
Case 9

The Capital State Arena¹

The Capital State Arena, located on the Capital State University (CSU) campus, is a new 20,000-seat arena that is a multipurpose building. Mainly for men's basketball, there are also plans to hold commencement there and other university sporting events and functions. A theatrical lighting system is obviously needed to offer the flexibility to light these events correctly. As a main component to a top-quality lighting system, a controller or "console" is needed. The console is the brains of any lighting system, whether it has 10 lights or 300 lights.

The new arena will take the place of St. Patrick Arena, which was built in the 1960s. Although there periodically has been renovation to St. Patrick Arena, a theatrical lighting system has never been implemented.

NEED RECOGNITION

There is a need for a lighting console for the new facility. A professional theatrical lighting system was specified by the planning committee. Having the ability to conveniently adjust the lights to accommodate different events and different moods during events is a strong competitive weapon for selling the arena during the off-season. This type of lighting adjustment is driven by a computer-controlled console. The most current technology was specified; the system will be leased out at a rate of \$2,000 per day plus operator expenses.

AVAILABLE PRODUCTS

The process began when the purchasing department received the requisition. Two suppliers were contacted via telephone: CAE, manufacturer of Leprecon LP-3000, and Electronic Theatre Controls (ETC), manufacturer of ETC Obsession II. A review of the trade journal *Lighting Dimensions* was used to search for other sources. The review uncovered a third possible supplier: Strand, manufacturer of the Strand 520.

A search of the World Wide Web provided additional information on the three console choices. The Web pages also provided dealer network information, a warranty repair station list, and specification information for each console.

CONSOLE FEATURES

The three consoles had many similar features. The glossy product sheets provided by each manufacturer were used in writing the specification for the console purchase. The resident lighting designer from the theater department also was consulted on the specifications. In addition to this information, the list below helped in the decision-making process:

1. The console must be user-friendly. Programming should be able to be accomplished with just a few keystrokes on the console. This will eliminate the need to have a technician on retainer just to program or get the system turned on.

¹ The author expresses appreciation to Tami Reinhart and Bill Schwertfeger for their contributions to this case. Names and data have been disguised. Copyright © 2006 W. C. Benton Jr. All rights reserved.

2. The console also should be accessible to the theater department as a teaching aide. When the arena and lighting system are not being used, teaching personnel should have the opportunity to sign up for hands-on console training.
3. The console should be expandable. With the increased use of moving lights controlled through lighting consoles, the console should have a few hundred channels that are unused. With extra control space, touring productions might want the opportunity to rent the "house console" and run their lights in conjunction with the in-house system.
4. Console software should be upgradeable. Since lighting consoles are now computer-driven, upgradeability is a factor. Each of the three consoles is upgradeable.
5. Equipment chosen must be manufactured in the United States, or the dealer must have the ability to get any warranty/repair parts in less than 24 hours. This criterion ensures that the console will be repaired in a timely manner.
6. The console should be purchased from a dealer within a 25-mile radius of the arena. The contract terms should include at least a two-year warranty on all parts and workmanship. The dealership also should accept the responsibility of installing "loaner" equipment if the original system fails and needs service. This is done so that any scheduled event that rents the system can still use the system without a loss of income to the arena.

VENDOR MARKET SHARE

The 1995 sales and market share history for each of the companies is illustrated in Table C9.1.

TABLE C9.1
Sales and Market
Share History

Company	Sales	Market Share
Electronic Theatre Controls	\$19,000,000	59%
Strand Lighting	9,500,000	29
Leprecon	3,700,000	11

BID ANALYSIS

The request for quote was sent out to the three manufacturers mentioned earlier: ETC, Leprecon, and Strand. The results of these requests are shown in Table C9.2.

TABLE C9.2
Quote Request
Results

Vendor	Representative	Location	Console	Cost
ETC	Audio Image	Columbus, Ohio	Obsession II	\$96,777
Leprecon	Audio Image	Columbus, Ohio	LP-3000	86,697
Strand	Vincent Lighting	Cleveland, Ohio	Strand 520	59,997

NEGOTIATIONS

Although Strand was the low bidder, the purchasing team ranked the Strand 520 as the best value. The theater department ranked the ETC as the best value based on the ease of use and service. The LP-3000 was ranked last by both the purchasing team and the users.

THE DECISION

The purchasing agent knew that the differences in opinion between the university purchasing team and the ultimate users posed a complicated purchasing decision. He realized that his decision on the purchase would involve both qualitative and quantitative trade-offs. One nagging thought in the back of his mind was that no matter which console/vendor he chose, he might never know the impact on either of the disagreeing parties.