

## Media Solutions



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The global macroeconomic situation in 2023 presented challenges which affected consumer demand. Despite this, our team has exhibited resilience and we have continued to invest in innovation. We have an exciting range of new products launching in 2024 which positions us well to capture future growth opportunities as the market starts to recover.



**Marco Pezzana**

Group Chief Operating Officer  
and Divisional Chief Executive,  
Videndum Media Solutions

External revenue†

£153.7m

Down 29% ↓

Adjusted operating profit\*\*

£11.4m

Down 68% ↓

External revenue†

2023	£153.7m
2022	£217.8m
2021	£194.7m

Adjusted operating profit\*\*

2023	£11.4m
2022	£33.1m
2021	£26.6m

Statutory operating profit/loss

2023	-£4.8m
2022	£23.4m
2021	£23.8m



## Media Solutions continued

**Media Solutions designs, manufactures and distributes premium branded equipment for photographic and video cameras, and smartphones. It provides dedicated solutions to professional and amateur photographers and videographers, ICCs, vloggers/influencers, enterprises, governments and professional musicians.**

This includes camera supports (tripods and heads), smartphone and vlogging accessories, lighting supports and controls, LED lights, audio capture and noise reduction equipment, carrying solutions and backgrounds. Media Solutions represents c.50% of Group revenue.

### Strategy

Our strategy is focused on developing innovative new products to improve customers' productivity in order to grow the core professional business, as well as a focus on high-end audio capture and return to growth in vlogging accessories when the macroenvironment improves.

### Market position

Videndum is a market leader in most of its Media Solutions' product categories. Products are sold globally via multiple distribution channels and increasingly online via our own direct e-commerce capability and third-party platforms.

### Operational review

Market conditions were tough for Media Solutions, with demand in the consumer and ICC segments (together c.75%) remaining low. This was compounded by destocking as retail and distribution partners looked to reduce cash tied up in stock. The majority of the destocking effect occurred in H1 and management believes destocking is now largely completed.

The strikes impacted the high-end professional segment (c.25%) including the Avenger lighting supports; although revenue was significantly above 2021 level despite the strikes, demonstrating the market share gained by the Buccaneer and Long John Silver stands over recent years.

La Cassa Integrazione Guadagni Ordinaria ("CIGO"), the non-refundable Italian government supported furlough programme, was applied both at the Feltre factory and the Cassola divisional head office, which allowed us to flex manufacturing output to reduce inventory and also reduce operating expenses. Actions were taken to minimise discretionary spend, whilst wider restructuring actions focused primarily on consolidating subsidiaries, helped reduce the cost base.

We restructured our operations to take advantage of location synergies following recent acquisitions. In the UK, our Rycote windshield production is now operating out of our Ashby-de-la-Zouch factory. This has expanded our manufacturing capacity by c.50% and enables us to upgrade our operations. Audio R&D and microphones production moved from the UK to our US audio centre of excellence in Portland, and Media Solutions' US distribution moved out of New Jersey to our Savage facilities in Arizona.

Adjusted operating margin\* was down to 7.4% (2022: 16.1%) reflecting operating leverage on the revenue decline, partly mitigated by the cost savings. Statutory operating loss was £4.8 million (2022: £23.4 million profit) which reflects £12.8 million of adjusting items from continuing operations (2022: £9.5 million) and a £3.4 million loss from discontinued operations (2022: £2.2 million loss) which includes £1.2 million impairment of intangible assets at Syrp.

### Our brands

Market position\* shown in brackets

#### Supports and Stabilisers (#1)

- Avenger
- JOBY
- Gitzo
- Manfrotto
- National Geographic†

#### Carrying solutions (#1)

- Gitzo
- Lowepro
- Manfrotto
- National Geographic†

#### Lighting and controls (#2)

- JOBY
- Manfrotto

#### Smartphonography (#1)

- JOBY

#### Audio capture

- AUDIX (US leader<sup>§</sup>)
- JOBY (new entrant)
- Rycote (#1<sup>§</sup>)

#### Backgrounds (#1)

- Colorama
- Savage
- Superior

\* Management estimates by sales value in the market segments in which these products are sold.

† Manufactured under licence.

§ In our niche.

### Target audience



- Photographic market: 60%
- Cine/scripted TV/ICC market: 40%



**Case studies**



**Avenger: growth in lighting stands as productions restart**

Our Avenger brand is well placed to take advantage of the recovery in post-strike demand during 2024 and 2025.

Launched in September 2022, the Avenger Buccaneer was incredibly well received across the globe and had just started to gain traction in the US before the strikes. This unique, groundbreaking lighting stand is the most compact on the market with the lowest loading height to enable smaller teams to mount heavy duty lighting fixtures safely and securely.

In North America alone, over 50 new sound stages are scheduled for construction in 2024, providing hundreds of thousands of square feet of new production space that will need to be equipped. Our latest heavy-duty stand, the Avenger Banshee, developed in collaboration with our global rental house partners was launched in Q1 2024 in the US.



**Manfrotto: versatile protective carrying solutions**

Media Solutions sells protective carrying solutions for photographic and video equipment under a number of brands. Lowepro specialises in bags for outdoor/adventure photography (primarily backpacks) and is in the process of converting the entire product portfolio to recycled fabric (80% of total material), fully eliminating PFC coatings. Manfrotto is focused on studio carrying equipment including hard cases, and 2023 saw the launch of the Manfrotto Pro Light Cineloader series of shoulder-style bags, aimed at professional videographers and film crews. Designed to safely transport and protect a fully rigged camera and multiple accessories, this versatile range saves set-up time when the videographer or camera operator arrives on site.



**Rycote: British manufacturing excellence**

Rycote's industry-standard windshields and microphone suspension systems are used all over the world for on-location news and sports broadcasting, and film-making – they are trusted by audio professionals to help them deliver great sound in the most demanding of conditions.

In 2023, we relocated Rycote production from Stroud, UK to our existing facility in Ashby-de-la-Zouch, UK. We invested c.£0.5 million in new equipment to upgrade operations, enabling us to increase manufacturing capacity by 50% and develop cutting-edge new products. We have installed high precision cutting machines, which improve product consistency, and we have established a state-of-the-art Hemi Anechoic Chamber, complete with a wind tunnel, for dedicated product development and testing. Our highly trained, skilled staff invest several hours of meticulous hand craftsmanship into each item.