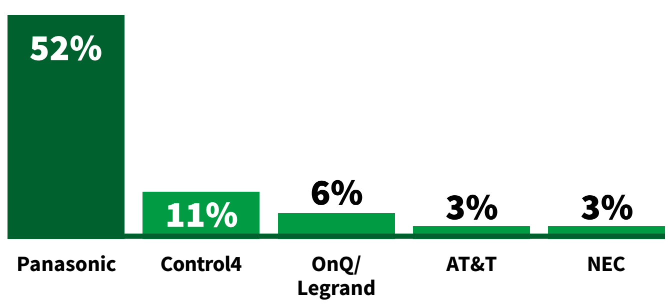
The Thermostat/HVAC category is pretty much status quo from prior years, though Nest's presence is being felt. Google-owned Nest, arguably the "face" of smart thermostat, gains eight dealers from 2015.

COMPUTERS



Approximately 40 percent of the Top 100 dealers install computers. Annually Apple and Dell vie for the most frequently used brand, and this year the companies tie at the top. The drop-off from Apple and Dell is fairly steep with HP maintaining its representation as the third most used computer manufacturer.

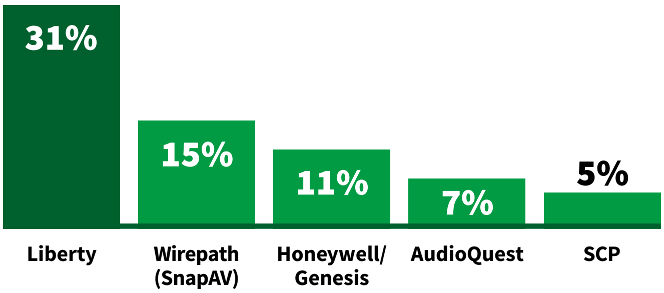
PHONE SYSTEMS/INTERCOMS



Holding serve with its numbers from 2015, the Phone Systems/Intercom category is an interesting mix of phone systems, intercoms, VoIP and conferencing solutions. Panasonic has been the long-time leader of phone systems in the custom installation industry.

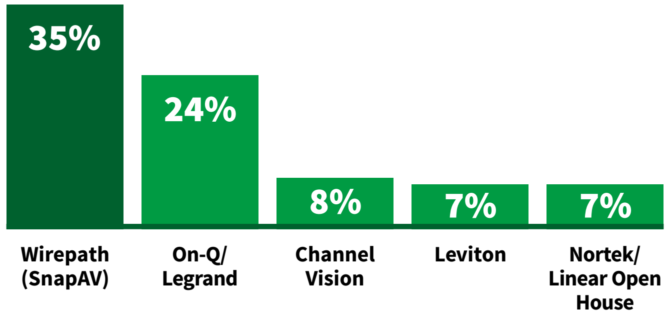
SECURITY DEA

NETWORKING/DATA CABLING



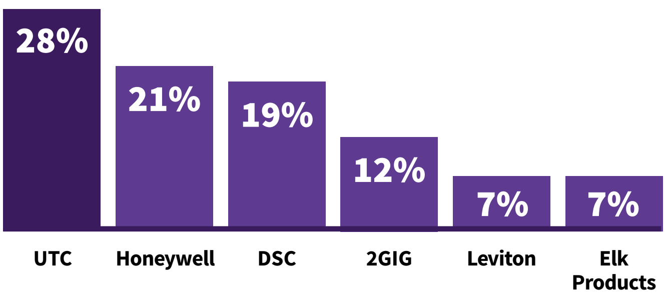
The new Networking/Data Cabling category finds Liberty as the most used manufacturer with Wirepath (SnapAV) and Honeywell not too far behind. With 27 total manufacturers represented, Networking/Data Cabling is one of the most varied categories in the market outside of loudspeakers.

STRUCTURED WIRING ENCLOSURES



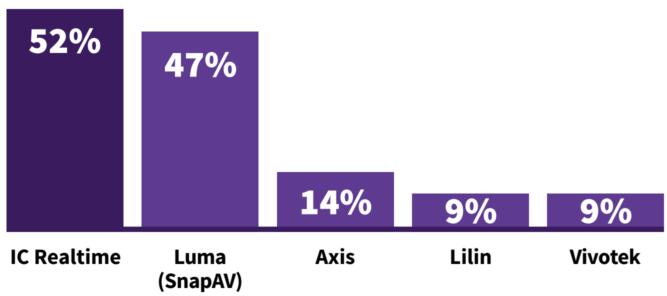
In past years *CE Pro* has tracked structured wiring with brands such as Wirepath and On-Q/Legrand faring well. The new Structured Wiring Enclosure category features Wirepath and Legrand as the top brands with Channel Vision, Leviton and Open House rounding out the top five.

