Illuminating career for lighting chief

SPENCER SOPER - The Morning Call - Associated Press

Joel Spira revolutionized the home-lighting industry more than 50 years ago by inventing a light switch that made a dramatic feature once limited mostly to theaters — dimming — accessible to every home.

Created in the spare bedroom of his Brooklyn apartment, it was also the product that launched Lutron Electronics. The Upper Saucon Township company is now a vast, global enterprise with thousands of products that can control lights and temperatures in homes and buildings of all sizes.

Lutron products help illuminate prominent landmarks around the world, including the Statue of Liberty in New York, Windsor Castle in the United Kingdom and the Bank of China headquarters in Beijing. And the company still makes low-cost dimmer switches that a do-it-yourselfer can easily install at home.

Spira, 85, is low-key about his success, which close friends and associates say befits his humble nature and helps explain the company's understated image. Within the lighting industry, Lutron is known as a premier manufacturer. Spira's technological innovations are on display in the Smithsonian Institution's National Museum of American History in the company of inventions by Thomas Edison and Alexander Graham Bell.

Most people, however, have probably dimmed dining rooms by turning a knob without realizing where the switch was made or knowing about the personality behind the product. Even in the Lehigh Valley, where the company is one of the biggest, oldest and most stable employers, Lutron and its founder maintain a low profile. Its headquarters are tucked behind a hill in a neighborhood of cornfields and golf courses off Route 309.

The private company does not disclose revenue figures. It won't even release the number of people it employs. The Morning Call estimates the company has about 1,100 employees locally, based on outside sources. It also has operations in Europe and Asia.

In a rare interview, the reserved businessman discussed his life, his company and his legacy.

"Someday I'll be gone," said Spira, of Springfield Township, Bucks County, who continues to head the company. "But dimmers will be with us forever."

A MAJOR BREAKTHROUGH

Spira has always been inquisitive. As a boy, he spent free time at the library reading about airplanes and dreamed of becoming an aeronautical engineer. He graduated

from high school at 16 and was off to Purdue University in Indiana, where he studied physics.

At age 18, Spira put his studies on hold to enlist in the Navy during World War II. He was recruited to work on a secret project that used radio waves, or radar, to detect the enemy. The project gave him exposure to electronics and designing large, complex systems. It also introduced him to technologies the company uses today in its motion-sensing light switches.

"It changed my life entirely," Spira said.

When the war ended, Spira returned to Purdue and earned a degree in physics. He worked for various companies on defense projects, including guided missiles and nuclear war planning. Spira got the idea for his dimmer switch while working on a fuse mechanism for atomic bombs.

On the project, he worked with a small semiconductor the size of a fingernail that could control large amounts of energy. A photographer fascinated with light manipulation, he wondered if he could design a similar product to control lights.

"I tried it at home and guess what? It worked," Spira said.

Spira's breakthrough dimmed light in a different way from what was available at the time.

Previous dimmers were large and costly, limiting their use mostly to professionals. They dimmed lights by absorbing energy, which generated a lot of heat. Spira developed a switch that interrupted the energy flowing to the lights. The result was a smaller switch that could fit in a standard wall box and also used less energy.

He tinkered with his invention for a year or two, and then quit his job to start Lutron in 1961.

"Why did I do it?" Spira said about starting the company. "I have no idea."

Initially, the dimmers were sold as upgrades for chandeliers in dining rooms. Spira got a deal on some fancy perfume boxes from a New York box-manufacturer for the dimmer packaging.

The company's early sales materials featured two photos of the same woman. In one, she's dressed casually, standing beneath bright lights holding a cup of coffee. In the other, she is dressed elegantly with make-up and earrings, a cigarette holder in hand, standing in a dimly lit room.

Behind her in each photo is the signature round knob of Lutron's Capri dimmer switch. The slogan above the photos reads: "Lighting to live by." Mood lighting was the pitch, and people started buying.

For the first several years, the company made the switches in space provided by

Rodale Manufacturing, which made electrical wiring devices. The late J.I. Rodale, patriarch of the Rodale family publishing business in Emmaus, was Spira's father-in-law. Spira married Ruth, Rodale's daughter, who introduced him to the Lehigh Valley.

With 60 million homes in the United States at the time and more being built, Spira saw a robust market for dimmer switches. The start-up grew and relocated to its current headquarters in Upper Saucon in 1970.

Spira's daughter, Susan Hakkarainen, now the company's vice president of marketing and communications, recalled her father bringing her to work on weekends when she wasn't in school. She and the children of other Lutron employees would play hide and seek in the warehouse and have contests to see who could get the first quarter from a dad for the vending machine.

Spira recalled a time when the company got a customized order from Cary Grant, who wanted dimmers with white knobs for his house. The company's dimmers had beige knobs at the time. Word of the Hollywood heartthrob's order spread through the plant, and the company had to stop production to let the enthusiasm settle, Spira said.

"All the ladies on the production line, there was constant buzz," Spira said smiling. "It was a tiny order, but it shut us down for a while."

'BULLETPROOF'

Spira realized that what worked in dining rooms could be applied to entire buildings, banquet halls and monuments. Lighting makes up a bigger share of energy costs in commercial buildings than in homes, so he developed products to dim fluorescent lights.

Spira recalled reading a news article in the 1960s in which a Middle East leader complained that Arab nations weren't getting enough money for oil. Gasoline prices were about 25 cents a gallon at the time.

"I could see that oil would become more precious and energy would become more precious," Spira said.

Products initially marketed for their aesthetic appeal could also be sold for their energy conservation. Once again, Spira was well ahead of his time.

Despite the energy savings offered by light controls, most buildings don't have them. Only 14 percent of residential and 30 percent of commercial buildings have dimmers, motion sensors or other technology to reduce electric costs associated with lighting, according to a January report by the U.S. Department of Energy.

