



TECH RETREAT 2024

‘Unbreaking’ An Industry:
Fixing An Industry-Wide Mess

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BIGGER.
Better.
Faster.
Cheaper.

Planet Earth is
SHRINKING

We're
running out
of people

A
shape-shifting
event is coming

Disrupt
or disappear

**ARTIFICIAL
INTELLIGENCE**
is very (very) real

VIRTUALIZE
everything



A
shape-shifting

event is **HERE** now



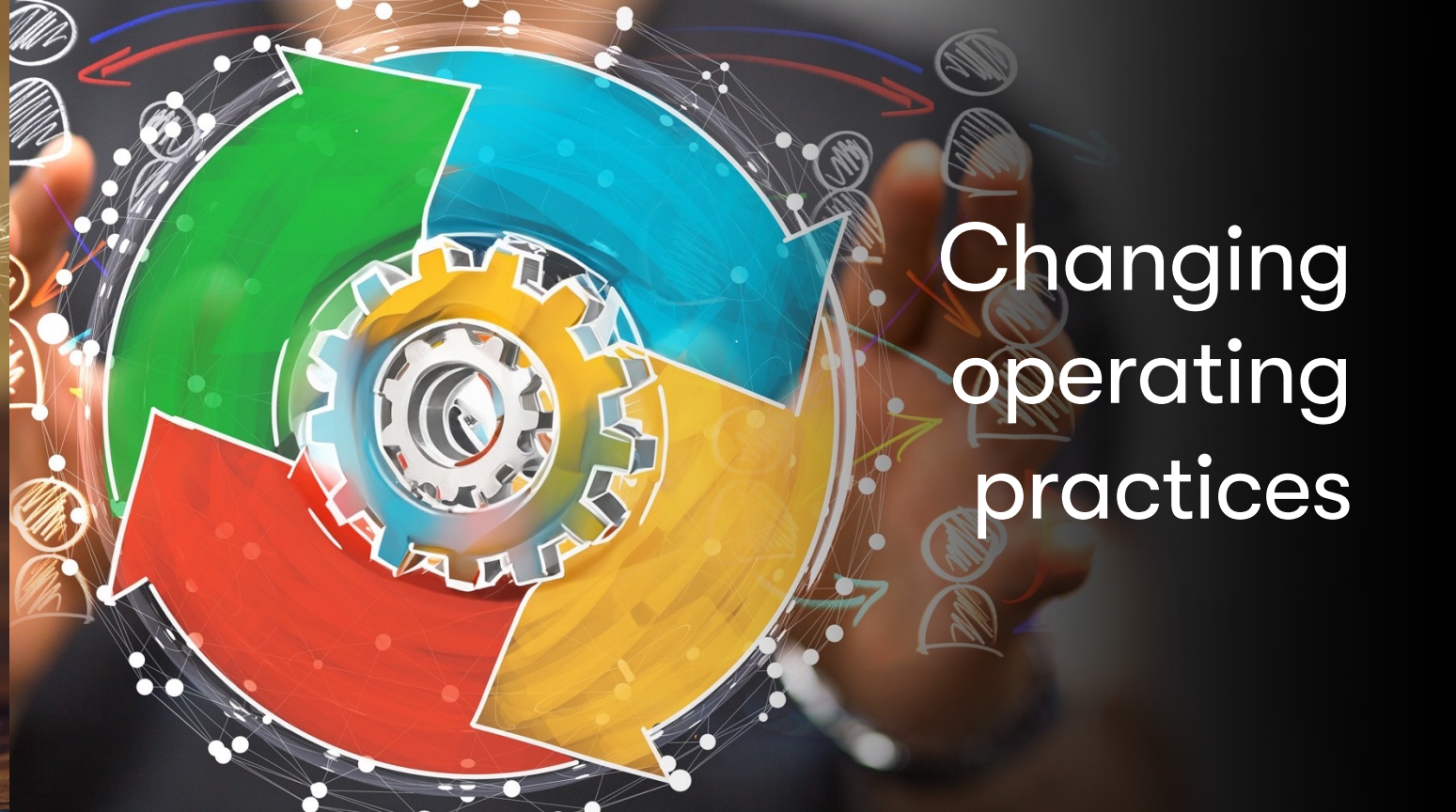
‘UNBREAKING’ AN INDUSTRY:

Fixing an Industry-wide Mess

Business
model
disruption



Changing
operating
practices



Immense
technology
shifts



Industry
ecosystem
challenges



Business model disruption

- Where the industry gets its revenue is changing rapidly
- Changing business models means new ways of doing things
- Fear, uncertainty and doubt are creating industry-wide angst





