Postings: from the desk of Jim Brodrick

Although you do not often hear about growth in domestic manufacturing here in the United States, the solid-state lighting industry is steadily growing and establishing a manufacturing presence here at home. Solid-state lighting was not only born of U.S. ingenuity and R&D, but is riding the crest of a worldwide trend toward greater energy efficiency. This offers a golden opportunity for U.S. manufacturing to take a significant role in SSL. From time to time, these Postings will focus on SSL companies manufacturing here in the U.S., a series we call "SSL in America." This is not intended to promote any of the companies, but rather to promote energy-efficient solid-state lighting. The philosophy and actions of the companies you'll read about here align with the recommendations set forth in the U.S. Department of Energy (DOE) white paper "Keeping Manufacturing in the United States," which grew out of the DOE's 2010 SSL Manufacturing R&D Workshop.

Wide-Lite is a manufacturer specializing in LED and high-intensity discharge outdoor and parking-garage lighting. It's been around since the 1950s, and three years ago was purchased by Philips, although it retains its own brand identity. Wide-Lite participated in a DOE GATEWAY demonstration last year, and two of its products were recognized by the Next Generation Luminaires design competition.

The company began making LED products in 2009, and right now they account for 15%-20% of its sales. But that number is going up at a rapid pace, because Wide-Lite's new product development is

focused entirely on LEDs, and product director Terry Headrick says the goal is for them to make up 22% of the company's sales by the end of this year. Headrick says that while until recently LED products have been a good alternative solution only for lower-wattage (20W-250W) applications of conventional lighting technology, they're now starting to be able to compete in the 250W-400W range and will eventually provide high-wattage (400W-1000W) solutions.

Nearly all – about 95% – of Wide-Lite's manufacturing is done at a facility in San Marcos, TX, where several hundred people are employed. Philips considers the San Marcos facility to be a center of excellence for outdoor lighting, and several other Philips brands are manufactured there as well. Headrick notes that having similar products – in this case, outdoor lighting – made in the same facility helps to maximize production capabilities, create efficient work cells, and reduce production times. He explains that outdoor luminaires tend to use the same types of LEDs, which reduces costs because those same LEDs can be used across multiple products and even brands.

Why does Wide-Lite do nearly all of its manufacturing in the U.S.? A big reason, Headrick says, is that it allows the company to make virtually all of its products to order, without incurring the hefty surcharges that would result from doing small production runs overseas, where large-scale production is the order of the day. Those increased costs, he says, would be compounded by the high freight charges that are incurred when large maritime shipping containers are only partially filled.

Headrick says Wide-Lite's customers tend to be those who want solutions that are tailored to their specific applications, which is why the company offers many different options and features for each of its configurable products. Thus, he explains, it would be costly to keep a sizeable inventory on hand, so Wide-Lite manufactures to meet each customer's specifications and requirements. Because

this entails smaller production runs, manufacturing overseas would effectively negate the low labor rates that are one of the reasons many U.S. companies move offshore to begin with.

Another big advantage of manufacturing domestically, Headrick says, is that it shrinks lead time by eliminating the long ocean voyages foreign-made products have to take. Making Wide-Lite products in Texas takes between four and eight weeks, he says, compared with twelve to twenty weeks elsewhere, which might frustrate impatient customers.

Still another advantage of manufacturing in the U.S., Headrick says, involves the complexity of the fixtures the company manufactures. He says that whereas light fixtures used to consist chiefly of the housing, optics, and lamp, LED fixtures are much more complex than that and can be likened to miniature computers, complete with circuit boards and various kinds of controls. Headrick says this kind of complexity is easier to keep tabs on at close range than if the products were manufactured offshore.

Wide-Lite is among a number of companies that are working to create and strengthen a solid-state lighting manufacturing base here in the U.S. This will not only help bring significant energy savings through more-efficient lighting products, but will benefit our economy by adding jobs at multiple levels of the supply chain.

As always, if you have questions or comments, you can reach me at postings@lightingfacts.com.