

## Production Solutions

# Videndum Production Solutions

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We continue to focus on delivering industry-leading solutions designed to enhance the creativity and efficiency of our customers. Unique technology innovations, including artificial intelligence, sustainability and camera control, place our brands at the forefront of growth opportunities in the cine and broadcast markets.



**Nicola Dal Toso**

Divisional Chief Executive,  
Videndum Production Solutions



### External revenue

£101.2m

Down 27% ↓

### Adjusted operating profit\*

£12.1m

Down 61% ↓

### External revenue

2023	£101.2m
2022	£137.8m
2021	£121.8m

### Adjusted operating profit\*

2023	£12.1m
2022	£31.4m
2021	£28.0m

### Statutory operating profit

2023	£9.5m
2022	£30.1m
2021	£27.1m



## 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<sup>†</sup> 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%

<sup>†</sup> Management estimates by sales value in the market segments in which these products are sold.

## Case studies



### Pioneering AI and machine learning revolutionise TV studios

Investment in advanced automated solutions is key to increasing TV studio efficiency without compromising production standards. The innovative technology in our market-leading Vinten and Autoscript robotics and prompting solutions is many years ahead of our competitors. It maintains production quality with fewer technical operators, delivering clear and long-lasting operational overhead savings.

VEGA, Vinten's cutting-edge control system for its robotic TV studio solutions, includes AI-driven Presenter Tracking and Voice Control for unlimited flexibility and customisation. VEGA identifies each person on screen automatically and uses in-built artificial intelligence to predict future movements based on skeletal kinematics. Using this technology, VEGA Presenter Tracking predicts the likely next movements of on-air talent and makes smooth adjustments in the same way a camera operator would.

VEGA Voice Director will use speech recognition, allowing control room staff to execute core operating functions, such as selecting cameras, recalling shots and reframing, using spoken commands. VEGA is the most advanced robotic camera and prompting automation solution available today.

### Expanding and upgrading our production facilities

#### Flowtech Carbon Fibre Cell upgrade

Videndum's unique carbon fibre manufacturing facility in Bury St Edmunds, UK includes a fully automated, highly efficient and proprietary process for the development of carbon fibre for the flowtech tripod. To meet the growing demand for this market-leading product, and as part of our sustainability commitment, in 2023 the carbon fibre cell underwent a significant upgrade. £1.7 million was invested in new equipment to increase our production capacity by 40%, lower our energy consumption, and support the reduction of waste by 90%.

#### Costa Rica expansion

Cartago, our Costa Rica manufacturing site, established in 1985, has c.185 employees producing over 180,000 products annually. Investment in lean principles makes this one of the region's most efficient manufacturing facilities. In 2023, the facility was expanded by 1,600 sq m to 7,800 sq m to accommodate production of the new Anton/Bauer Salt-E Dog sustainable portable power product range and the manufacturing of Wooden Camera products relocated from Dallas, US.



### Environmental concerns drive sustainable power growth

Increasing environmental awareness in the TV and film industry, coupled with new clean air legislation in the US, led Anton/Bauer to develop a ground-breaking sodium-based mobile power source. Known as Salt-E Dog, this sustainable portable power supply addresses the harmful CO<sub>2</sub> and NOx emissions associated with traditional fossil fuel generators on production sets, providing cleaner and quieter power.

Salt-E Dog uniquely uses 100% recyclable sodium cells, which have a lower Global Warming Potential than lithium-based counterparts. Sodium ensures safety and efficiency, permitting power placement near sensitive equipment without fire risks, and minimises the need for additional safety measures.

Major broadcasters like the BBC, Fox, Sky and CBS, as well as content producers such as Netflix and Amazon – who have committed to improving sustainable production methods – have shown significant interest in Salt-E Dog, underscoring the importance of reducing carbon emissions on productions.

Leading sustainable power provision positions the Group to capture the growing eco-conscious content production market.

Salt-E Dog received the "Excellence in Sustainability" Award at the National Association of Broadcasters ("NAB") annual show in Las Vegas in April 2024.



**At Fox Sports, we are committed to embracing cutting-edge technology and minimising our environmental impact while consistently delivering high-quality broadcast productions. Thanks to Anton/Bauer's revolutionary sodium-based power solution, Salt-E Dog, we are ushering in a new era of cleaner and more sustainable energy sources. With zero emissions, whisper-quiet operation, streamlined cabling, and uninterrupted power, we are proud to be pioneers in sustainable broadcast productions powered by the latest technology.**

**Brad Cheney**

Vice President, Field Operations and Engineering, Fox Sports