SECURITY & FIRE SYSTEMS



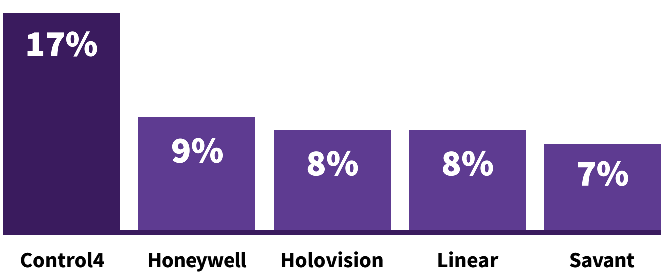
In a category that's gone through some changes, the former Interlogix and GE brands, which are now called UTC emerges as the Security & Fire Systems category leader. The rest of the leaderboard remains the same as past years with Honeywell, DSC, 2GIG and Leviton all ranking has frequently used brands. Also, Elk joins the top five with seven dealers.

IP SECURITY CAMERAS/SURVEILLANCE



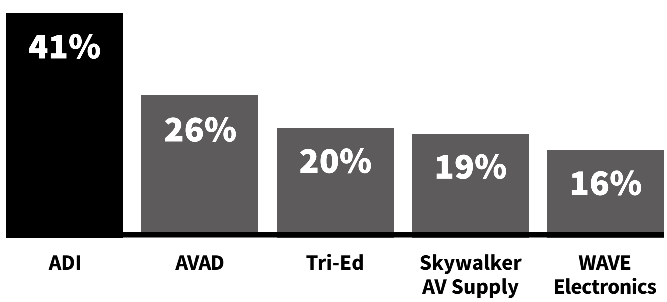
The top three companies retain similar dealer numbers to past years with IC Realtime leading the category. Luma, SnapAV's security brand, follows IC Realtime with Axis and Vivotek also retaining their respective positions from 2015. Speco falls out of the top five most frequently used brands, replaced by Lilin.

ACCESS CONTROL



The 2015 list mentioned more than 50 manufacturers. The 2016 strips a dozen off the total vendor options mentioned. Forging a lead is Control4, which gained six dealers over the previous year's figures. The rest of the top five reads similar to past years.

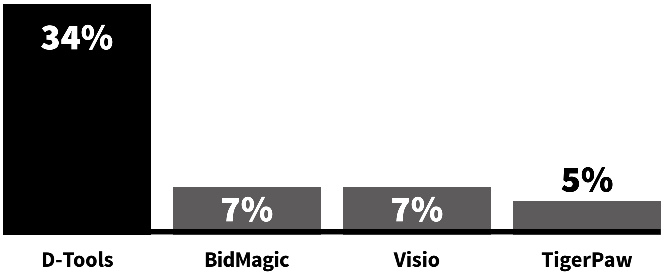
DISTRIBUTORS



The Distributor category looks much different than 2015. The numbers for the top five companies listed increased substantially, led by ADI. Not surprisingly top distributors such as AVAD, Tri-Ed, Skywalker AV Supply, and WAVE also post strong representation.

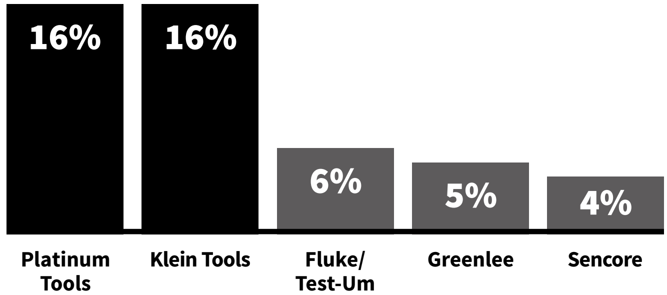
DEALER SUPPO

DESIGN/PROPOSAL SOFTWARE



The Design/Proposal category may be moving away from customized solutions, though four CE Pro 100 dealers did note such implementation. D-Tools continues its reign as the go-to brand, and companies like BidMagic and several newcomers are gaining traction.

TOOLS & TESTERS



This is the first year for the Tools & Testers category. Platinum Tools and Klein Tools tie ahead of a cluster of brands that includes Greenlee, Fluke, Sencore, DeWalt and Milwaukee. CE Pro 100 dealers mention 20 brands with tools that cover everything from drills and networking verification solutions, to color meters and smart device apps. CE Pro