Changing operating practices

- Expectations post-COVID are changing nearly everything
- Need for greater efficiencies driving massive change
- Workflow requirements are evolving much faster today

Immense technology shifts

- Unprecedented amount of simultaneous technology change
- Move to cloud/virtualization is causing fundamental rethinking
- Demands for more data driving significant technology needs
- Different workflow needs driving different technology requirements



Industry ecosystem challenges

- Various strikes are weakening the industry ecosystem
- Even more focus today on reducing production costs
- Business, technology and operational shifts will drive significant disintermediation

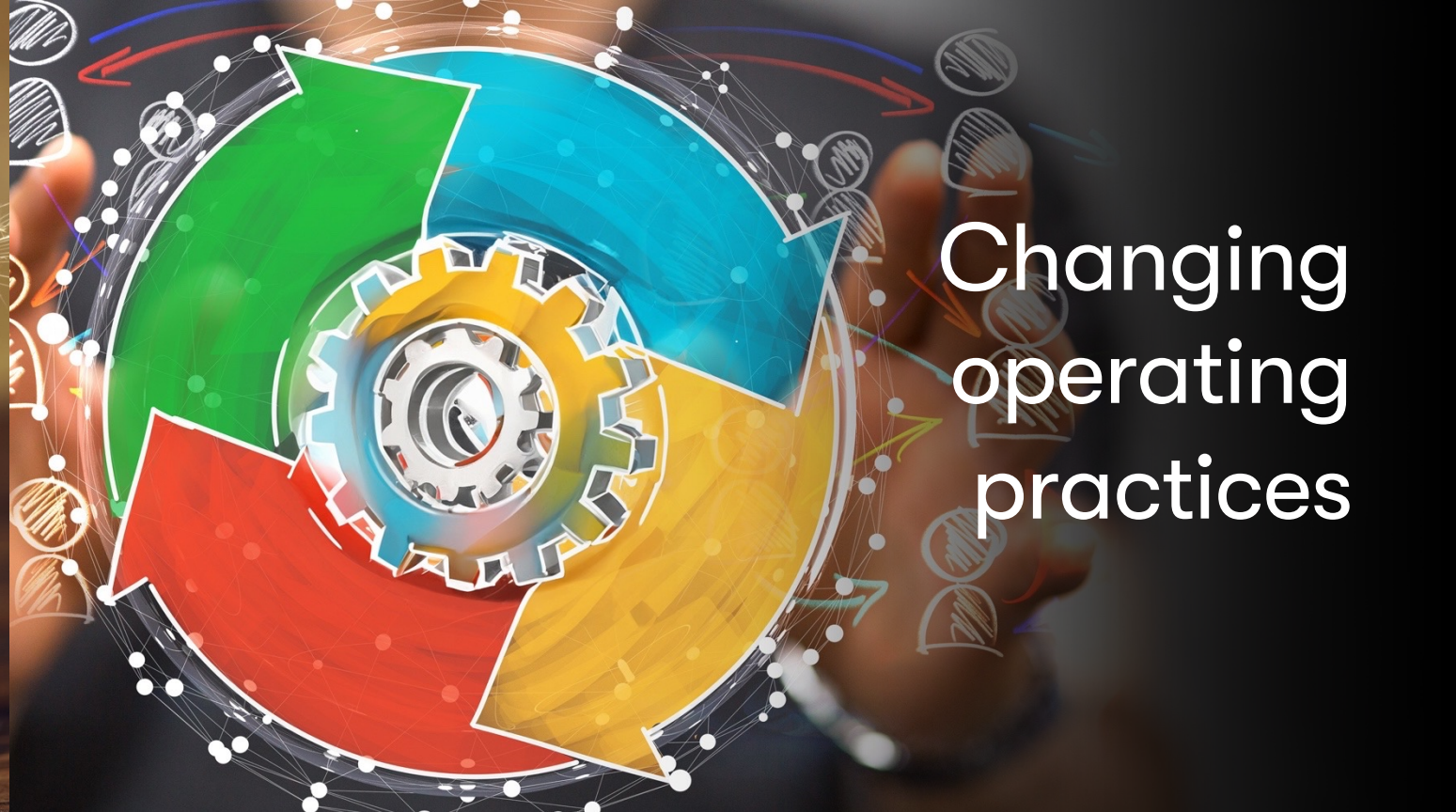


**DISINTERMEDIATION
AHEAD**

Business
model
disruption



Changing
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practices

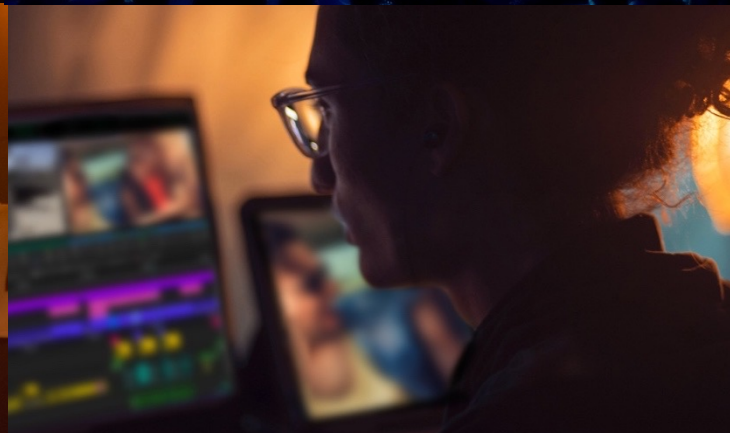


Immense
technology
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Industry
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Dealing with the evolving business models

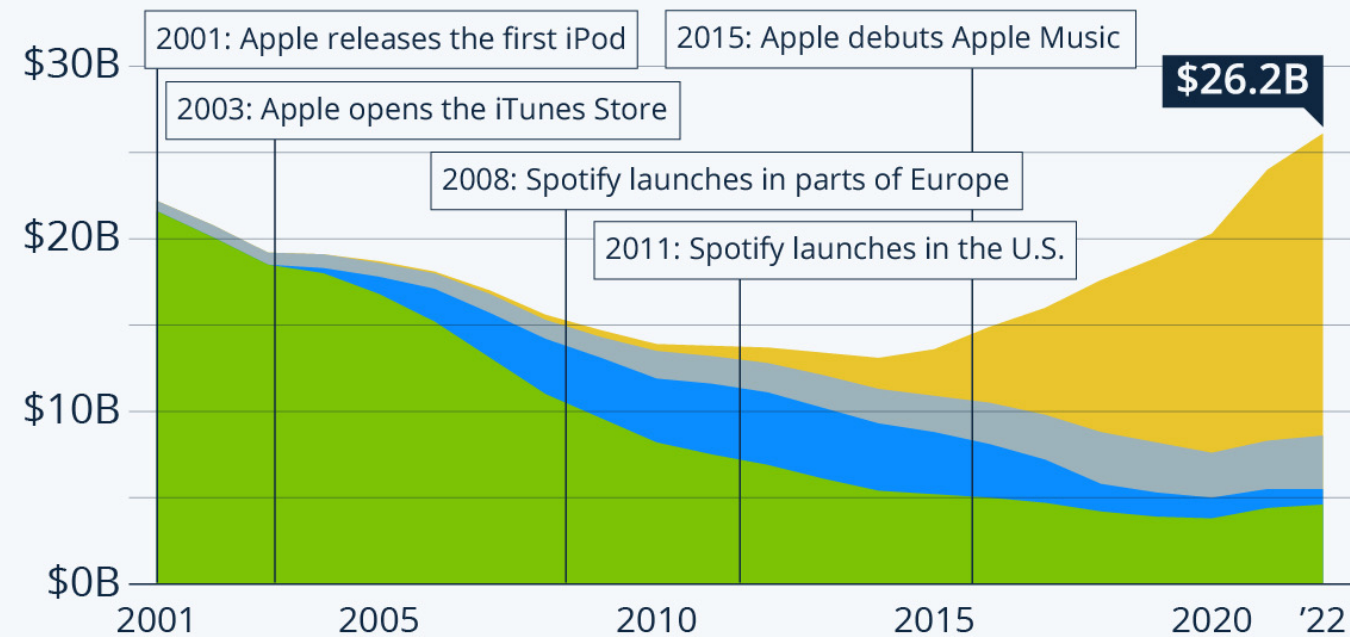
- Need to be brave—all will be fine, and it will shake out favorably in the end
- Consumer's raging appetite for appealing content will not go away
- Streaming is NOT a bad model—need to embrace it as it may be the savior
- Maybe we should learn a bit from the experiences of the music industry ...



