

# JET Opto: The Driving Force in Automotive Entertainment

**Jerry Lin, Founder of JET Optoelectronics, leader in in-vehicle entertainment, tells us how the company is poised for further growth with a new factory, IPO plans, and innovations for autonomous cars.**



**Mr. Jerry Lin**

Chairman of  
JET Opto

INTERVIEW

**VoL:** The automotive industry has faced many challenges recently. What would you say are the main difficulties your company has encountered, and how have you adapted to this shifting landscape?

**Mr. Jerry Lin:** The COVID-19 pandemic created unprecedented challenges for the automotive industry and its supply chain. When factories shut down in 2020, our revenues dropped 50% almost overnight. Just as things started to recover, the semiconductor shortage hit, making it very difficult to get the chips we needed to meet demand, especially from major clients like Ford and Stellantis.

2022 was undoubtedly our most challenging year as demand for vehicles rebounded while the chip shortage persisted. Securing TI (Texas Instruments) chips from the US proved to be our greatest obstacle. Our clients, such as Ford, Stellantis, and the major automakers, recognized the situation and went above and beyond to support us in 2022. These automakers, our customers, negotiated directly with TI to acquire chips on our behalf due to their own production needs. While we managed to navigate through these challenges with sheer determination and close collaboration with our customers, it was a constant battle.

2023 started on a promising note,

but demand dropped after the first quarter due to rising interest rates, dampening new car sales. This was followed by the UAW (United Auto Workers) strike, which has once again brought factories to a halt. The industry is dealing with labor unrest, and this stoppage, coupled with rising interest rates, means our fourth-quarter results will likely be disappointing. However, challenges like these tend to be cyclical, and I remain optimistic about a return to stability in 2024. We are accustomed to unpredictability; it's the nature of this industry. I am confident that we can weather whatever storms lie ahead through careful planning, open communication with partners, and continuous adaptation.

In terms of our client base, I'd estimate around 30-40% are American automakers. Another 30-40% is Japanese, 10-15% is European, and 10-20% is Southeast Asian. With the UAW strikes impacting our US customers, we're seeing around a third of revenue decrease presently. However, business remains steady with European and Japanese car companies.

There was a small blip when Toyota had to temporarily halt production at 14 plants due to an IT issue, but they seem to have resumed normal operations. In

# JET Opto: The Driving Force in Automotive Entertainment

**Jerry Lin, Founder of JET Optoelectronics, leader in in-vehicle entertainment, tells us how the company is poised for further growth with a new factory, IPO plans, and innovations for autonomous cars.**



**Mr. Jerry Lin**

Chairman of  
JET Opto

INTERVIEW

Europe, demand from high-end brands has been relatively stable this year, though chip shortages persist somewhat. The market there continues at a decent, if slower than hoped for, pace.

Overall, I don't anticipate a robust fourth quarter for Jet Optoelectronics given the UAW situation. But I'm hopeful the strikes can conclude within the next couple months, allowing our American partners to restart production and leading to a return to normalcy in Q4 2024. With patience and close collaboration with our clients, I believe we can work through this challenge.

**VoL:** Tell us about your efforts to reshore production back to Taiwan. What is the status of your new domestic manufacturing plant? How is the transition progressing?

**Mr. Jerry Lin:** We opened our new Taiwanese manufacturing facility last year, passing all initial audits successfully. However, this year has been a steep learning curve. Implementing new ERP, MES and WMS systems with a largely new team has had its difficulties, as some workers struggled to adapt to the detail-oriented automotive culture.

Currently, we outsource SMT production to Foxlink but eventually want to bring that in-

house. The goal is to shift just US-bound production from China back to Taiwan, keeping other regions serviced from China. With about 180 employees now, reshoring efforts by the end of the year should bring that total to around 200.

Just as we began transferring operations, the UAW strikes hit, slowing progress. But I'm confident things will improve over time. We have a Nissan audit next month as we start projects with them. While not moving as quickly as I'd like, we're making measured progress. I'm visiting the facility next week to connect with staff and boost morale after typhoon damage. I remain optimistic about our reshoring efforts - this initial period has simply required more effort than anticipated to build our US production back up.

