CE PRO 2019 BRAND ANALYSIS SPECIAL REPORT:

EXCLUSIVE RESEARCH

CEPro

FAMILIAR BRANDS DOMINATE THE MARKET

A handful of go-to names stand out for CE Pro 100 companies as revealed by the annual Brand Analysis, but the 61 categories tracked also shed light on the increasingly diversified product portfolio offered by today's highly successful integrators. *by Robert Archer*

In most years the numbers and trends revealed in the CE Pro 100 Brand Analysis reflect the tenor of the U.S. and even the global economy, and the latest edition is no different.

In the U.S. unemployment is low, the stock market is doing well and there are hints that home sales could improve as remodeling expenditure also continues to flourish. Having learned some lessons from the global recession a decade ago, the custom installation industry has developed a diverse array of products that — maybe more importantly — appeal to mainstream consumers, who are also increasingly smart-home aware thanks to the emergence of voice-control platforms, smart speakers, smart locks and other common devices.

The influx of mainstream products has created a learning and creativity curve for integrators who are implementing much different systems now than they did a decade ago, but still reliably meeting the needs of their clients. The Brand Analysis surveying the annual CE Pro 100 list of integration companies demonstrates a mix of traditional custom-channel products and more mainstream offerings.

SnapAV, Sony, Sonos and Control4 are just a few examples of brands that continue to have huge impact for CE Pro 100 companies and their customers. SnapAV and its array of brands can be found throughout the list, whether it's A/V, infrastructure, enhancements and more. Sonos continues to do well both in and outside of its core Wireless Speakers, ranking highly in Amplifiers, Floorstanding/Bookshelf Speakers and Subwoofers. Sony's growth has reached a level of near total saturation in video through its domination of the TV, projector and Ultra Blu-ray/Blu-ray disc categories. And Control4's name maintained its top-five place in several areas.

Meanwhile, as in past years *CE Pro* is making special mention of several "Bullet Brands" that made particularly strong gains last year (see sidebar, right). Keep in mind that the Brand Analysis data comes from integration firms that entered the CE Pro 100, which ranks the industry's highest-revenue companies (providing a typically higher-income customer, but not accounting for thousands of other firms in the custom channel); because companies qualify and drop out year after year, this naturally can impact the Brand Analysis on top of whose manufacturers may have picked up or lost dealers during the past year.

Representing the industry's diversity and providing insights into traction for new opportunities, this year's Brand Analysis features 61 categories. New to this year's analysis are Accounting Software, Automated Irrigation and Water Leak protection, while categories such as Cybersecurity, Vehicles and Fiber-Optic Cabling represent others that have only been tracked for two to three years.

In addition, it's worth noting the uptick in numbers for the Remote Monitoring category, which bodes well for their long-term revenue possibilities. Remote monitoring — solutions like SnapAV's OvrC and its compatible products, as well as Control4's Ihiji have enjoyed widespread CE Pro 100 adoption — can help deliver recurring revenue to integrators' coffers, while augmenting their customer service support capabilities.

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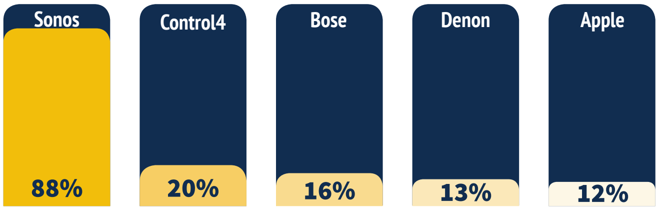
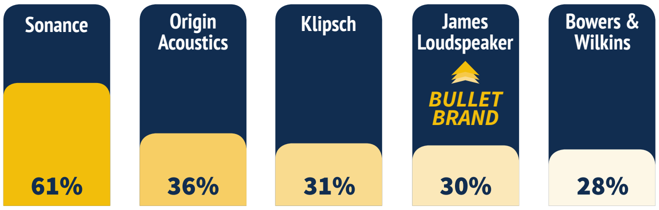
AUDIO

Wireless Speakers



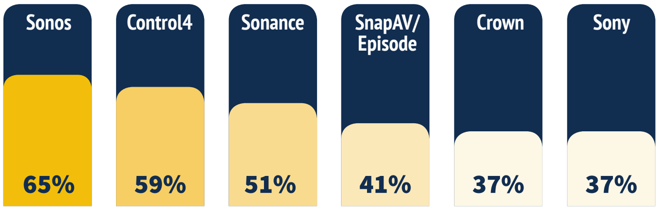
Remaining relatively stagnant from the previous year's numbers, the wireless speaker category features the same companies in the same order. Sonos' count grew slightly, and it appears after showing up in the list for a few years that Denon has firmly established the HEOS name as a player in the category.

In-Wall/In-Ceiling Loudspeakers



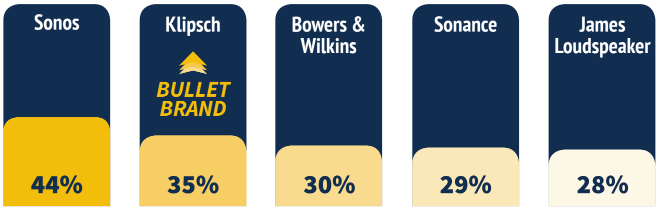
Sonance continues to maintain a comfortable advantage in the In-Wall/In-Ceiling category. Origin has made gains among the CE Pro 100 with its architectural products, while Klipsch and Bowers & Wilkins maintain their respective rankings. James Loudspeaker is new to the top five.

