

Production Solutions continued

Production Solutions designs, manufactures and distributes premium branded and technically advanced products and solutions for broadcasters, film and video production companies, ICCs and enterprises.

Products include video fluid heads, tripods, LED lighting, batteries, prompters and robotic camera systems. It also supplies premium services including equipment rental and technical solutions. Production Solutions represents c.30% of Group revenue.

Strategy

Our strategy is focused on growth in professional equipment for on-location news and sporting events, innovative new technology like robotic camera systems and voice prompting to enable automation and cost efficiencies in TV studios, and high-end products for original content creation in cine and scripted TV, including a new range of sustainable power solutions based on sodium technology.

Market position

Videndum is a market leader in most of its Production Solutions product categories and is well positioned due to its broad geographical reach and premium products. Products and services are sold globally either directly via Videndum's own sales teams or via distributors, both online and in stores.

Operational review

Lower demand in ICC and subsequent destocking also impacted Production Solutions, as did the writers' and actors' strikes. The 2022 comparative includes the Winter Olympics, whereas 2023 did not have an event on the same scale. Despite the macroenvironment, demand remains high for our flowtech tripods and systems, and we upgraded our carbon cell facility in Bury St Edmunds, UK during 2023 to increase our capacity by up to 40%.

We launched two exciting new products at the 2023 National Association of Broadcasters Show in Las Vegas ("NAB") and the CineGear Expo 2023 in LA ("CineGear"): the Anton/Bauer Salt-E Dog, a sustainable portable power solution based on sodium technology went into production at the end of the year at our Costa Rican facility; and the Vinten VEGA Control System, a robotics control system that can also be automated with AI-driven talent tracking. Salt-E Dog initially is targeted at the cine and broadcast markets and as such the launch was impacted by the strikes but we now have a strong pipeline of opportunities. We were able to demonstrate its capabilities and benefits at the Las Vegas F1 Grand Prix with Fox Sports, and this generated a lot of interest in the product.

Costs continued to be controlled closely albeit starting from a very lean cost base in 2022. The revenue decline subsequently resulted in the adjusted operating margin* falling to 12.0% (2022: 22.8%).

Statutory operating profit was £9.5 million (2022: £30.1 million) reflecting £2.6 million of adjusting items (2022: £1.3 million).

Our brands

Market position[†] shown in brackets

Supports (#1)

- OConnor
- Sachtler
- Vinten

Prompters (#1)

- Autocue
- Autoscript

Lighting (#2)

- Litepanels
- Quasar Science

Mobile power (#1)

- Anton/Bauer

Robotic camera systems (#2)

- Camera Corps
- Vinten

Distribution, rental and services (#1)

- Camera Corps
- The Camera Store

Target audience



- Broadcast market: 50%
- Cine/scripted TV/ICC market: 50%

[†] Management estimates by sales value in the market segments in which these products are sold.