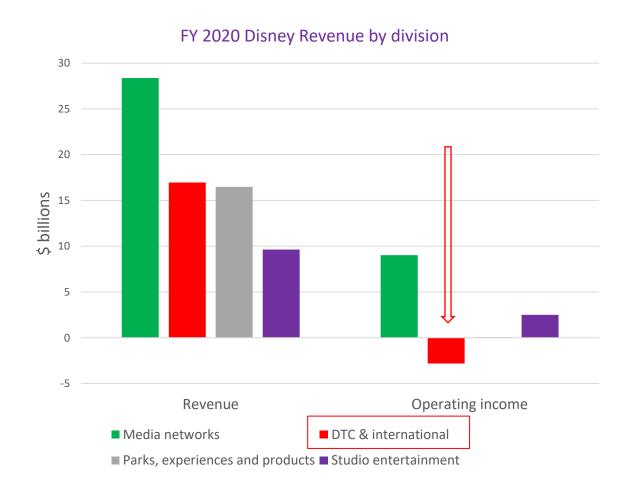
## **State of Remote Production**

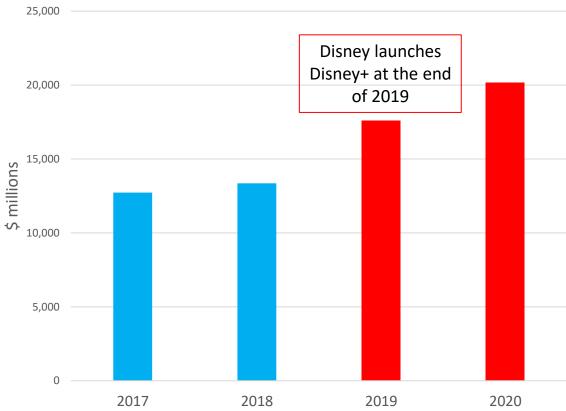
Lorenzo Zanni, Head of Knowledge, IABM

#### **Media Business Models**

#### Moving to digital offerings - Disney case study







Sources: IABM, Company Filings





#### **Media Business Models**

Moving to digital offerings - Disney case study

FY 2020 Disney Revenue by division

Staff investment



Linear

Advertising Revenue

-9%

Linear Revenue\* +15%

ESPN lays off 300 employees at the end of 2020



Digital

Advertising Revenue

+>100%

**DTC** Revenue

+>100%

As of August 2020, 69% of Tech job openings was in DTC division

\* Excluding advertising, driven mainly by affiliate fees

Sources: IABM, Company Filings





#### **Media Business Models**

Moving to digital offerings – Disruption to physical models adds pressure



#### **Physical**

Not just linear, revenues at Disney's Parks & Experiences division were down 36% in 2020