Audio Amplifiers



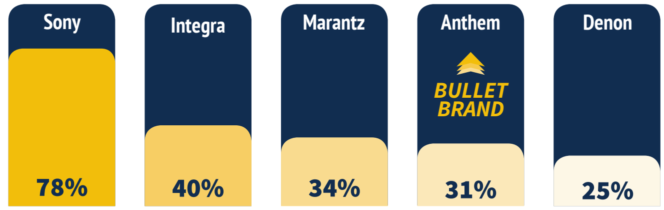
Sonos has overtaken Control4, which could signify that its $599 Amp whole-house audio amplifier is gaining traction in the custom market. Other companies likely benefitting from serving whole-house audio are Sonance, SnapAV and Crown. Crown is likely capitalizing on outdoor audio popularity. Just two years ago only 34 dealers mentioned Sonos.

Floorstanding/Bookshelf Loudspeakers



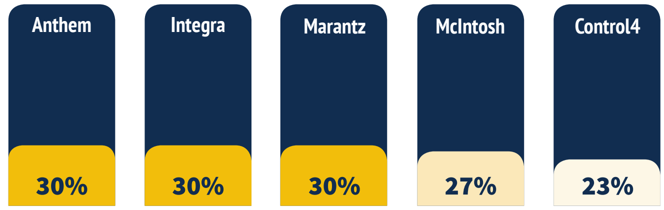
For the second year in a row Sonos leads the Floorstanding/Bookshelf category. Perennial top five brands Klipsch (adding seven dealers), Bowers & Wilkins and Sonance round out the four most used brands in the category. For the first time James Loudspeaker enters the top five.

A/V Receivers



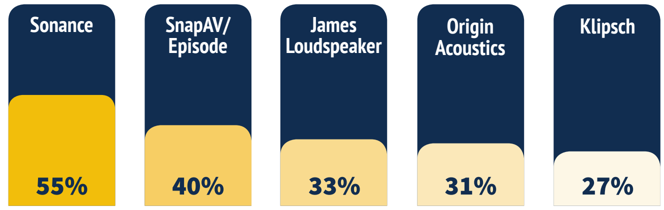
For five years running Sony has dominated the category. In the 2018 Brand Analysis *CE Pro* awarded the brand a Bullet Brand designation for its year-to-year growth from 2017, and it continues upward. Doing the same is Anthem, which leapfrogs Denon by adding more than 20 percent to its previous year's totals, Anthem leapfrogs Denon.

Home Theater Preamps/Processors



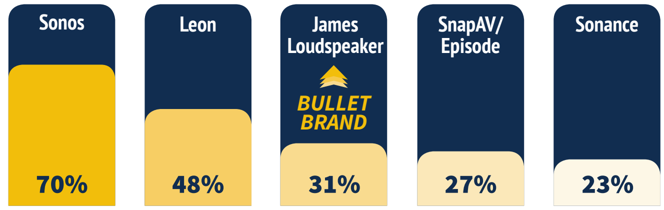
The home theater preamplifier/processor category has always been competitive, but 2019's numbers redefine that. Landing in a three-way tie for first place, Anthem, Integra and Marantz each have 30 dealers respectively using their products. Following closely behind is McIntosh, and surprisingly Control4. Control4 has never shown up in this category before, and this year's appearance could be the result of its popularity in the whole-house audio market.

Outdoor Audio



Sonance and SnapAV's Episode brand are the top two brands in the Outdoor Audio category. James Loudspeaker added nine dealers from its 2018 Brand Analysis' total to move past Origin. Klipsch also picked up a few dealers to maintain its status as a top-five brand.

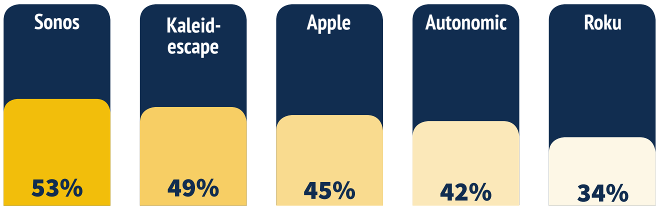
Soundbars



Overall the category's numbers have increased. Interestingly, the growth seems to be spread around through brand diversification. Sonos and Leon have each taken respective steps back in terms of the numbers, while other companies have increased their numbers from previous years.

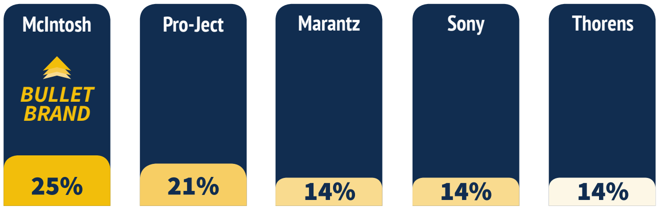
AUDIO | VIDEO

Media Servers



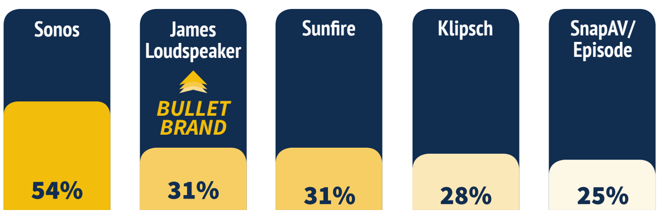
Every manufacturer in the top five made gains except for Kaleidescape. The result is that Kaleidescape falls into second place behind Sonos, whose ranking at the top could be due to the increased sales of Sonos amplifier products as well as custom market companies such as CasaTunes smartly integrating Sonos into its platform.

