

COVID-19 challenges and opportunities

TCCA webinar

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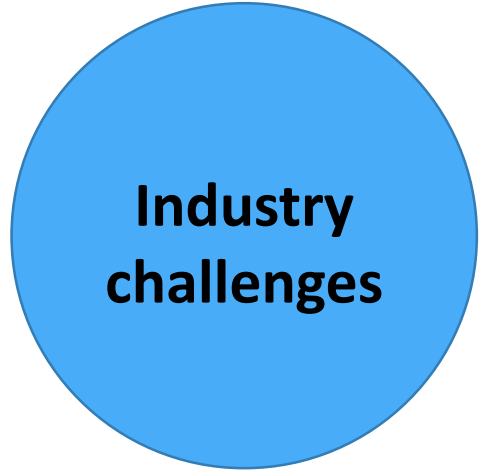
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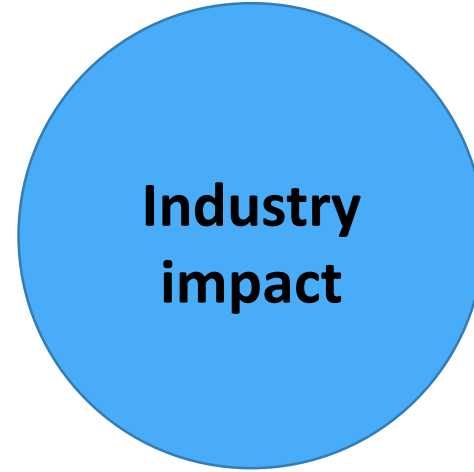
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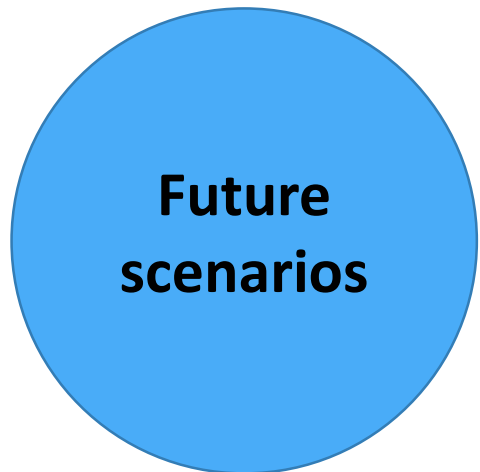
Agenda



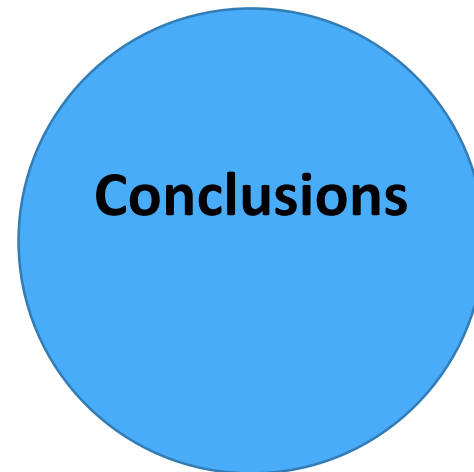
- What challenges has the critical communications industry faced from COVID-19?



- What has the impact been from COVID-19 on the critical communications industry?



- What will the future look like for the critical communications industry?



Conclusions

Informa: Connecting specialists with knowledge, helping them learn more, know more and do more.