**Productions** 

Shoot Days in LA area between 2019 and 2020

**Sports** 

Estimated revenue losses for the NFL, MLB and NBA

\$13bn

Cinema

Worldwide decline in box office revenues

-71%

Sources: IABM, Bloomberg, Comscore





## **Digital Transformation**

How does this translate into tech? Prioritization



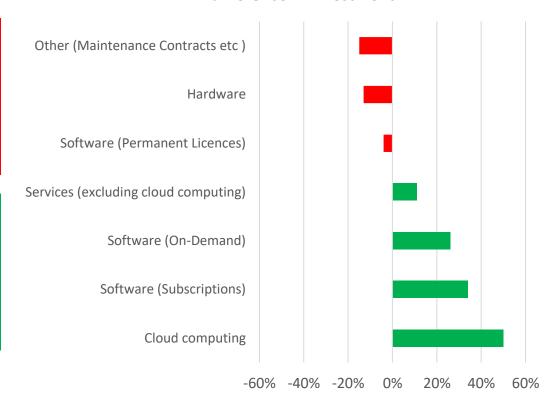
Linear/Physical

Digital

- Keeping costs low
- Doing more with less

Not keeping costs lowInvesting in potential

#### Media tech investment outlook, NET difference in investment



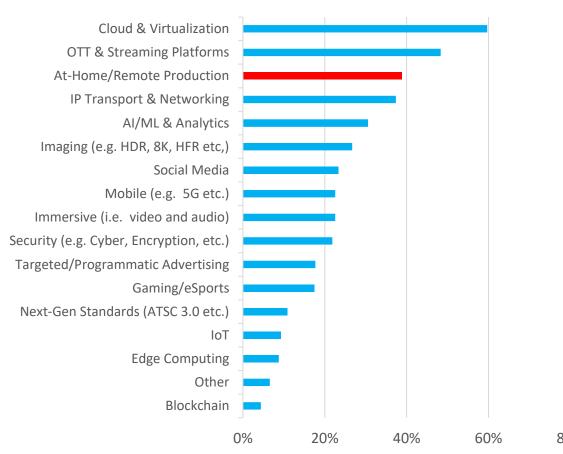




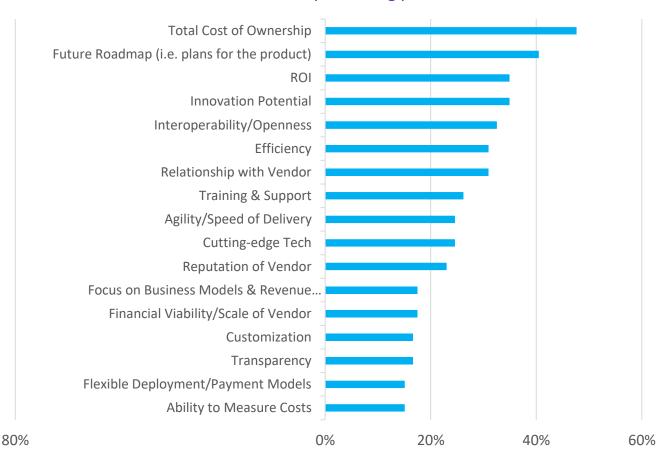
### **Media Tech Strategy & Preferences**

#### Media tech priorities & preferences





#### Media tech purchasing preferences

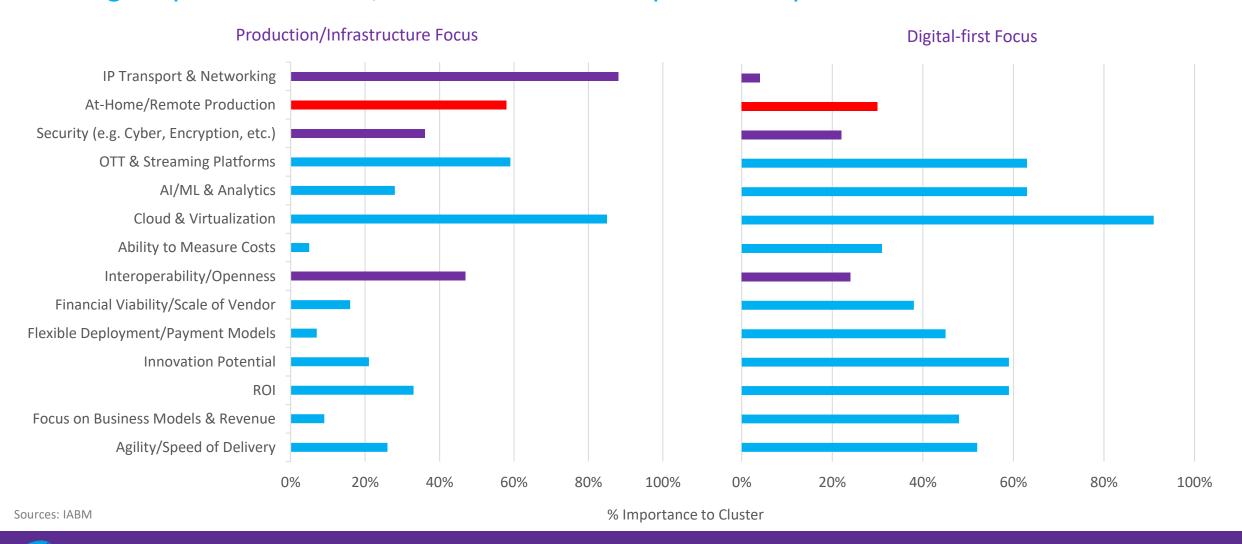






#### **Media Tech Strategy & Preferences**

Delving deeper into the data, interactions between priorities & preferences





#### **Media Tech Investment**

#### Media tech investment outlook by segment - COVID-19 effect

		Top Investment Category	<b>Bottom Investment Category</b>
<b>⊗</b> .⊗ • • • • • • • • • • • • • • • • • • •	Create	Domosto Duodunstian	Film Transfer
<u></u>	Produce	Remote Production	
÷	Manage	Workflow Orchestration	QC & Compliance
<b>Θ</b> <	Publish	Non-Linear Publishing	LED Screens
	Monetize	Data Apalytics	Traffic Systems
	Consume	Data Analytics	Traffic Systems
	Store Store	Cloud Archive Storage	Removable Storage
segments	Store Connect	Internet/IP Connectivity	SDI Routing/Networking
Three	Support	Cloud Compute	Facility Hardware (e.g., cables)