Turntables



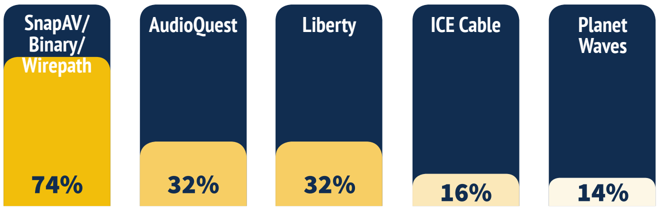
Turntables is a sneaky popular category with overall numbers increasing the past several years as vinyl continues to show staying power. Many dealers appear to be providing higher-end solutions, helping the vaunted McIntosh brand move to the top. Thorens, however, lost a third of its numbers from the previous year but still remained in the top five.

Subwoofers



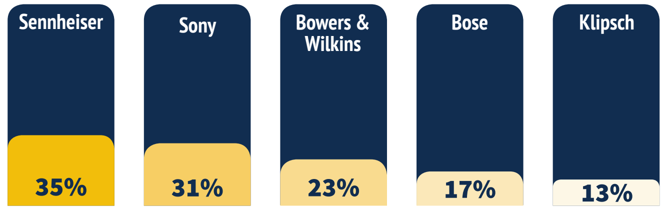
After a couple of years Sonos has firmly entrenched itself as the top subwoofer vender. Like some of the other speaker categories James has pushed its way into the top five. Adding more than 50 percent to its total from the previous year James now resides as the second most used subwoofer manufacturer. The rest of the top five features the same manufacturers from previous years.

Speaker Cables/Interconnects



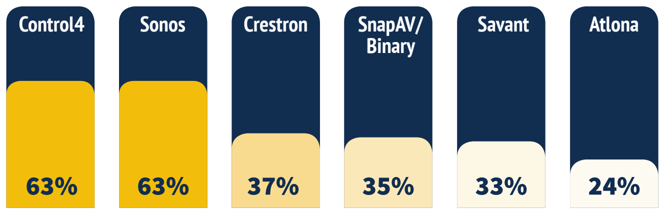
Proving it is still capable of growing its brands even after the numbers suggest it has plateaued in many categories, SnapAV through its Binary and Wirepath brands seizes the top spot in the category. AudioQuest, Liberty and Planet Waves remain popular among CE Pro 100 companies. ICE Cable makes the top five for the first time.

Headphones



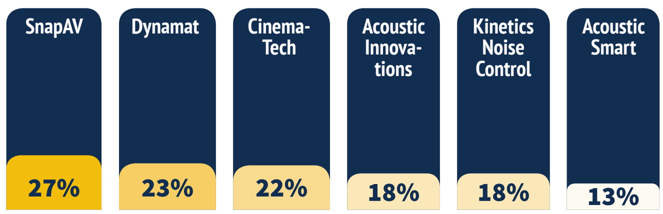
For the most part the Headphones category remains unchanged. Sennheiser maintains its status as the most mentioned manufacturer followed closely by Sony and B&W. Bose also kept the same dealer levels and market position, and Klipsch jumped into the top five.

Multiroom A/V Systems



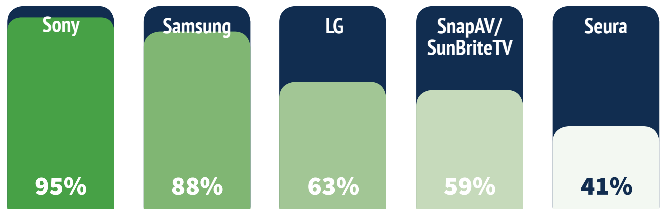
Control4 and Sonos are deadlocked at the top for the second year in a row. Crestron, SnapAV's Binary brand and Savant also remain as the next-most used vendors. Since there are two tied for the top spot, we're including Atlona here as the strong sixth choice, which could be in part a result of the company's recent distribution agreement with SnapAV.

Acoustical Treatments



Continuing a growth period that extends over several years, the Acoustical Treatments category shows another year of gains. It's hard to determine the exact reasons for the category's uptick other than perhaps more dealers are doing commercial work including boardrooms, restaurants, bars and nightclubs.

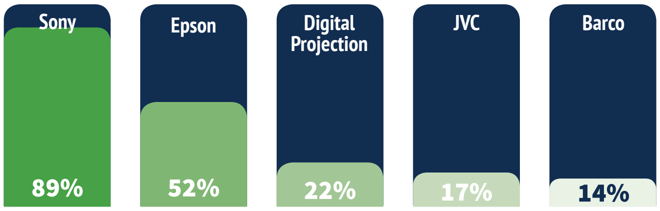
Flat-Panel Televisions



Sony and Samsung have owned the top two spots here for quite some time, and Sony added three dealers from its previous year's totals for a more comfortable advantage this year. Shooting up into the flat-panel category, outdoor TV brands SunBriteTV and Seura entersthe top five with 59 dealers and 41 dealers respectively.