FTSE 100

Listed on the London Stock Exchange

Growth focused

£2.4bn in revenue up from £1.3bn in 2016



11,000 staff

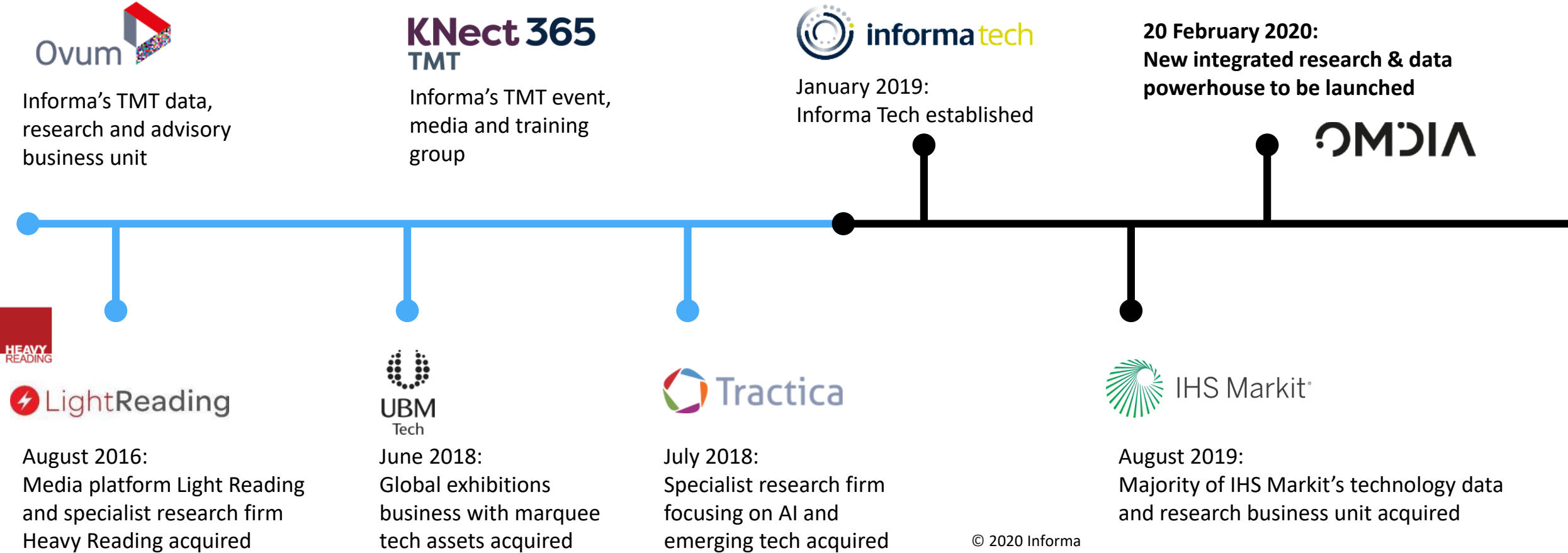
Located in 30+ countries

#1 in events

The world's largest organiser of exhibitions

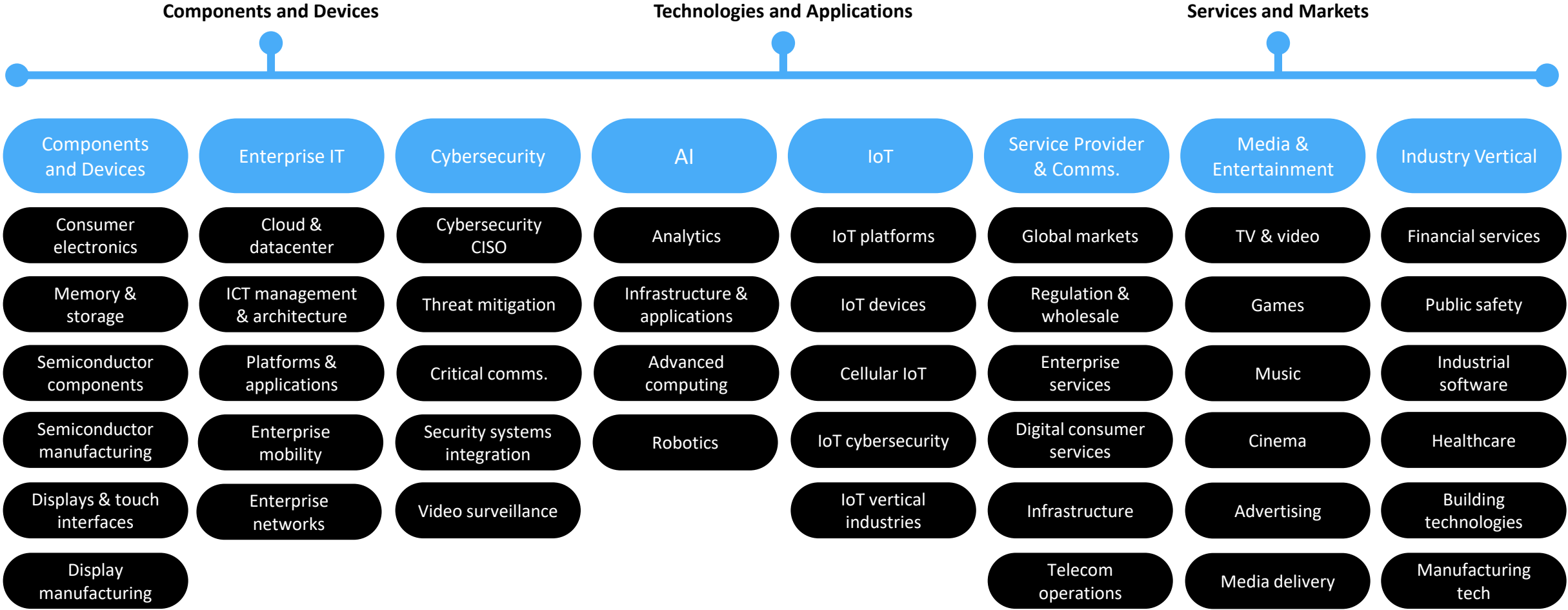


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Our expertise spans the TMT value chain



Our expertise spans the TMT value chain

Components and Devices

Technologies and Applications

Services and Markets

Video Surveillance

- Video Surveillance & Analytics Intelligence Service
- ANPR & Detection Sensors Report
- Enterprise and IP Storage Video Surveillance Report
- Video Surveillance as a Service Report
- Body Worn Cameras and Digital Evidence Management Report
- Mobile Video Surveillance Report
- Security Systems Integration Report
- Audio & Video Door Phones Report
- Video Surveillance Installed Base Report
- Perimeter & Drones Security Report

Critical Communications

- Critical Communications Broadband Intelligence Service – Annual
- Mobile Radio Intelligence Service
- Safe Cities Report
- Command & Control Rooms Intelligence Service – Annual
- Public Safety Technologies Report
- Licensed Mobile Radio Terminals Report

Industry Vertical

Public safety

COVID-19

- Black swan event
- Large impact, long term implications
 - Varying by:
 - Country
 - Vertical market (Public safety, transportation, utilities)
 - Market sector (control rooms, broadband, mobile radio)
 - Technology (LMR/LTE devices, mobile routers, TETRA, DMR, etc.)