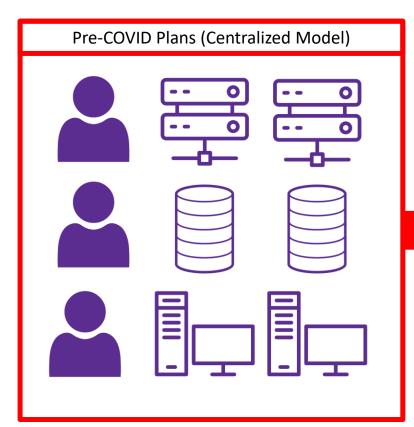
Media tech push for providing focused/comprehensive ecosystems

		Top Investment Category	Bottom Investment Category
<b>⊗</b> .⊗ •	Create	Remote Production	Film Transfer
<u></u>	Produce		
$\overline{+}$	Manage	Workflow Orchestration	QC & Compliance
⊖<	Publish	Non-Linear Publishing	LED Screens
	Monetize	Data Analytics	Traffic Systems
	Consume	Data Allalytics	Hailic Systems
	gether Store	Cloud Archive Storage	Removable Storage
	others of Connect	Internet/IP Connectivity	SDI Routing/Networking
	Support Support	Cloud Compute	Facility Hardware (e.g., cables)





COVID-19 effect – A simplified view





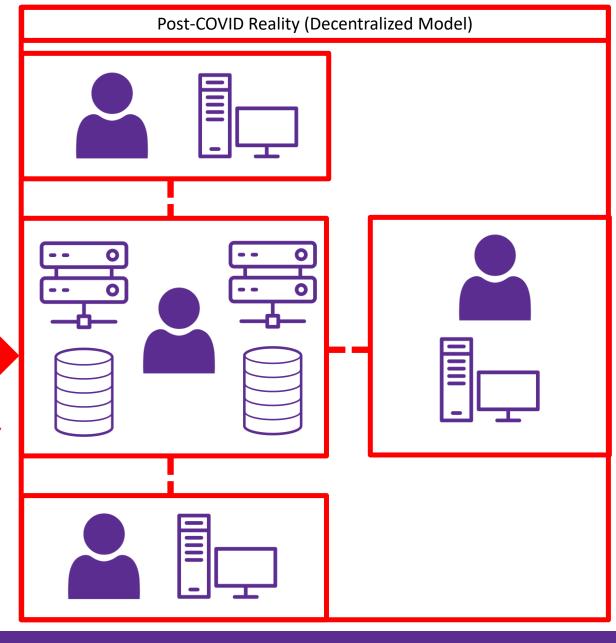
50%

Remote Production Coverage for Basketball Planned for 2021

Move to Remote Working



Increasing remote production investment







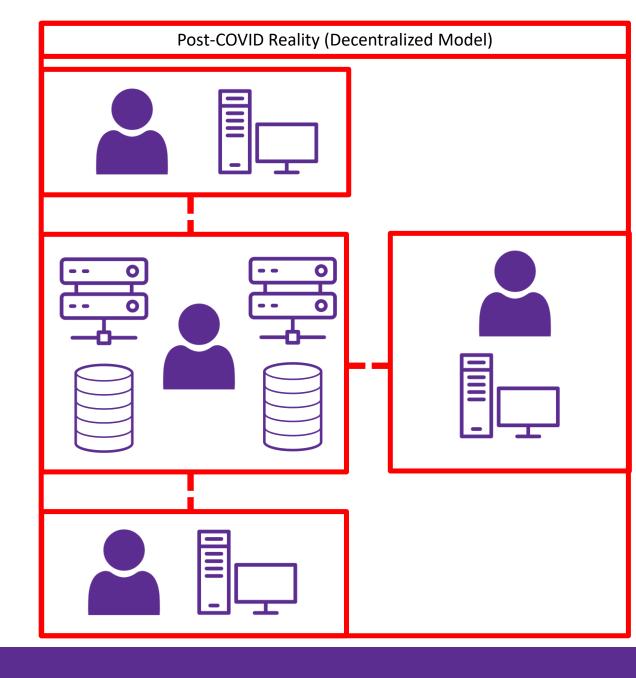
COVID-19 effect – Cloud investment

Blizzard moves to cloud-based remote production

"We are now 100% in the cloud; there is no physical infrastructure whatsoever in terms of switchers or audio consoles. The only physical hardware is people's computers, cameras, microphones, and a comms panel.

Other than that, there's absolutely no physical infrastructure required."

Pete Emminger
VP, global broadcast
Activision Blizzard Esports
(April 2020)







COVID-19 effect – Eurosport case study

