

Grass Valley has a new owner - what does that mean for EDIUS?

Source: Grass Valley EDIUS Forum, Link: <https://forum.grassvalley.com/forum/showthread.php?t=44297#7>

Dear EDIUS users,
dear forum members,

Grass Valley has a new owner, like many times before.

But this time Grass Valley has an owner who has a lot of experience in the broadcast world, without being a competitor. And a team of consultants who have been working in broadcast for many years - some of them know EDIUS very well. That is really great, because they know what potential EDIUS has.

So Black Dragon will continue to operate Grass Valley as it is. The Management stays the same.

Sure there will be some changes. There is an "industry's migration to a software-based future" with "new software-based services and pay-as-you-go business models".

Some EDIUS customers get confused by this announcement because they think that means that EDIUS will no longer be sold as a license to keep, but as a subscription model instead.

But that is not the message. EDIUS is already available as SaaS* (EDIUS Cloud, see below) and as subscription model (for broadcasters who want to have a subscription model). There is also a floating license model, special licenses for governmental or educational usage and upgrade plans and so on. Basically the customer can already now choose what kind of license he prefers.

The announcement of the "industry's migration to a software-based future" is not talking about EDIUS, because EDIUS and the EDIUS development team has already done this transformation many years ago (in the beginning this division built only I/O hardware, do you remember?). The announcement is not talking about EDIUS (which is just a small part – about 3% – of Grass Valley's business), but the rest of the products within the company, which are not software based yet. There is still a lot of hardware sold, but the future is software. For example, TV stations need big playout solutions in hardware – now, just as in the past (see GV Playout solutions: <https://www.youtube.com/watch?v=kdDpG5XylzY>). But in the future, this part will be completely software based. That is a really big transformation, but it offers many opportunities: The solutions can be installed very fast and be managed remotely. They are very scalable and the entry level for installations is lower. And many parts of the broadcast business are still "classic" SDI cable based solutions. That is changing now. IP based workflows allow a customer not to buy a 1 million dollar video switcher, but to rent it as a software service – just for the production. That's what Grass Valley is talking about.

So please, dear EDIUS user, don't understand the message wrong, nobody is willing to kill EDIUS license sales. Not now and not in the future. It is a good business. EDIUS is not only sold in broadcast, but has a big user group in the professional area (and other markets) where there is no acceptance for a subscription model.

So EDIUS will also be sold as a license in the future. You buy it, you keep it. That is an EDIUS slogan like "edit anything".

The message is that the future is software. And that shows what is important in Grass Valley. EDIUS technology is used broadly in Grass Valley services e.g. for transcoding. It is a core technology (because EDIUS supports basically every format natively – more than any other editor on the market). And which is not just working in EDIUS. It is working in a lot of Grass Valley solutions and in the future it will get even more important.

And that is great news. Now, by having an investor who is not from the old hardware/cable/copper area

(as the previous owner), but understands the value of software, EDIUS will be pushed even more inside Grass Valley. There will be more investment in the EDIUS team and EDIUS technology!

So EDIUS will get even better and stronger.

Grass Valley is currently very well positioned. It is the market leader in many areas and highly profitable.

So some EDIUS users have been wondering, why is Belden selling Grass Valley anyway?

The reason why Belden wanted to separate from Grass Valley is that it is not as predictable compared to the constant, very predictable core business – the sale of cables. So it doesn't fit Belden's core business, even if there are still many cables involved at Grass Valley ...

Under Belden, Grass Valley has increased its market power enormously through acquisitions and the introduction of numerous innovations. Grass Valley has just won a deal that will use over 150 high-end Grass Valley cameras in Tokyo 2020 (the Olympics in Japan). And that in Japan, which itself has enough well-known camera manufacturers...

The management of Grass Valley and the EDIUS team are delighted with the sale to Black Dragon. Grass Valley will no longer be tied to the very rigid quarterly reporting, which Belden, as every public company, has. And this increases the flexibility when it comes to the introduction of products and the implementation of projects. Before, at the end of a quarter, all projects had to be completed as far as possible, and everything had to be reported with relevance to the market. Differently from Belden's core business cables, this led to a lot of additional work in the broadcast and media section. Now there will be more capacity to be used for innovations and projects instead.

Now one more word about:

***SaaS - Software as a Service:**

EDIUS has been around for 4 years as an EDIUS cloud solution -SaaS - for companies and projects that need such solution. If e.g. a major sporting event is taking place anywhere in the world, a TV broadcaster – instead of sending editors and equipment – can capture on location and edit the footage directly in the cloud with EDIUS – with a connection to the cloud storage. To do this, the required editing solutions are simply rented in the cloud for the duration of the event. This is already a regular business model with an increasing demand. And in comparison to the “clouds” offered by competitors, this is a working solution that really is a cloud application - and not just a subscription model.

Grass Valley offers the right solution for every type of customer. This will always be the aim of Grass Valley.

Thank you.

Regards,

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operator of EDIUS.NET