

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 DOE's 2010 SSL Manufacturing R&D Workshop.

Acuity Brands Lighting is a manufacturer of luminaires, lighting control systems, and related products, with headquarters in Atlanta. Under a variety of brands, the company makes products for most kinds of lighting applications, representing the major commonly available light sources – incandescent, fluorescent, CFL, HID, induction, and SSL. Acuity first got involved with LEDs back in the mid-1990s, becoming one of the pioneers in their use for exit signs, which are almost always either red or green and thus were well-suited to the technology even back then, before white-light LEDs were developed. About six years ago, the company branched out into LED downlighting and outdoor parking lot lighting, and today every major Acuity product brand offers LED products, covering a wide variety of applications, and most of the company's lighting R&D is focused on SSL. Vice president of technology Jeff Quinlan says the company is also developing OLED fixtures, which it plans to start shipping commercially early next year.

Most of Acuity's manufacturing is done in the U.S. Quinlan explains that the company has three major manufacturing hubs that serve as centers of excellence – in Crawfordsville, Indiana; Cochran, Georgia; and Monterrey, Mexico – with smaller facilities in Winona, Minnesota and Edison, New Jersey. Each of these facilities makes LED products as well as other kinds of lighting, and collectively they employ about 5,000 people.

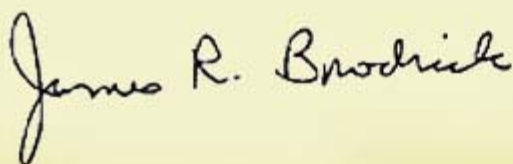
What led Acuity to focus its manufacturing domestically? One reason, says Quinlan, has to do with the fact that most of the products the company sells – which comprise about one million different SKUs – are made to order. That does away with the need to carry a large and costly inventory, but it also requires a quick turnaround time in order to keep customers happy. He explains that Acuity's goal of shipping within five days of receiving an order would not be achievable if the products were made overseas, but is quite doable the way things are currently set up.

He says the use of "lean manufacturing" enables Acuity to keep its manufacturing costs competitive. Lean manufacturing involves following a number of intense production standards and guidelines, as well as eliminating as much waste as possible in the areas of overproduction, waiting time, transportation, non-value-add processing, excess inventory, defects, excess motion, and underutilized talent. Quinlan says it's an effective way to keep costs down, regardless of the setting. In addition, he notes that any quality problems that might arise can be addressed more quickly with the manufacturing done domestically than if it were carried out overseas.

Another factor he cites is the Advanced Energy Manufacturing Tax Credit (48C) – made possible by the American Reinvestment and Recovery Act of 2009 – which helped Acuity make investments in its Crawfordsville facility. On top of that, he says, concentrating its manufacturing mainly in the U.S. has enabled Acuity to build on its existing knowledge base, leveraging the experience and skill sets of its employees, some of whom have been involved in making lighting products for several decades.

Acuity 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.



James R. Brodrick