**VoL:** Trade tensions have led companies like yours to reshore production, but finding skilled talent can be challenging. How difficult has it been to build the workforce you need? What have been the main hurdles in hiring and training personnel?

**Mr. Jerry Lin:** Retaining talent has been a major challenge, prompting our decision to go public soon. With around 180 employees currently, about 100 are R&D professionals that were

# JET Opto: The Driving Force in Automotive Entertainment

**Jerry Lin, Founder of JET Optoelectronics, leader in in-vehicle entertainment, tells us how the company is poised for further growth with a new factory, IPO plans, and innovations for autonomous cars.**



**Mr. Jerry Lin**

Chairman of  
JET Opto

receiving tempting offers from competitors. The IPO should help us hold onto key staff in Taipei.

Hiring remains difficult though. A large part of our population migrated to China over the last 30 years when companies offshored production. Trying to rebuild that skilled workforce in Taiwan is not easy. Many skilled workers relocated to China for higher salaries years back and have settled with families there. Most people with jobs in China don't want to come back to Taiwan, as they are no longer used to the Taiwanese lifestyle. And those who have lost their jobs in recent years are reluctant to return, fearing shame for "failing" in China. So convincing experienced talent to come back has not been easy

We're working to create appealing opportunities and actively recruiting former Taiwan workers now in China. If we can entice some to return with the right offers, it would help rebuild our talent pool here.

**VoL:** Jet Optoelectronics has over 100 people dedicated to R&D and innovation in Taiwan, giving you a real competitive edge. What exciting new products or breakthrough technologies are you working on that will set you apart from competitors?

**Mr. Jerry Lin:** A major focus has been developing next-generation rear seat entertainment systems for premium brands like Porsche, Audi, Bentley and Lamborghini. We created a proprietary Linux-based system that streams content from phones directly to in-vehicle displays. This reduces smartphone use while driving.

There are two approaches we're taking. For Europe, it's about mirroring the consumer's own content library from their device. For the US market, we partnered with Amazon to build in FireTV - allowing access to pre-existing Amazon content accounts in the car.

Transitioning from DVD to streaming and WiFi was a complex challenge to create stable in-vehicle performance. We aimed to provide options aligned with customer preferences. Some prefer the convenience of logging into their Amazon account and continue their viewing experience from their home devices to their car. Others prefer the ease of casting content directly from their phones to the car's entertainment system.

We have partnered with Panasonic Japan to develop one of our key products; a three-camera drive recorder system that will be installed in the Toyota CES. This driver recording system, along

INTERVIEW

# JET Opto: The Driving Force in Automotive Entertainment

**Jerry Lin, Founder of JET Optoelectronics, leader in in-vehicle entertainment, tells us how the company is poised for further growth with a new factory, IPO plans, and innovations for autonomous cars.**



**Mr. Jerry Lin**

Chairman of  
JET Opto

INTERVIEW

with our rear seat entertainment system, are currently our two biggest revenue generators.

**VoL:** You founded Jet Optoelectronics in 2010, forging your own entrepreneurial path. Can you share your experiences starting and leading this company?

**Mr. Jerry Lin:** It's been an incredible journey. From humble beginnings with just 10-15 people in 2010, Jet Opto has grown into a company with over 600 employees. While it may not be as large as our family's previous enterprise with 20,000 employees, I'm proud of the path we've forged and the autonomy we've gained to do things our way.

My passion for cars fuels my drive to excel in this field. Engaging with automakers to discuss the future of rear-seat entertainment systems is incredibly fulfilling. Initially, lacking a family background in the automotive industry presented challenges. I had to physically knock on potential clients' doors, introduce myself and the company, and convince them of our capabilities.

Our first client was Ford, securing your first client is always the hardest, but it was a major breakthrough. However, our partnership with Nissan was the real game-changer, opening doors to Panasonic Japan. We beat

Panasonic USA for a major project which propelled us onto the global stage. This success paved the way for our expansion from the US to Japan.