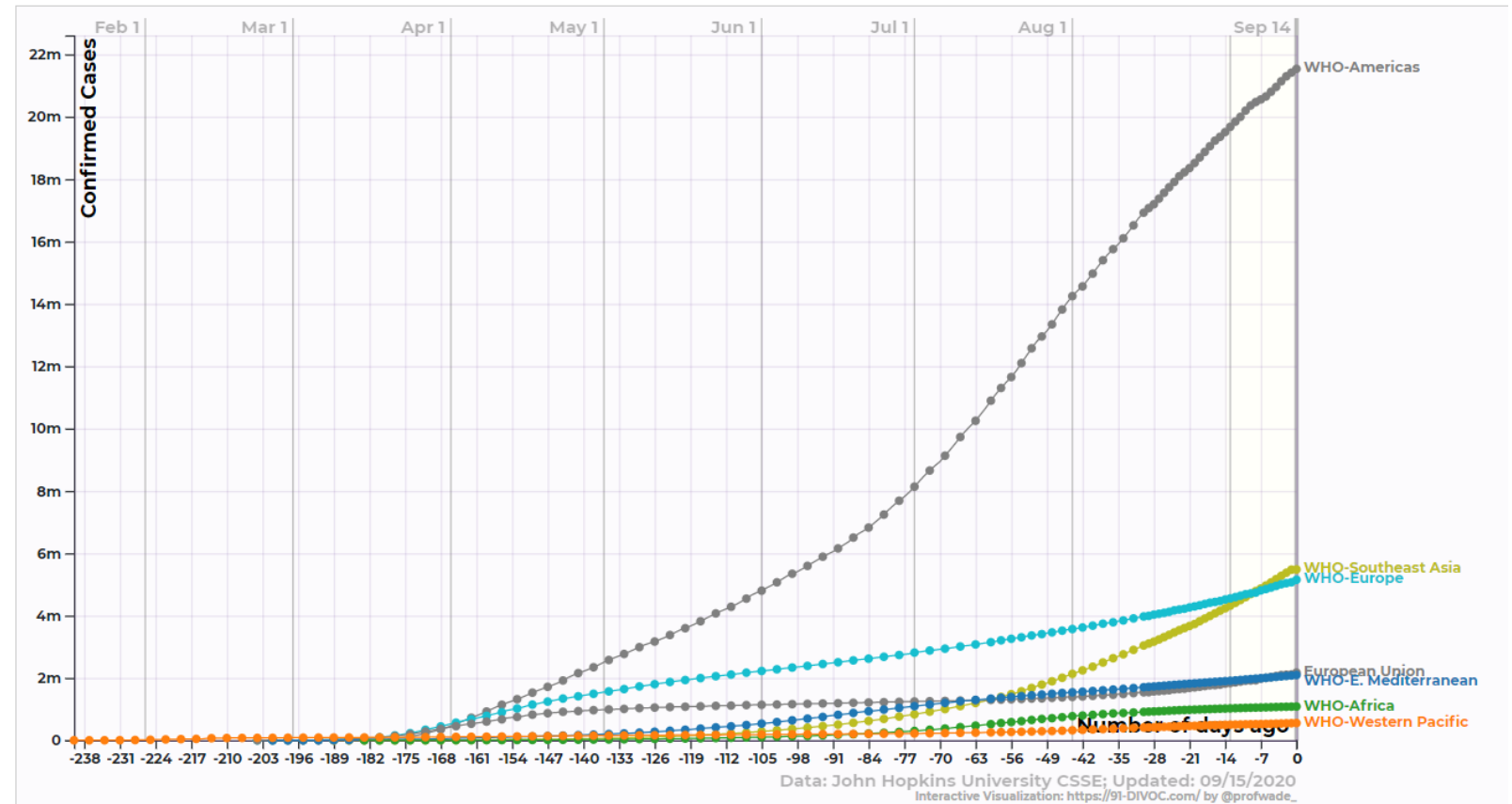


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COVID-19

- Regions impact varies
 - Americas worst affected
 - Southeast Asia’s outbreak continues to accelerate
 - Europe bracing for “second wave”

