

A Custom Commitment

BY JEREMY J. GLOWACKI

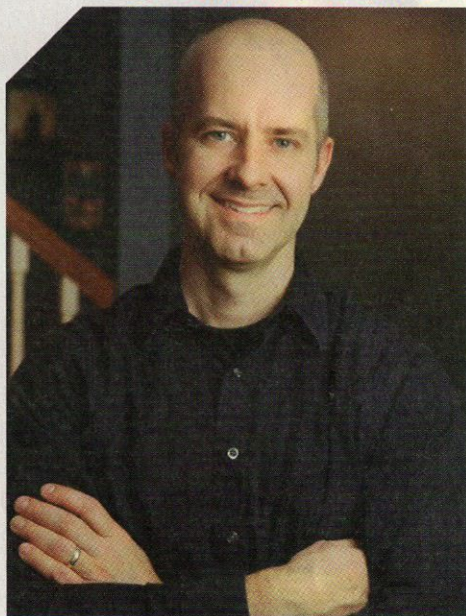
After last month's International CES, it was clear to me that true convergence had finally arrived in the form of internet-connected TVs and mobile devices that can serve as content-rich digital sources and remote controllers all rolled into one. It seems that technologies that once required the specialized skills of a custom integrator and lots of money from the consumer are getting more affordable and much closer to DIY or plug and play than ever before.

This is not to say that the CEDIA channel's days are numbered. There always will be people for whom technology remains a mystery yet plays an integral role in their homes and businesses. There also are those who will never "cut their own grass," as Jeremy Burkhardt points out in his column this month.

If you're still in the "CI" business, then you've already learned to adapt to other changes over the years. So, as long as you stay on your toes and evolve with the rapid evolution of technology and related customer needs, you will remain viable as well.

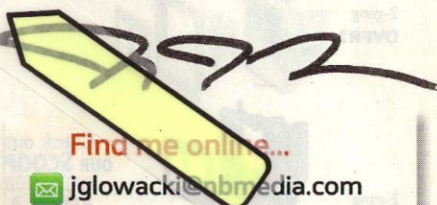
However, I do worry a little more about the CEDIA-centric manufacturers that have been forced to rethink their distribution strategies or value propositions for an admittedly smaller dealer base. On opposite ends of the spectrum are Paradigm Electronics, which has introduced its first mass-market retail line, called Paradigm Shift, targeting younger mobile music consumers and modern gamers with powered speakers, earbuds, headphones, and gaming headsets, and projector manufacturer, SIM2 USA, which thinks anything resembling a broad-consumer play is still sacrilegious.

While I find no fault in Paradigm's decision to recruit its next generation of customers, I was more refreshed by my recent conversation with SIM2 USA's Alberto Fabiano about his company's changing service and dealer support philosophy and its ongoing commitment to the CEDIA channel. Noting that the time of flaunting product features has come to an end, Fabiano said that manufacturers in the channel instead must assure that their products actually do what they promise, offer a competitive advantage over other brands, and are reliable. "People want stability now," he said.







Through its exclusive Premiere Club for top-selling dealers and Gem Program for its other loyal dealers, the manufacturer also is looking to provide better incentives. "We are a company that's in business to help make money for our dealers," he said. "SIM2, in 2011, is going to be offering dealers ways to put money back in their pockets."

And the Italy-based manufacturer remains completely committed to the CEDIA channel, the luxury market, and selling premium-priced products. "We've realized that doing business is difficult, but that if you're here today it's because you've done something right," Fabiano said. "So if SIM2 has to invest in anything it has to invest in its dealers, and that's what we're doing."



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