Move on-prem workflows to private cloud



Gradually transition to public cloud

Demand for truly cloud-native tools in different workflow areas that enable live remote production

Eurosport in conversation with IABM

"It's interesting that we've seen faster advances in the video and graphics side than we have on audio"

> Gordon Castle SVP Technology Eurosport (March 2021)

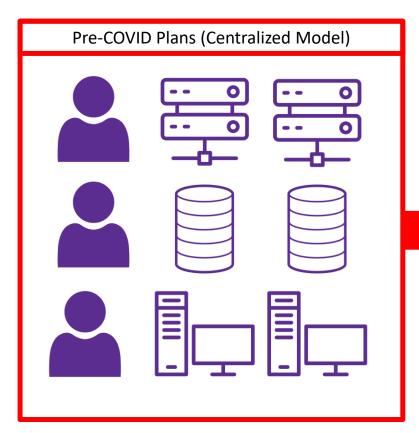
Sources: IABM



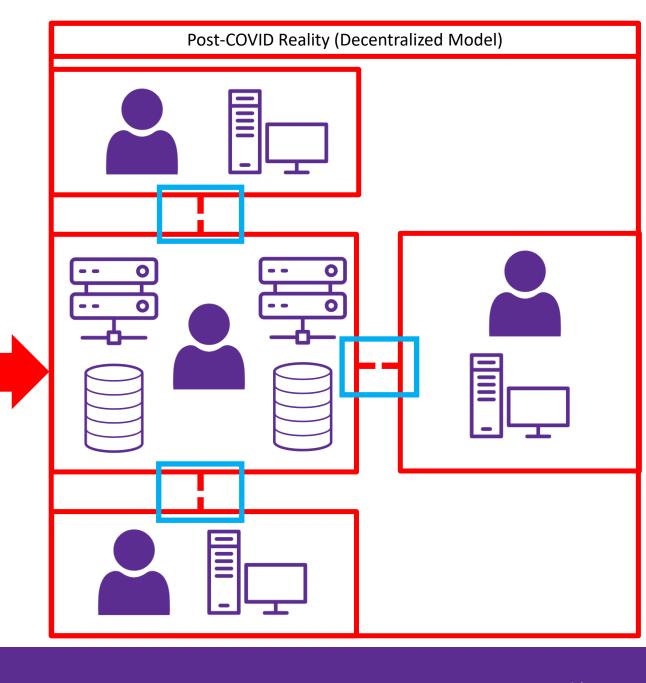


www.theiabm.org

COVID-19 effect – A simplified view



Move to Remote Working







Media tech push for providing focused/comprehensive ecosystems

		Top Investment Category	<b>Bottom Investment Category</b>
<b>⊗</b> .⊗	Create	Remote Production	Film Transfer
<u></u>	Produce	Remote Floudction	
$\dot{H}$	Manage	Workflow Orchestration	QC & Compliance
⊖<	Publish	Non-Linear Publishing	LED Screens
	Monetize	Data Analytics	Traffic Systems
	Consume	Data Analytics	Hailic Systems
	Store Store	Cloud Archive Storage	Removable Storage
in it stramped	connect Store	Internet/IP Connectivity	SDI Routing/Networking
	Support Support	Cloud Compute	Facility Hardware (e.g., cables)





Media tech push for providing focused/comprehensive ecosystems – Supply M&A



Acquires Axon in May 2020

"to deliver the most
comprehensive media
infrastructure solutions"