Streaming Drives Global Music Industry Resurgence

Global recorded music industry revenues*

● Physical ● Downloads and other digital (excl. streaming) ● Others** ● Streaming



* Not adjusted for inflation

** Includes performance rights and synchronization revenues

Source: IFPI

ANNUAL MEDIA REVENUE TRENDS BY SOURCE

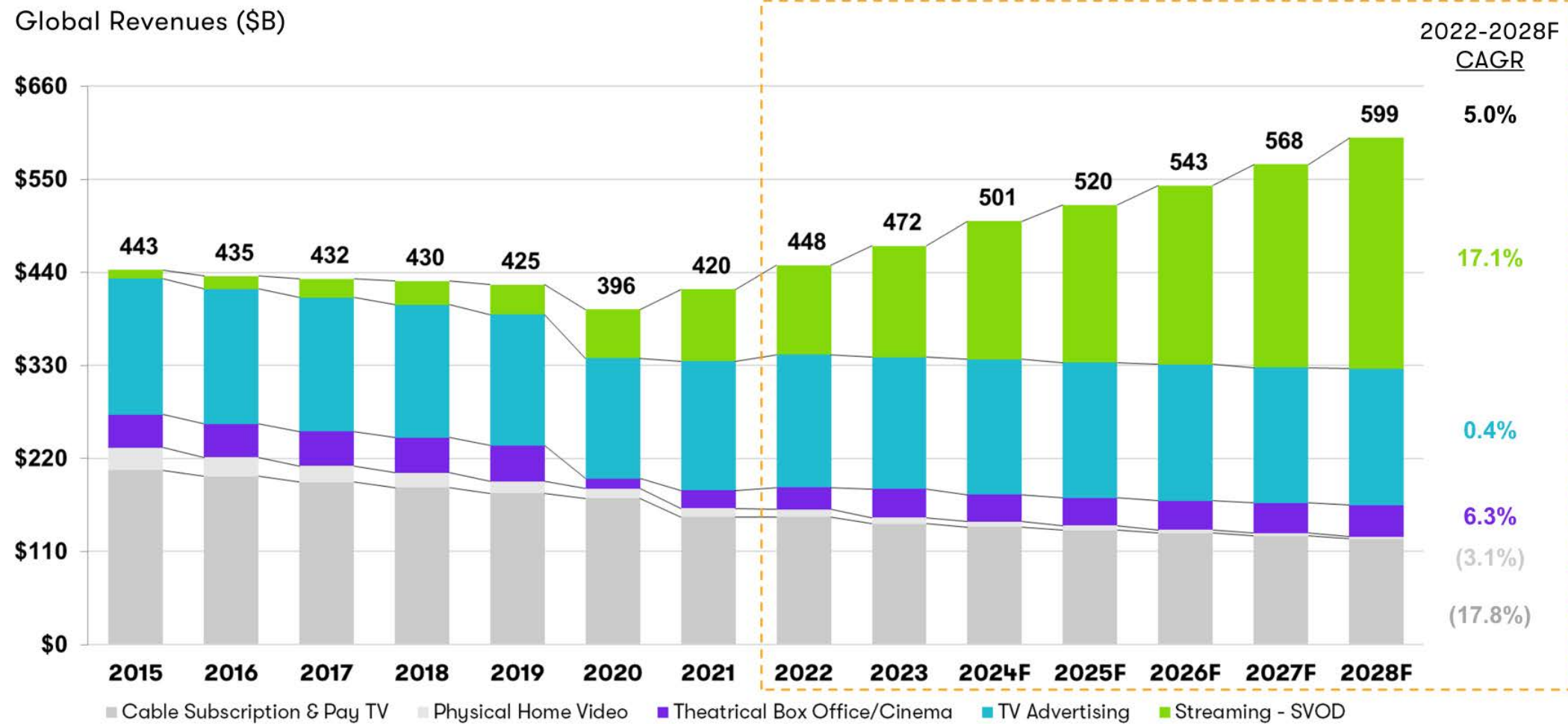


Chart derived by Avid using compiled and extrapolated data from varied research sources: PWC, Digital TV Research, MiDiA, Comscore and Statista



