


Special
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Technology

Monster move puts name on marquee

Speaker-cable maker plans more electronics products

By Michelle Kessler
USA TODAY

HILLSBOROUGH, Calif. — Monster Cable CEO Noel Lee isn't a hard-core football fan, and his team, the San Francisco 49ers, is the worst in the league.

But Lee hasn't missed a home game this season. He's been a 49ers fixture since his company, best known for its speaker cable, won the naming rights to the team's stadium. Candlestick Park is now Monster Park — a name that Lee utters with a proud grin.

Never mind that many people think the stadium is named after Monster.com, a job-search Web site. Or that local residents are fighting to have the name changed back. Monster Park is a great way for the relatively little-known company to get its name out as it expands beyond the speaker wire that made it famous, Lee says.

Monster already makes lines of power sources and other equipment for home theaters. Lee is working on a product that will allow gadget lovers to control all of their electronics from a single panel. He's developing wireless products that will someday replace speaker and audio/visual (A/V) cable. He's even pushing into furniture designed to hide high-end electronics.

Monster will likely find these new markets more challenging than the high-end speaker-cable business. Although little market share data are available, Monster has retained a huge lead since Lee created the market for high-end wire in the 1980s,



By Mike Kepka, San Francisco Chronicle

It's an attitude, he says: Monster Cable CEO Noel Lee bought the rights to the San Francisco 49ers' football stadium and named it Monster Park.

says Marc Mickelson, editor-in-chief of SoundStage Network.

Lee won't release sales figures for his private company, but Mickelson and other audio analysts believe it's hugely profitable — even though some argue that pricey speaker cable doesn't make an audio system sound better. "It's a lucrative market. Retailers love it," says electronics analyst Ross Rubin at researcher NPD.

Listening to wire

Lee was born in San Francisco in 1948, shortly after his parents fled China as the Communist Party seized power. He earned an engineering degree from California Polytechnic State University in San Luis Obispo, Calif., and took a job at the Lawrence Livermore National Laboratory, a government nuclear research center near San Francisco. At the lab, Lee says, he received toxic doses of radiation that led to

a degenerative nerve disorder. He has trouble walking and gets around by cart, wheelchair or Segway scooter.

Lee married and had a son but wasn't ready to settle down. He quit his job and spent his mid-20s traveling with a folk rock band called Asian Wood. After the band broke up, Lee continued to tour on his own, bringing his young family with him.

Finally, he returned to the San Francisco area and took a job at a related facility, Lawrence Berkeley National Laboratory. But at home, Lee still played music and tinkered. He wanted to make his stereo sound better, but money was tight. He started experimenting with inexpensive speaker wire.

About Noel Lee

Age: 57.
Lives in: Hillsborough, Calif.
Education: Engineering degree from California Polytechnic State University in San Luis Obispo.
Hobbies: Electronics and sports cars. His bright-yellow iPod digital music player matches his Lamborghini.
Musical talents: Plays drums. Doesn't play piano but keeps one in the house so he can hear natural tones when testing audio.

Favorite film: The Godfather.

Quote: Monster Cable "started from my love of music. . . . I wanted to hear recordings as natural(ly) as I could."

About Monster Cable

Privately held
Founded: 1979
Headquarters: Brisbane, Calif.
Employees: 750

At the time, most stereo systems were hooked up with simple copper wires that could be purchased at a hardware store. Audiophiles thought cables didn't make much difference. Still, Lee spent "hours listening to wire," he says. "It's like watching grass grow."

He became convinced that small changes in the width of the wires used in speaker cable, the way they're coiled and the materials they're made out of could make a big difference. He was so impressed with his new invention that he loaded a batch into the trunk of his car and tried to sell it. He called it Monster Cable because it sounded catchy.

Retailers were skeptical. Speaker wire "was a product nobody wanted and nobody cared about," Lee says. Monster Cable was "a solution to a problem nobody knew they had."

