

CRESTRON SELECTS JABIL TO ELEVATE MANUFACTURING AND PRODUCT QUALITY EXCELLENCE



“Our partnership with Jabil has shown that both companies keep their promises, which is enabling us to grow together. It’s a simple formula – one plus one equals three.”

**Randy Klein, President and CEO,
Crestron**

Case Study



Company	Crestron
Industry	Audio/Video
Country	USA
Employees	500
Website	www.crestron.com

CHALLENGES:

- Rapid business growth necessitated the addition of more than a dozen manufacturing partners
- Segmented manufacturing and supply chain operations created operational inefficiencies and an inventory imbalance

SOLUTIONS:

- Crestron narrowed its manufacturing partner ecosystem to drive quality and efficiencies
- Jabil was selected over all other finalists; Crestron has consolidated manufacturing of up to 80 products under Jabil

BENEFITS:

- Dedicated lines at Jabil's Guadalajara facility enable Crestron to accelerate new product introductions
- Jabil's InControl™ software gives Crestron end-to-end supply chain visibility for increased operational efficiencies and cost savings
- Jabil has simplified supply chain complexity, including the ability to streamline production of a next-gen product encompassing 7,000 components
- Jabil's design team has aligned with the manufacturing facility to bring a new product from ideation to full commercialization
- Jabil's worldwide presence enables Crestron to expand its global footprint and meet localized manufacturing needs

“Jabil’s design team brings a lot to the table and having designers at the factory is huge. Not only will this accelerate our time-to-market, it will enable our internal teams to focus on the true innovation of our next-gen products.”

**Dan Brady,
Vice President,
Manufacturing and
Supply Chain,
Crestron**

Crestron is the leading provider of control automation systems for homes, offices, schools, hospitals and more. From lighting and climate control products to sophisticated audiovisual presentation and communications systems, Crestron’s award-winning products power connected smart homes and buildings, including the emergency operations command center at the Pentagon.

For more than 40 years, an overarching commitment to quality has remained deeply rooted in Crestron’s culture. “Our belief in keeping commitments permeates every facet of the business,” explains Randy Klein, President and CEO of Crestron. “We’re dedicated to doing what’s right for the business and our customers, which in turn, drives the quality of our technology, people, partners, and products.”

This founding principle has enabled the Rockleigh, N.J.-based company to earn a well-deserved reputation for building the most advanced and reliable control automation products in the industry. As a result, Crestron has doubled its business over the past five years and is poised to do it again over the next five. Helping sustain this momentum is a powerful commitment to continuous product development: Each year Creston adds up to 350 new products to its current portfolio of nearly 3,000 offerings.

Approximately 3,500 employees dispersed across 92 offices worldwide make this happen. They ensure Crestron’s distribution network of value-added resellers, along with tens of thousands of customers, receive superior levels of service. “We treat everyone like a customer, both internally and externally,” adds Dan Brady, Vice President of Manufacturing and Supply Chain at Crestron. “In particular, we seek suppliers and manufacturing partners that share our values. We nurture those strong relationships and treat them as part of our team.”



Too Many Partners, Not Enough Time

When Brady joined Crestron nearly a decade ago, the company's rapid growth had overtaxed many of its manufacturing processes. To accommodate escalating product delivery demands, the company had added more than a dozen manufacturing partners. The subsequent lack of integration between the various groups fragmented the supply chain while impeding the ability to deliver products on time.

"Manufacturing and supply chain operations were segmented, which led to an imbalance in inventory," recalls Brady. "We had too much of everything, yet not enough 'golden' screws." Additionally, it was exceedingly difficult to scale operations with so many partners handling small pieces of the overall manufacturing puzzle. "Every time we outgrew one partner, we would bolt on another," Brady explains. "What we needed was a larger, more capable partner that could keep up with both our production volumes and stringent quality standards."

In sizing up potential tier-one manufacturing partners, Crestron sought an organization with a similar business philosophy and approach. "Cultural fit was most important," says Brady. "Everyone we spoke with could handle our volumes, but our bigger concern was the relationship. It would take a special company to help us launch more than 300 new products in a year."

The Right Partner "Spins the Earth in Reverse"

After an extensive review of potential manufacturing partners, Crestron narrowed the contenders to Jabil and one other large manufacturing solutions provider. During his tenure in the telecommunications industry, Brady had amassed nearly two decades of experience working with Jabil on large-scale projects. Still, he was unsure of Jabil's desire to work with Crestron's mid-range production volumes.