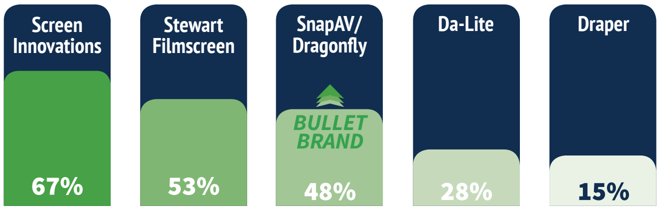
VIDEO | NETWORKING/CONNECTIVITY

Projectors



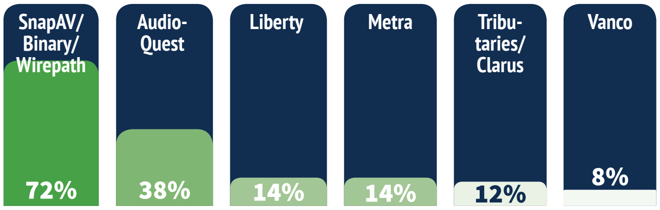
Sony sits atop the Projector category, adding to its 2018 Top 100 figures. Epson also enjoys support from a majority of CE Pro 100 dealers, while perennial top brands Digital Projection, JVC and Barco rounding out the top five. After that the numbers vary greatly, perhaps suggesting dealers are addressing commercial installations with much variety.

Projection Screens



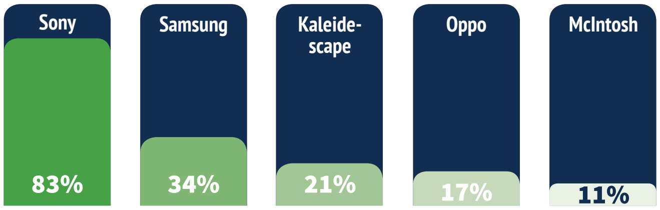
Building on the momentum it had started a couple of years ago, Screen Innovations pads its category-leading numbers. The jockeying for second position has gotten closer, as SnapAV's Dragonfly brand picked up 11 more dealers' mention from its 2018 figures to tighten the gap behind Stewart Filmscreen.

HDMI Cables



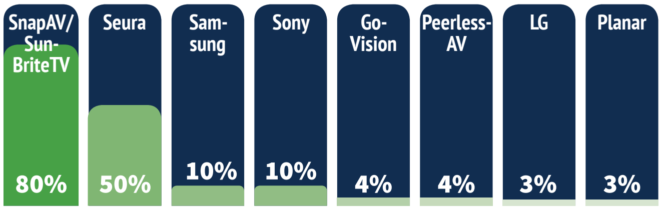
At a time in which fiber and A/V over IP are providing more choices to help integrators distribute A/V signals, SnapAV and its brands increase their market share. New to the top five brands is Vanco, which in some respects resembles SnapAV with the varied product selection it offers the integration channel to meet the vast needs of residential and commercial customers.

Disc Players (Blu-ray/Ultra Blu-ray)



Reflecting their respective category exits, Samsung's and Oppo's numbers are down from past years, helping Sony increase its stranglehold on this category. It is worth noting these numbers do not differentiate between Blu-ray and Ultra Blu-ray players, the latter of which according to various research groups is enjoying growth.

Outdoor Video

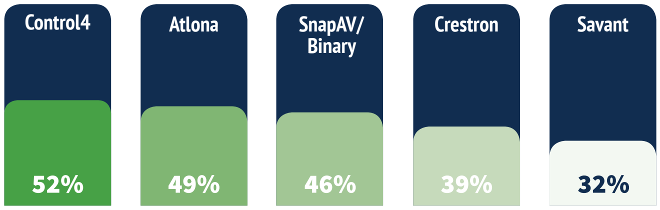


SunBriteTV and Seura have paced the Outdoor Video category for several years. Adding to its previous year's tally SunBriteTV now has four of every five CE Pro 100 dealers using its product line. Demonstrating that dealers are utilizing indoor TVs for outside installations, Sony and Samsung rank as the third most widely used brands, with GoVision, Peerless-AV, LG and Planar rounding out the leaders.

Satellite Television

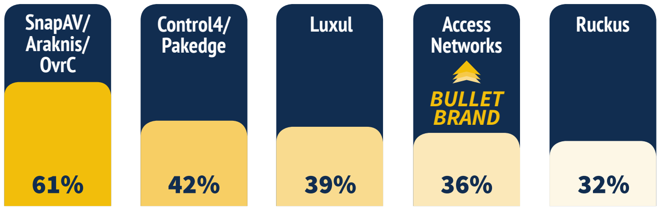
Continuing a trend that started a few years ago, Dish had another strong year-over-year showing within the CE Pro 100. The satellite service provider, which recently joined buying group ProSource's ranks, gained a few dealers and in conjunction with DirecTV's slow erosion of dealers is closing the gap between the two companies.

Whole-House Video Distribution



For the most part the Whole-House Video Distribution category's numbers are very similar to the previous year's figures. Generally, the convenience of purchasing through vendors that offer multiple solutions drives this category's numbers with three control and automation manufacturers and two brands from SnapAV — Binary and Atlona — dominating the field.