That means there's still a huge market for companies like Lutron even if construction of buildings is slow. And that market is becoming more prominent due to heightened awareness of energy consumption.

Lutron has made energy efficiency upgrades easier and less costly to accomplish in existing buildings by embracing wireless technology. Wireless occupancy sensors can control lights in rooms without having to poke holes in walls and run wires. That reduces installation costs and the length of time it takes upgrades to pay for themselves through energy savings.

Those wireless products helped Lutron win a contract earlier this year to supply light controls throughout the Empire State Building. The multiyear project, part of a $550 million restoration, will put motion sensors, daylight sensors and light fixtures throughout the 103-story building.

Without the need to run wires, each floor can be done in one week instead of one month, according to Lutron. The project is expected to reduce energy consumption for lights in the building by more than 60 percent, so the building's owner will recover installation costs through energy savings in less than three years.

Homeowners also have become more energy-conscious, which has helped keep demand for Lutron products high despite the housing downturn, said Glen Hill, president of Current Concepts, a Coopersburg company that has done business with Lutron for 15 years.

Current Concepts installs and services electronic systems, including lighting controls. When the economy turned, the company was able to shift its focus from installing Lutron products in new construction to retrofitting existing homes with wireless light controls, Hill said.

"Energy management is the big buzz word from all of the electric companies," Hill said. "People are more aware of these things, and we have the products to make these things work in their house. Wireless is the future."

Hill said Lutron is their go-to company for light control products because its systems are so reliable and its customer support is exceptional. When homeowners call Hill after installing Lutron products, it's usually to upgrade an additional room, not to report a problem, Hill said.

"They are bulletproof," Hill said. "It's amazing how little problems we have with the lighting."

NEW OPPORTUNITIES

Lutron employees say Spira has a sense of loyalty that they appreciate, especially when they see friends and neighbors laid off. He takes a personal interest in each employee's life, they said, congratulating them about weddings and births and inquiring about their projects.

Linda Leibe has worked in various roles at Lutron for 42 years, and is now a retail team leader. She said Spira has always been hands-on and willing to help in any department. She recalls him coming to the shipping warehouse to help pack orders.

"I feel fortunate that I've been able to keep my job and not lose it," Leibe said. "I work hard to take care of the customer and the company, and the company has done well by me also."

Jim Yorgey, a technical applications manager, has worked at Lutron for 40 years. He began after high school in the quality control department and returned following college. He's had various jobs with the company, and spent three years in the United Kingdom to help launch an international sales team.

His two sons now work for Lutron, and Yorgey was grateful they found opportunities given the bleak job market.

"The joy of working here is that there are always new opportunities because of the growth," Yorgey said.

Spira's stewardship with his employees has also paid off for Lutron. As a private company, it can defy the Wall Street model of boosting profits through cost-cutting and layoffs during recessionary periods.

To the contrary, when business slows, Lutron redeploys its people to create new products for when the economy picks up again, said Dexter Baker, who served on Lutron's board of directors for more than a decade after he retired as chairman of Air Products. That practice has helped Lutron maintain its technological edge in the industry.

"What is unique about Lutron and Joel's relationship as its founder and chairman, as a private company he can be much more flexible about investing for the long term without the arbitrary pressure of meeting a goal in the next fiscal quarter," Baker said.

"He doesn't believe in putting people out of work just because the business cycle is in a down phase. He just finds other things for them to do. That becomes part of the culture, and there is a tremendous degree of respect between Joel and his people. There's a trust in that we're all in this together."

Lutron has not been immune to the downturn. Due to the construction slowdown and the Great Recession, the company postponed a significant expansion that would have added 500 jobs and doubled the building space at its headquarters, along with adding a parking deck. Spira said the expansion will happen some day.

Spira could have sold the company years ago and lived quite comfortably off the proceeds. But he has no plans to sell. Larger companies often inquire about purchasing Lutron to gain its valuable patents and products.

One of his responses early in his career has become legendary in Lehigh Valley business circles. A large, publicly traded electronics company sent Spira a letter asking about opening discussions for a potential "merger," a word used by executives to sound more like a partnership than one party selling to another. Spira

sent a flip response.

He scribbled atop the letter, "Well, I have no interest in selling my company. But if you'd like to sell your company to me, I'd be pleased to talk about it."

Instead, Lutron is planning for transition. In addition to his daughter, Spira's grandson also works for the company. Spira has turned to friends and associates for advice on passing the business along smoothly.

One company from which Spira sought advice is Colonial Electric Supply, an electrical distributor founded in 1972 that has since passed from father to sons.

Steve Bellwoar, president of the King of Prussia company, said Lutron is its best-selling brand. When Spira first invited Bellwoar and his brother to a meeting, they weren't sure what to expect.

"We were thinking we'd be among a number of customers and have a chance to meet Mr. Spira," Bellwoar said. "When we arrived at our hotel, he was waiting at the front door with his family for us. For someone running such a large and successful business to spend that much time with my brother and I was very special."

When they met, Spira told the brothers that he was impressed with how they handled the transition of their company from father to sons, Bellwoar said. The brothers explained how they remained united as a family and used consultants to sift through complexities.

"He's a friendly guy and he hasn't lost a beat," Bellwoar said.

While the Spira family works on a transition plan, Lutron continues marketing products that make homes and commercial buildings more efficient. Its systems can detect the amount of daylight entering a room and even the position of the sun to adjust shades and lights accordingly. The systems are wireless to ease installation, with low energy consumption so batteries that power them last years.

Homes will continue to get smarter and more efficient, Spira said.

"We started out making a dimmer for someone's dining room," Spira said. "Now we can control whole houses and whole office buildings. We are only limited by our imaginations."

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