Handling vastly changing operating practices

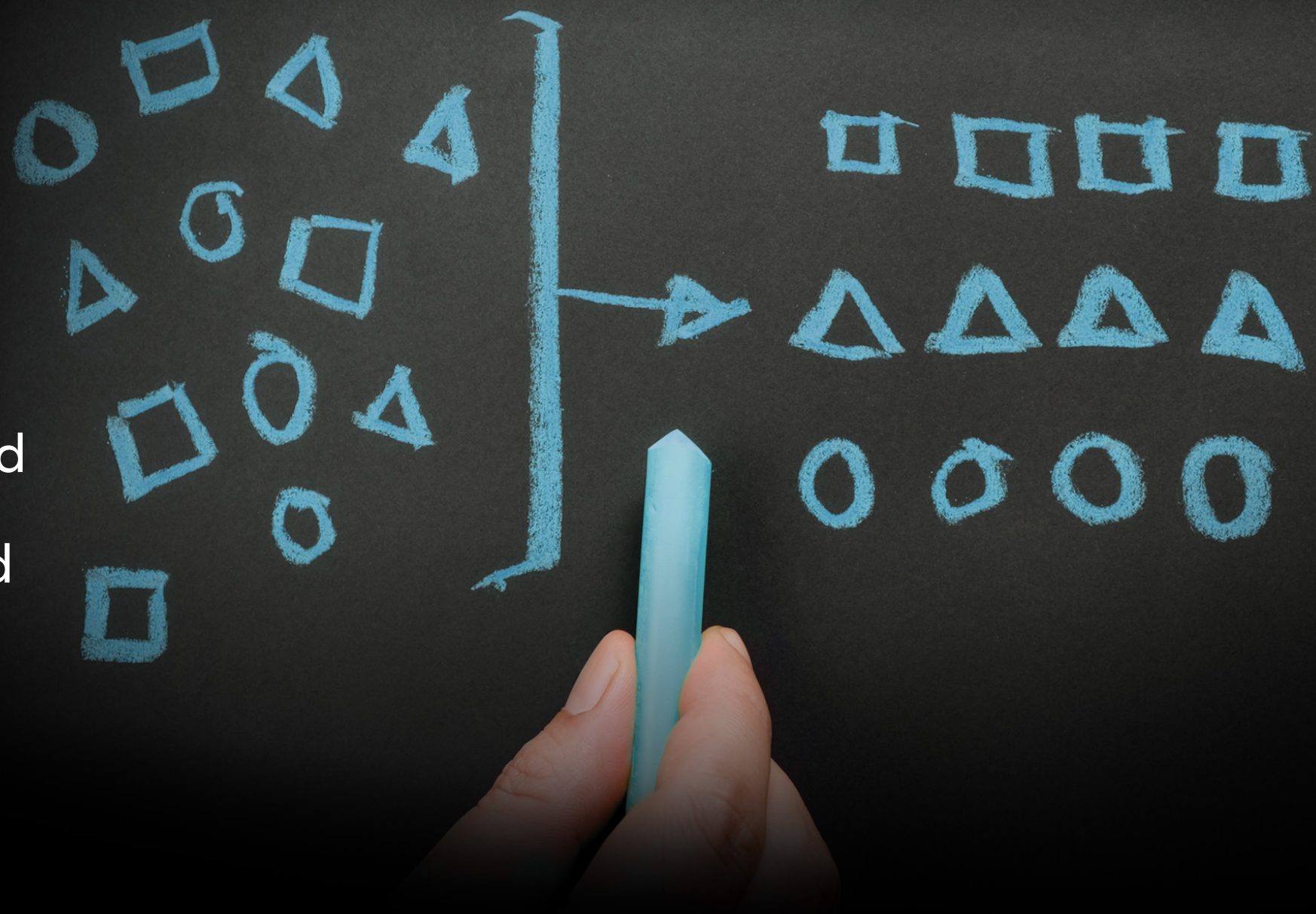
- Recognize that change is inevitable, change is needed, and change is indeed good
- Our industry is still way too inefficient—we must find ways to do things faster/cheaper
- The pandemic was only the beginning—if there's a new normal, we're not there yet
- Capitalize on the opportunities for change
- Fully embrace the global talent pool





Managing the impact of massive technology shifts

- We must fight the urge to “do it the way we’ve always done it”
- Embrace more standardization—we must get aligned, stay aligned
- Avoid bespoke thinking—we need to preserve common workflows
- We must be very open to the possibilities AI/ML brings, but ...





Facing uncertain ecosystem disruptions

- Keep a very close eye on how things are evolving in our businesses
- Disrupt or be disrupted—need to avoid the coming disintermediation
- Be brave and face uncertainty head on—don't take a 'wait and see' view
- We must avoid more strikes—they're damaging the industry ecosystem



*Some things can
be more valuable
and stronger
when they've
been broken*

Kintsugi
“Golden Joinery”