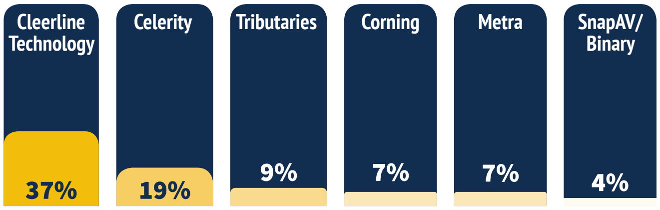
Networking



SnapAV and its brands Araknis and OvrC have overtaken Control4's Pakedge brand. Signifying the size of jobs some CE Pro 100 dealers do, it's worth noting Access Networks is back in the top five with more than one-third of dealers implementing its enterprise-grade systems.

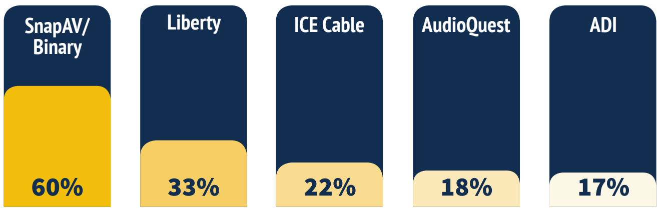
NETWORKING/CONNECTIVITY | CONTROL & AUTOMATION

Fiber-Optic Cable



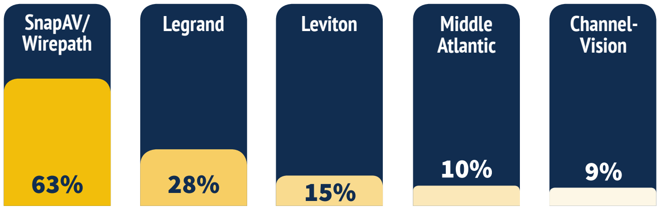
Fiber-Optic is now a three-year-old category for *CE Pro*, and Cleerline is the unquestioned leader. Celerity is firmly entrenched as the second most used brand in the category followed by Tributaries, Corning and Metra. An interesting footnote to this category is the mix of HDMI and network product manufacturers that are now using fiber because of its wide bandwidth capabilities.

Network Cable



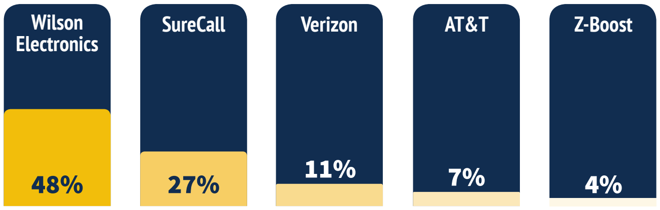
After a few flat years the Network Cable category is surging again. SnapAV's Binary brand, as well as Liberty and AudioQuest have all increased the number of dealers to their respective totals. New to the top five are ICE Cable and the distributor ADI.

Structured Cabling



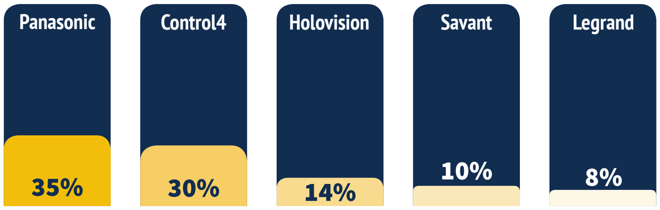
Given demand for network connectivity it's no surprise the Structured Cabling category is expanding, paced by SnapAV's Wirepath brand. Legrand, Leviton and Middle Atlantic are also showing gains to contribute to the category's growth.

Cell-Phone Boosters



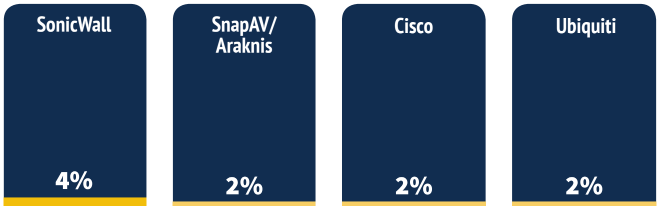
At one time Wilson Electronics dominated the Cell-Phone Booster category. The past few years the company's margin over SureCall had begun to slip, but in this year's list Wilson has stabilized its standings to comfortably remain the go-to manufacturer.

Phone Systems/Intercoms



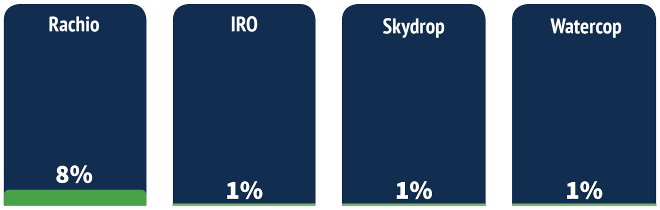
After years of shifting system preferences from phones to intercoms, the category may be stabilizing. One thing that's apparent is intercoms including entrance door/gate stations, have become favored by integrators and homeowners. The move from landlines to cell phones could be facilitating these numbers. Over the next few years it will be worth observing if Panasonic's numbers continue to drop.

Cybersecurity



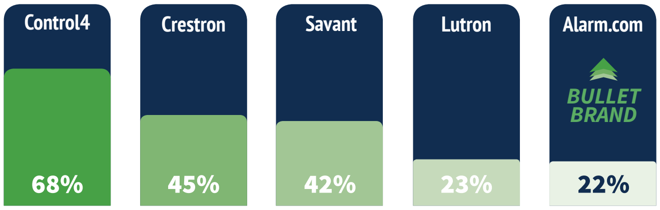
Cybersecurity is still a developing category for the Brand Analysis, as evident by year-to-year shifting of the relatively small numbers. In the 2018 Brand Analysis SonicWall had mentions from approximately 10 percent of the Top 100. This year's numbers reveal no dominant company and dealers using a variety of providers.

