

Spain may have been without leadership for over six months, but integrators and manufacturers are optimistic about the outlook for the AV industry.

# Back on track

Spain has been looked upon as a model of resilience in recent years. The country is forecast to outpace Germany, France and Italy to be one of the fastest-growing economies in the Eurozone this year following the Great Spanish Depression of 2008-15, sparked by the world financial crisis. Business confidence is gradually returning to the country, despite being stuck in a political stalemate, with no official government in place since December 2015.

Can a somewhat public sector-reliant industry like the AV industry thrive amidst what has been billed as the country's worst political crisis in decades? "We've seen an important recovery during 2015; however the political instability is going to be a key factor regarding future investments in AV projects. Many of our projects are on standby," says Marc Torne, sales director at Barcelona-based integrator Ditec.

The mood is still positive within the industry about the future. Horacio Beltran, head of sales in Spain at Albiral Display Solutions notes: "In the last 18 months business has improved compared to previous years in the worst period of the crisis."

"I'm confident this growth (the government predict around 3%) will help companies to invest in AV integration," says Christophe Malsot, regional director, Crestron southern Europe.

Ditec hires 42 people across its Madrid and

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*- Marc Torne, Ditec*

Barcelona offices and is still securing work in the government sector. "We have won a tender to equip the Valencian parliament, one of the small opportunities we have in the market. It was a close tender involving 10 companies," says Torne.

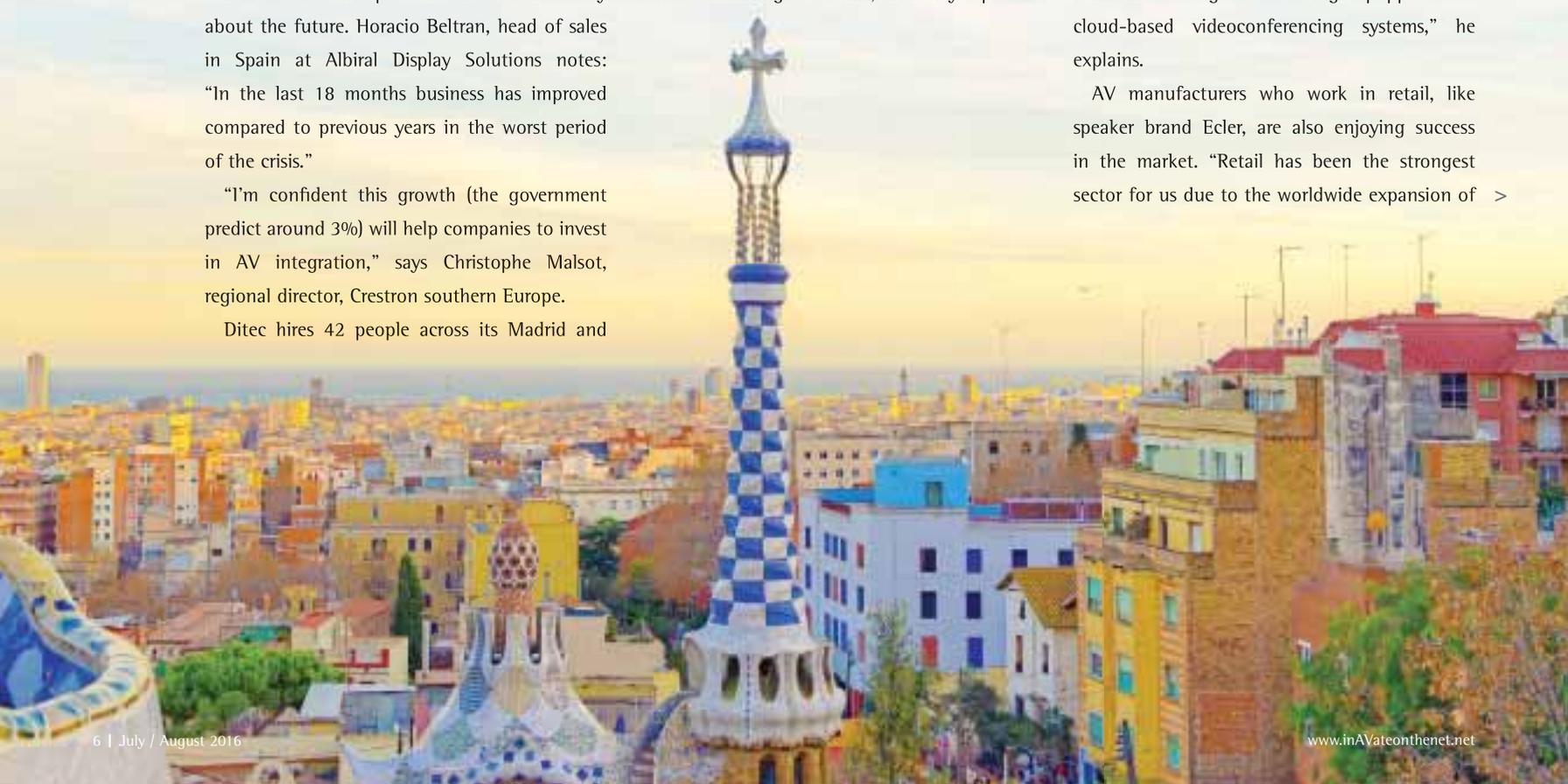
Most of Ditec's success (as at Albiral and Crestron's Spanish headquarters) is coming within the corporate arena, both locally and internationally – with many companies seeking work abroad during the country's financial hardship. "Corporate and rental and staging are for us the strongest sectors, and they represent