To further our reach into Europe, I acquired a company in Taiwan, which facilitated our partnership with Audi. Their Chairman was so impressed with our work that he entrusted us to take over his business. This led to collaborations with Audi, Porsche, and other renowned brands. In 2015, we began supplying Audi with their third-generation racing entertainment system, establishing our reputation as a trusted provider. Our success with Audi opened doors to Porsche and other global names, and we now specialize in their fourth-generation systems. Bentley and Lamborghini followed suit, solidifying our position among these prestigious brands.

Reputation is everything in this industry. Once an automaker recognizes your capabilities, others follow, however, there is no room to upset your customers. Mistakes are inevitable, but owning up to them and demonstrating a commitment to improvement is essential. My commitment to transparency and honest feedback has earned the trust of our clients. They know they can rely on us for open communication and

# JET Opto: The Driving Force in Automotive Entertainment

**Jerry Lin, Founder of JET Optoelectronics, leader in in-vehicle entertainment, tells us how the company is poised for further growth with a new factory, IPO plans, and innovations for autonomous cars.**



**Mr. Jerry Lin**

Chairman of  
JET Opto

decisions that align with their best interests. This has fostered strong personal relationships around the world, as they know they're directly interacting with the owner.

**VoL:** How do you characterize Jet Optoelectronics' value proposition for investors and partners? Are you actively seeking any collaborations - financial, technological or otherwise?

**Mr. Jerry Lin:** Jet Optoelectronics has ambitious goals as an emerging player in the automotive industry. We are targeting an IPO in Q4 2024 to strengthen ourselves from the capital market support. Although the UAW strike may impact revenue, our diversified business lines give me optimism about 2024-2025.

This IPO represents an exciting opportunity for investors to get in on Jet's growth trajectory. Once public, we aim to pursue strategic partnerships with various multinationals to expand our capabilities. In particular, we'll look for R&D knowledge partners that can boost our innovation strengths. Partners that can find fast solutions for us in the market and help us make new products. Consequently, we can serve as the gateway for companies looking to enter the automotive market.

We are eager to collaborate with organizations that align with our

values as we scale globally. I see partnerships as key to developing new products and solutions. The future is bright for Jet Optoelectronics, and we welcome investors and partners to be part of our journey.

INTERVIEW



# JET OPTO

In thirteen years JET Optoelectronics has transformed from a small startup with just 10 employees into a trusted automotive peripherals partner for top-tier automotive brands such as Lamborghini, Porsche, Audi, Bentley, Volvo and Toyota. They primarily offer R&D, design, production, and sales of vehicle multimedia audiovisual systems.

Jerry Lin founded the company in 2010, determined to make a name for himself in the industry that he had so much passion for, automotive. Reflecting on the initial challenges posed by an industry where he had no prior experience, he recalls, "It was tough at the beginning to be able to prove to the automakers that we could do it." However, once he had secured a foothold in the industry the company grew rapidly. Lin explains how reputation has been the catalyst for growth, with other manufacturers coming to JET Opto based on the work they had done with competitors or partners, "The first contract was the hardest, but once we got certified by Ford and Nissan, things took off." The company now boasts a global presence, servicing countries such as Japan, Germany, the United States (30% of revenue), China, and the United Kingdom. In response to geopolitical tensions, the company has established a cutting-edge factory in Kaohsiung, Taiwan, and will now ship all of its products to the U.S. from Taiwan.

JET Opto develops innovative products tailored to the specific needs of its customers, as evidenced by its rear seat entertainment system. This system is available in unique versions for the U.S. and European markets. In the U.S., JET Opto has partnered with Amazon to introduce the automotive Fire OS system. In Europe, JET Opto has partnered with major automakers to develop a Linux-based system that allows users to stream content directly from their smartphones to the car's entertainment system. Jerry Lin envisions a future where commuters demand more entertainment in their vehicles as autonomous vehicles become more prevalent, leaving car users with more time to fill.

JET Opto plans to go public in Q4 of 2024, welcoming international partners and investors. The decision to go public is driven by their desire to continue revolutionizing AV systems in the automotive industry and, in Jerry Lin's words, be "the bridge" for other companies looking to break into the automotive world. Their IPO is expected to enhance their market presence and facilitate collaboration with knowledgeable partners and innovators, further enriching the automotive landscape.