Automated Irrigation



Automated Irrigation is a new CE Pro Top 100 category. Not many dealers are offering these products and services, but already the clear choice among those that do such systems is Rachio.

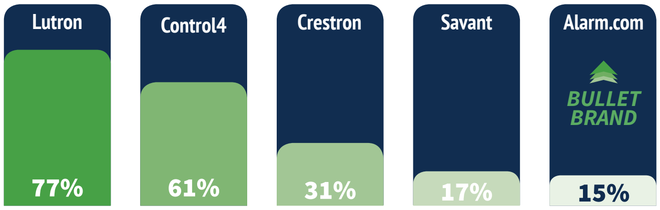
Whole-House Control & Automation



Control4 is now firmly the most used Control & Automation brand at the top of the leaders, while Alarm.com continues to garner more numbers in rounding out the top five. Both Crestron and Savant shed a few dealers, but resulting in a tightening between second and third most used manufacturers in the category.

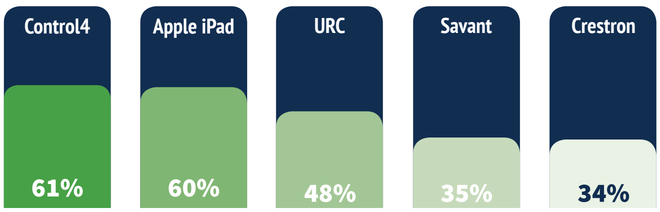
CONTROL & AUTOMATION | HOME ENHANCEMENTS

Lighting Control



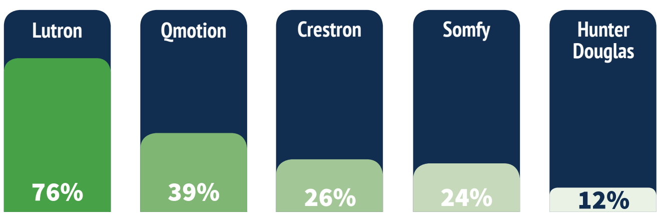
Lutron remains the powerhouse leader in the category followed by Control4. Other popular lighting companies Crestron and Savant are well represented, and Alarm.com's overall increased presence in the control categories helped it to bump out Vantage in this one.

Universal Remote/Tablets



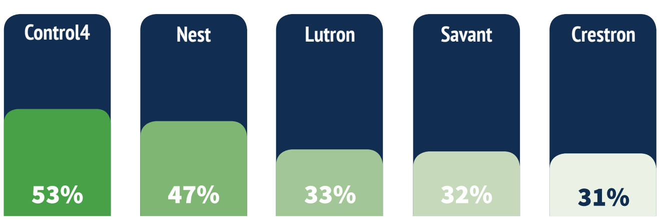
The Universal Remote/Tablet category might be starting to see the impact of voice control in the market, though as complete system providers Control4, URC, Savant and Crestron are likely more immune than Apple's iOS devices when it comes to usage as a system's sole home control interface.

Motorized Window Treatments



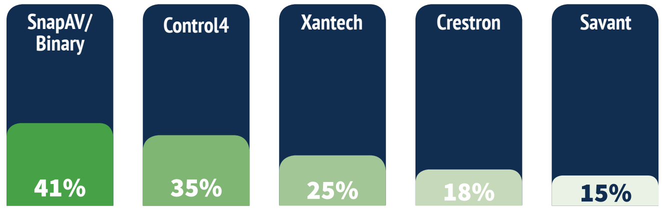
The Motorized Window Treatment category mirrors the Lighting Control category in that after several years of growth it may be settling into set market levels. Lutron did increase its share of CE Pro 100 dealers, and Hunter Douglas is seeing numbers rise as well. Qmotion, Crestron and Somfy remain consistent from previous years' totals.

HVAC Energy Smart Grid Management



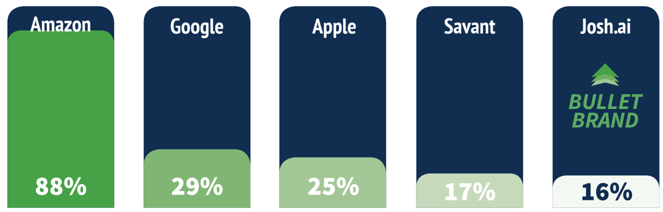
HVAC Energy Smart Grid Management is one of the most competitive categories, though its sheer numbers have slowed after a brief period of major gains. The one company that continues to surge through this period of stagnation is Nest, which in a few years is single digits from becoming the top brand in the category.

IR Distribution Systems



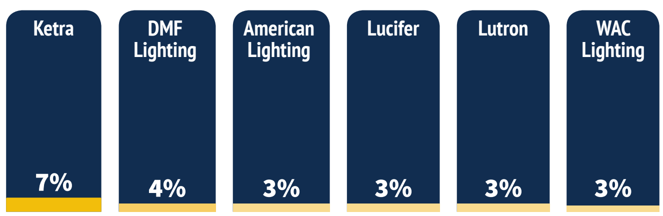
The IR Distribution System category may be contracting slightly, as a look at the brands shows numbers are now likely shaped by dealers streamlining their buying processes. Falling from the top five possibly as a result of this trend is URC, with Savant taking its place.