more or less 75% of our revenue," says Torne.

Malsot continues: "Meeting rooms and room booking systems at business headquarters – this is the area of growth right now."

Torne adds that Ditec is finding wireless meeting room systems are the key point of entry to highlighting the benefits of a wider AV system to local companies. These businesses are recognising the benefits of deploying them to make meeting rooms more collaborative and productive. "We are seeing a trend of small and medium meeting rooms being equipped with cloud-based videoconferencing systems," he explains.

AV manufacturers who work in retail, like speaker brand Ecler, are also enjoying success in the market. "Retail has been the strongest sector for us due to the worldwide expansion of >



< Spanish retail chains,” says Daniel Gonzalez, the manufacturer’s marketing director.

There are other clear areas for potential growth in Spain. “Digital signage is taking off in Spain,” says Tome. Ditec, with a dedicated medical division, also has high hopes for securing work in operating rooms. “Medical is growing as well. We have invested a lot into it so are expecting it to increase significantly in the future,” adds Tome. He does add that the changing structure of the AV industry in recent times can sometimes be problematic for an integrator’s business. “With the economic recession we’ve seen manufacturers working closer with the customer specifying solutions, and that’s positive. But what we don’t think is right is distributors setting up installation divisions that commission systems as well, or addressing the end customer directly through other subsidiaries of the company. Sometimes we are competing, not just with integrators, but with distributors too.”

From a manufacturer’s perspective, however, this can be positive. Gonzalez says, “As in other European countries, roles are clearly defined

so system integrators and pro audio installers normally do the job. However, due to the evolution of technology, we believe distributors and even manufacturers should be involved in guaranteeing the final result.”

Manufacturers and integrators do agree on one thing: going forward increased professionalism and education are imperative to the industry’s growth. “I would like quality and technical specifications to be taken into consideration more. End users would press prices in the years of the deep crisis, and this has meant projects were given to companies that sometimes did not have the skills required, and other times offered products that don’t offer the minimum quality

required,” says Beltran. He concludes: “It is not possible to correctly implement a project if the tender is based on 80% product costs and 20% implementation costs - I hope this changes with our improving economic situation.”

Tome says as AV evolves, so must how companies approach employee education. “The market is demanding more trained staff, especially taking into account that IT and AV has converged and the new set of skills required for addressing complex AV projects. We have to provide our own training (mainly mentorships) to fill the gap between the information our employers receive at university, and the requirements we are facing.”

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