May 2020



Acquires Nevion in September 2020 and sells NMS and Memnon divisions in April 2021

Sep. 2020 – Apr. 2021



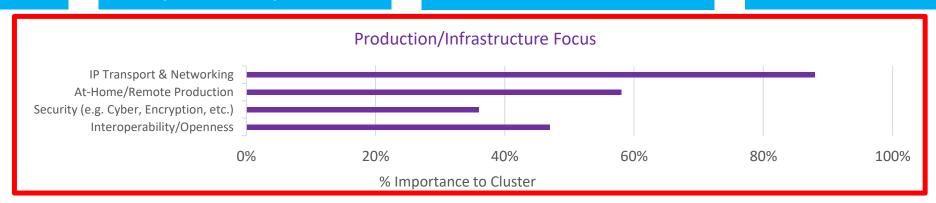
Sells ScheduALL to Xytech in February 20201 to focus on cloud, IP and remote production

Feb. 2021



Acquires VISTA Worldlink in March 2021 to "become a leader in Centralized (Remote) Production"

Mar. 2021



Sources: IABM





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Media tech push for providing focused/comprehensive ecosystems – Supply M&A



SONY





Acquires Axon in May 2020
"to deliver the most
comprehensive media
infrastructure solutions"

Acquires Nevion in September 2020 and sells NMS and Memnon divisions in April 2021 Sells ScheduALL to Xytech in February 20201 to focus on cloud, IP and remote production Acquires VISTA Worldlink in March 2021 to "become a leader in Centralized (Remote) Production"

May 2020

Sep. 2020 – Apr. 2021

Feb. 2021

Mar. 2021

Connect is top
investment
priority
followed by
Store and Support



Sources: IABM





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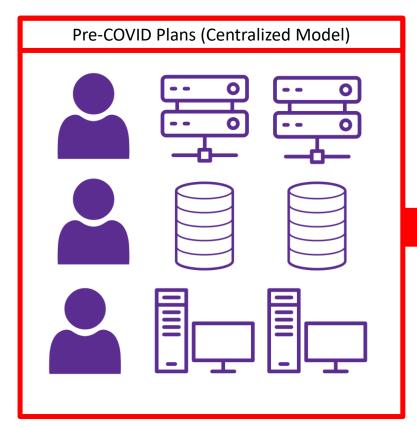
Media tech investment outlook by segment – focus on infrastructure

		Top Investment Category	Bottom Investment Category
<b>88</b>	Create	Remote Production	Film Transfer
•••	Produce	nemote i roddetion	Tilli Transici
<u></u>	Manage	Workflow Orchestration	QC & Compliance
<b>e</b> <	Publish	Non-Linear Publishing	LED Screens
	Monetize	Data Analytics	Traffic Systems
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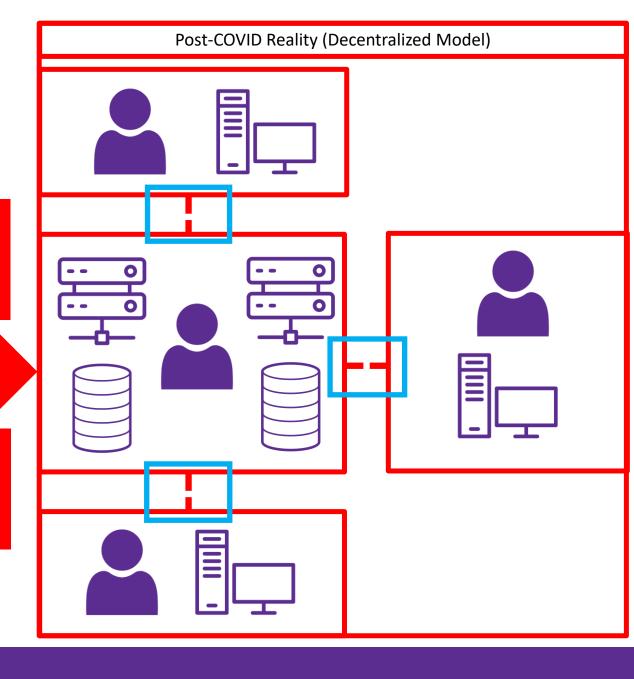
COVID-19 effect – A simplified view



+ Complexity

Move to Remote Working

+ Risk







# THANK YOU!!!

Email: lorenzo.zanni@theiabm.org