Voice Control



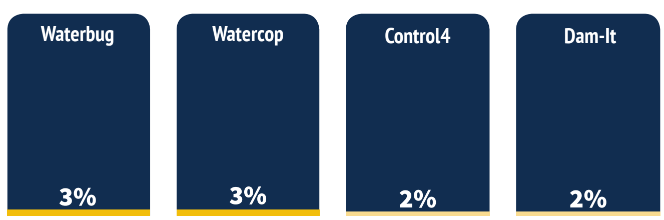
Voice control is becoming more commonplace as an interface option, with Amazon's Alexa clearly the preferred platform. Google's Assistant and Apple's Siri are also popular mainstream options. Joining Savant as a channel-specific solution is Josh, which rocketed into the top five surpassing voice options from big companies such as Comcast.

Lighting Fixtures



Lighting Fixtures is one of the new categories this year for the Brand Analysis. Newly acquired by Lutron, Ketra leads this category followed by DMF Lighting, American Lighting, Lucifer, Lutron and WAC Lighting.

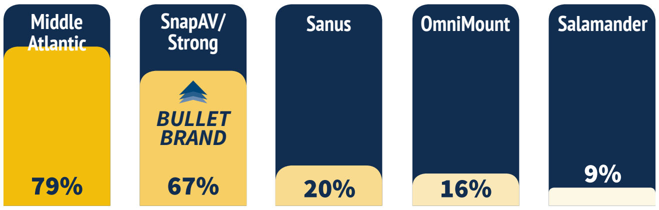
Water Leak Detection



Here's another new category added this year. No real leader has emerged, and from both the bigger picture retail perspective and channel-oriented perspective, Water Leak Detection is an up-and-coming category that has seen new entrants to the smart home market and shows like CEDIA Expo.

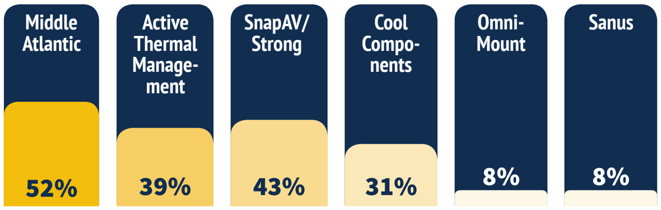
HOME ENHANCEMENTS

Racks



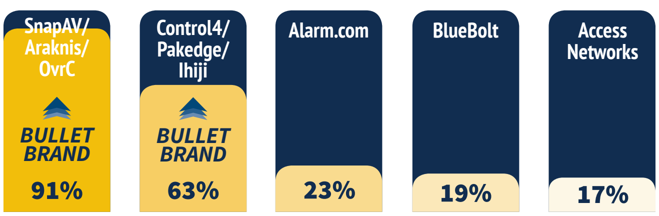
SnapAV's Strong brand may be picking up dealers at the expense of Middle Atlantic and Sanus. After shooting up into the top five in 2018, Salamander affirms its position by ranking in the top five once again.

Rack Cooling Systems



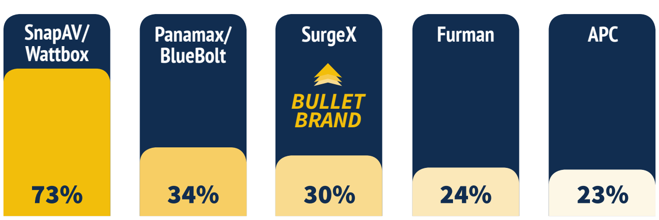
There has been some movement within the Rack Cooling System category with SnapAV's Strong brand and Cool Components making gains. For the most part perennial leaders Middle Atlantic and Active Thermal Management (ATM) maintained their respective dealer totals. OmniMount is new to the top five.

Remote Monitored Services



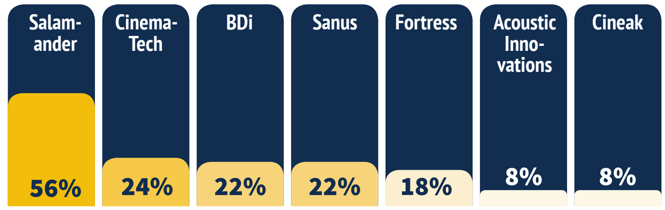
Making huge headway to respectively separate themselves from what is becoming a really competitive field are SnapAV's Araknis and OvrC brands, and Control4 through its acquisitions of Pakedge and Ihiji. Access Networks overtakes Crestron to enter the top five.

Power Conditioners



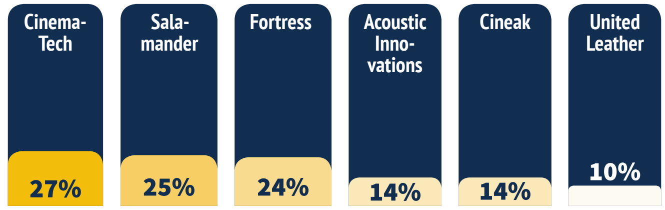
Through the power of its OvrC remote monitoring platform SnapAV continues to grow its Wattbox brand of power products. Another company moving up in the category is SurgeX, which grew by approximately 50 percent from its 2018 totals. Furman and APC kept similar dealer totals from past years.