Fortunately, a meeting with Mark Mondello, Jabil's CEO, removed any misgivings. "I tried to convince Mark we weren't a good match since we make over 3,000 products, some of which sell 10 while others sell 10,000 a month," says Brady. "Our ideal partner would sometimes need to spin the earth in reverse to meet commitments."

Luckily, this didn't phase Mondello. He even arrived at the office the next morning at 6:30 a.m. for a tour of Crestron's facilities, followed by a meeting with Klein. "My gut instinct was instantaneous as Mark came across as genuine, honest, trustworthy," recalls Klein. "When I asked him why he would want to work with Crestron, Mark said he saw belief, commitment and tremendous opportunity – a partnership for many years to come. He could not have been more correct."

A Shared Commitment to Quality

Almost overnight, Jabil stood up a factory for Crestron, assembling some 700 employees at its facility in Guadalajara. "An entire leadership team in Mexico worked around the clock for nine months to ramp up manufacturing of 80 new products," says Brady. "They continually bend over backwards."

Crestron cites flexibility and rapid response as two major attributes of the Guadalajara team. For example, the expedited resolution to a product issue spotlighted a shared commitment to quality. "The Jabil team immediately sprang into action when we alerted them to a quality concern," Brady explains. "It was just prior to the July 4th holiday, yet the entire management team, including Mark Mondello, got involved and a task force was on the ground immediately. Jabil instantly shared our sense of urgency and did whatever it took to fix the problem."

As Crestron has accelerated new product introductions, Jabil consistently maintains pace on quality, reliability and product delivery. "Our partnership with Jabil has shown that both companies keep their promises, which is enabling us to grow together," says Klein. "It's a simple formula – one plus one equals three."

The Power of the Crestron-Jabil Partnership

Over the past 18 months, Crestron has consolidated the manufacturing of nearly 80 products under Jabil with plans to expand the product pipeline further. Thanks to Jabil, Crestron no longer worries about needing to buy more surface mount technology or hiring additional people to handle a new product introduction. Moreover, Crestron has leveraged the power of its partnership with Jabil to increase supply chain visibility while lowering costs.

Since Jabil has taken on day-to-day management of Crestron's supply chain, the company has realized major operational efficiencies. In particular, having access to Jabil's InControl proprietary software gives Crestron granular insight into supply chain activity across a centralized repository of all component suppliers. "It would take me 20 years to do something similar, and it still wouldn't be as good as Jabil's InControl software," says Brady. "It's comforting to know Jabil already will have a strategy in place by the time the news breaks of any event or catastrophe that could impact our supply chain."

Additionally, Crestron takes advantage of Jabil's long-standing relationships to consolidate both the number of suppliers and associated spend. As a result, Crestron has realized overall cost savings of more than 5 percent, which makes a big difference on high-volume products. The company also can more readily tackle the manufacturing needs of an ever-increasing product line growing in size and complexity. For example, Crestron's latest ultra high-definition presentation switcher and control solution features more than 7,000 components in one unit. With Jabil's help, production of this sophisticated solution has been streamlined without compromise.

Another plus in working with Jabil is the opportunity to utilize the company's full scope of end-to-end services to take products from ideation to commercialization. For Crestron, the chance to extend the partnership arose when the company was in the midst of redesigning its flagship TSW line of touch-screen displays. While Crestron wanted the same look and feel as the existing touch-screen display, there was the need to make it easy for customers to use next-generation features, including cameras, full-duplex intercoms and more.

After interviewing six prospective design partners around the world, Crestron chose Jabil. It was the proven collaboration and competency skills that swayed the decision. "Jabil's design team brings a lot to the table, and having designers at the factory is huge," says Brady. "Not only will this accelerate our time-to-market, it will enable our internal teams to focus on the true innovation of our next-gen products."

Jabil will play an ever-increasing role in helping Crestron expand its global footprint as the company can leverage Jabil's presence worldwide to meet localized manufacturing needs. "As we expand and grow internationally, we will need to expand supply and support points around the world," concludes Klein. "Jabil is in lockstep with that global footprint and reach to support our initiatives at all international locations."

About Jabil

Jabil is an electronic product solutions company providing comprehensive electronics design, production and product management services to global electronics and technology companies. Offering complete product supply chain management from facilities in 27 countries, Jabil provides comprehensive, individualized-focused solutions to customers in a broad range of industries. Jabil common stock is traded on the New York Stock Exchange under the symbol, "JBL". Further information is available on Jabil's website: jabil.com.