Early sales were slow. Then retailers saw how much money they could make. Stores "may make \$1 on a DVD player" because the electronics market is so competitive, Lee says. But the accessories that people toss in their carts on the way to a register can be lucrative. A simple Monster Cable set-up can reach \$50 or \$100.

Monster grew more as Lee courted the in-store salespeople who sell cable to cus-

tomers. He's continued that model, spending little money on direct advertising but a fortune on awards for top salespeople. At this month's Consumer Electronics Show in Las Vegas, Monster hired singer Rod Stewart to put on a show for its dealers.

Critics say those perks cause retailers to aggressively push a product few shoppers need. "There's a lot of snake oil in this industry," says Gene DellaSala, president of Audioholics.com, a Web site for audiophiles. "People are very susceptible to what salespeople throw at them."

No definitive test

Tom Nousaine, a contributing technical editor for Sound & Vision magazine, says he's done several tests comparing high-end cables with cheaper wire. "Nobody has ever been able to identify the specialty cable from the junk box stuff," he says. "The best place to buy speaker cable is Home Depot."

Even Lee acknowledges there's no definitive test. But he insists that, in side-by-side comparisons, "Everybody can hear it." Many in his field agree. Paul DiComo, a marketing manager for high-end speaker-maker Polk Audio, says: "We generally do recommend that (customers) buy quality

cable. It really should be commensurate to the quality of the speakers."

So far, the debate has done little to curb Monster Cable's growth. The company has about 750 employees, mostly in Brisbane, Calif. It sells batteries, \$1,300 "power-filtering" units that prevent power spikes for home theaters, car stereo adapters and even cleaner for computer screens.

The company has clearly been lucrative for Lee. His home, in the tony San Francisco suburb of Hillsborough, is perched on a hill and looks a little like the White House. He has a high-tech home theater with cloth-covered walls and custom paintings of his favorite artists, including Barbra Streisand and Miles Davis. Electronics for it fill three racks about eight feet tall.

Even so, Lee says, he never thought he'd see his company's name on a football stadium. When Monster applied for the deal, it was up against giants such as Wells Fargo and Oracle. In his application, Lee told stadium owners that a vote for Monster was "a vote for an entrepreneur, an Asian immigrant."

When he won, Lee chose the name carefully. The self-proclaimed workaholic says he didn't just want to shill his products. "We didn't call it Monster Cable Park for a reason," he says. "It's about Monster attitude, being the best at what you do."

Is Monster Cable worth it?

Monster Cable all but invented the market for high-end speaker cable. Today it's an electronics-store staple. But some audiophiles say most people don't need it.

"Speaker cables can make a little bit of a difference in your sound, but for the average person, it's probably not even audible," says Brent Butterworth, editor in chief of *Robb Report Home Entertainment & Design*, a high-end audio magazine. Butterworth says he uses Monster Cables mainly because they're more durable.

"Many audiophiles think cables make no difference," says Mark Mickelson of SoundStage Network. "Then there are those who think they make a tremendous, monumental, huge difference. There's validity to both views."



By Monster Cable

USA TODAY ran a simple test with 20 feet of basic Monster Cable and Monster-brand connectors, which clip onto the end of each cable to make it easier to plug them into speakers. Cost: \$15 for the cable and \$14 for the connectors. The competition: 20 feet of generic speaker wire at a hardware store with no connectors, at \$30 for 250 feet.

We cut the cables into 10-foot lengths, hooked them up to identical pairs of Bose speakers and connected them to a Sony stereo system. The more we listened to CDs from four very different artists — Miles Davis, Bruce Springsteen, the Beastie Boys and Sting — Monster Cable got a slight edge. On a second test, we preferred Monster Cable 100% of the time. The differences were subtle. Without a

back-to-back comparison, we might not have noticed.

Still, Gene DellaSala, president of Audioholics.com, says he advises stereo shoppers to "put more of the money into the loudspeaker, when it matters most."

By Michelle Kessler