Furniture



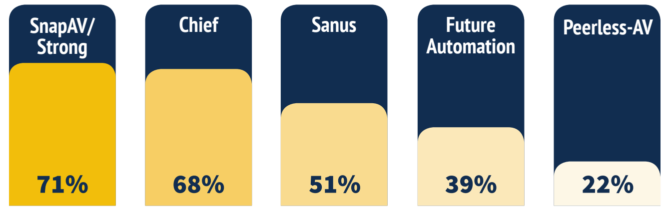
After taking over the Furniture category in 2018 Salamander proves in 2019 that it is not a one-year wonder. The rest of the category includes other familiar names to look relatively similar to the past few years.

Seating



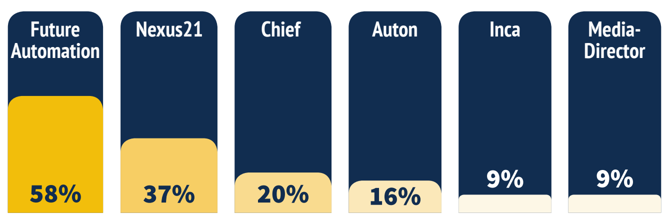
Seating is the most unstable category in the entire Brand Analysis. After contracting from a larger pool of brands, the category settled to its current levels, but preferences year-to-year still fluctuate more than any other among CE Pro 100 companies.

Mounts



The Mounts category enjoyed a bit of a bump. Mounts has turned into an arm's race between SnapAV's Strong brand and Chief. Chief had emerged over several solid competitors as the category leader for the past couple of years, but this year SnapAV's Strong brand grabs the top position, and Sanus is not too far behind.

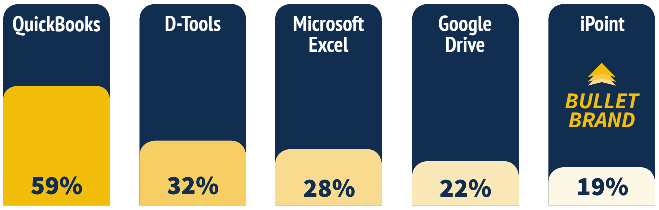
Lifts



After experiencing a few years of growth, the Lifts category has leveled off. Nexus21 appeared to be in good position to pace the category, but after being named a "Bullet Brand" in 2018 it had 13 fewer dealer mentions and fell behind Future Automation.

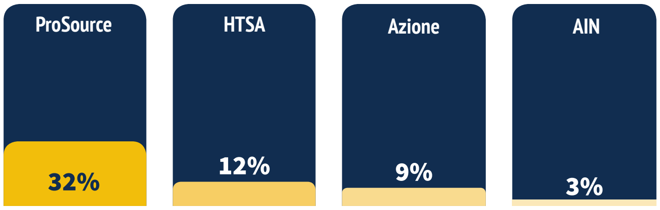
DEALER SUPPORT

Business Management Software



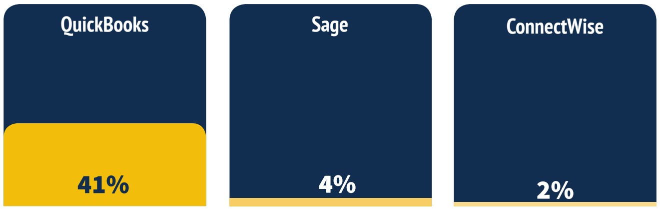
The use of business management software is increasing. Products such as QuickBooks, D-Tools and Microsoft Excel remain popular options for integrators. More dealers are employing Google's array of online business products to support their back-office operations. Shooting into the top five is iPoint, which made gains in the Design Proposal Software category too.

Buying Groups



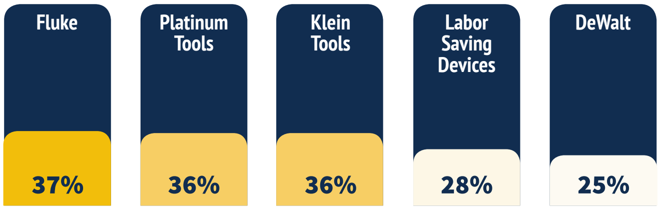
This is the second year *CE Pro* has tracked buying group participation, and for the second year in a row ProSource is the category leader with approximately one-third of the CE Pro 100. HTSA, Azione and AIN follow in the same order as the previous year with roughly the same number of dealer members as last year.

Accounting Software



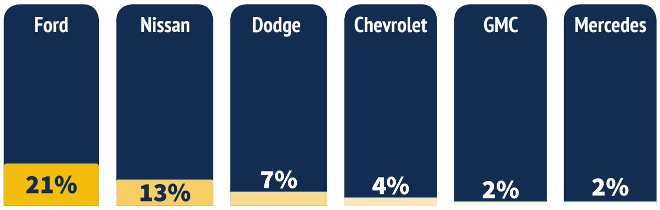
Accounting Software is a new category for 2019. QuickBooks is the overwhelming choice, while dealers noted various versions of Sage's software too.

Tools & Testers



Tools & Testers is an unpredictable and highly competitive category. Platinum Tools and Klein Tools have experienced plateauing, while Fluke edges past both in this year's tally.

Vehicles



Just in its second year of being tracked, the order of manufacturers is similar to last year's Vehicles list, but Ford's margin has shrunk. CE Pro 100 dealers rely on a mix of typical contracting vans, and other vehicles that include trucks and hybrid cars. One dealer indicated the use of ride-sharing services.