Confirmed COVID-19 Cases



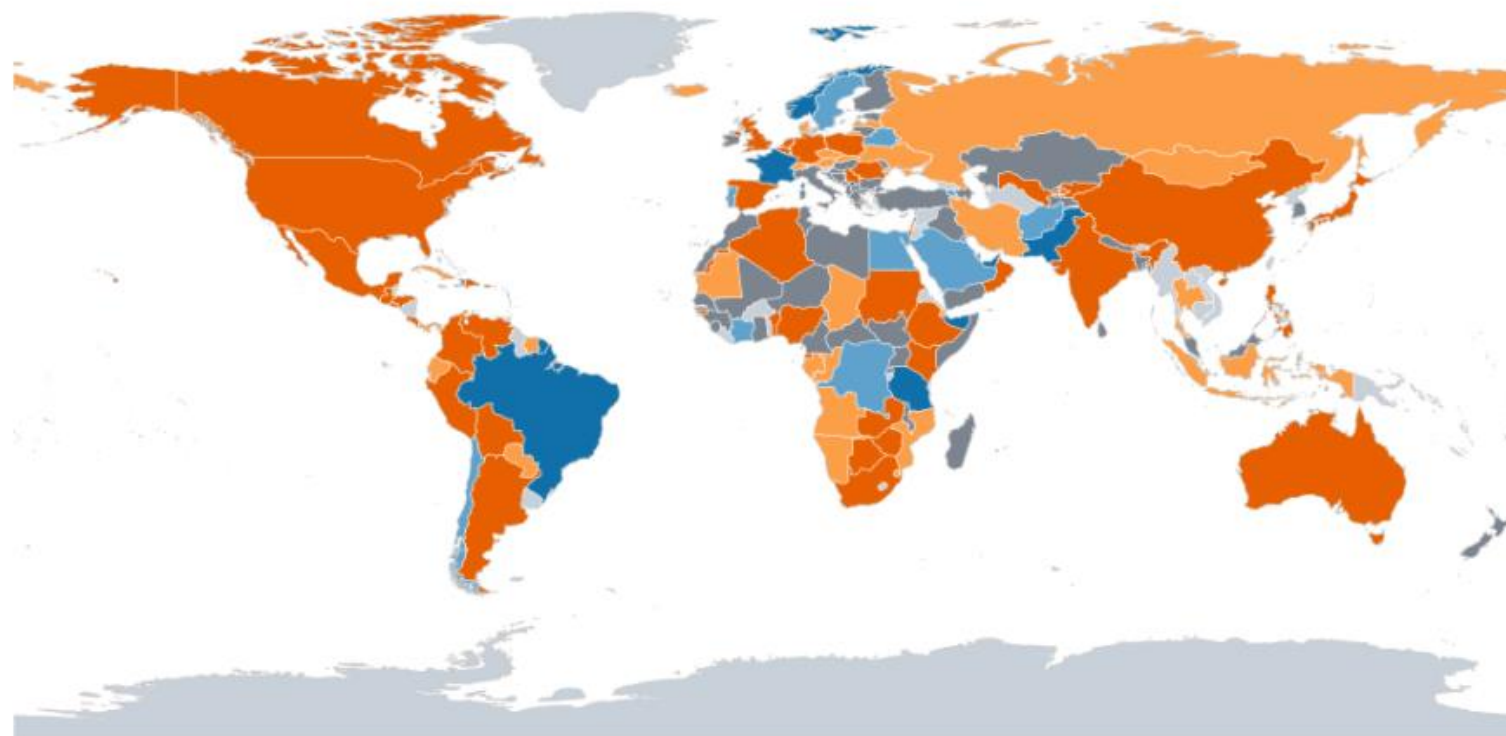
Source: <https://91-divoc.com/pages/covid-visualization/>

15/09/2020

COVID-19

- Impact will be long lasting
 - Centre for Infectious Disease Research and Policy (CIDRAP) suggest that the COVID-19 outbreak won't end until 60-70% of the population is immune
 - Earliest vaccine likely 2021. Will not be available widely
 - Pandemic expected to continue through to 2022

Expected daily confirmed cases by country



Source: <https://epiforecasts.io/covid/posts/global/#global-and-regional-summary>

14/08/2020

Industry challenges

- Increased ‘surge’ demand on health care services
- Policing mass gatherings and enforcing ‘lockdown’ rules increased demand on already overstretched police forces
 - Offset somewhat by reduction in traditional policing functions e.g. alcohol-related disorder, policing mass events
- Social distancing requirements, particularly within control rooms
- Maintaining staffing and service levels when staff are ill or need to self-isolate after exposure

"The Coronavirus pandemic represents the biggest challenge to UK police since the Second World War"

– Richard Walton, Senior Fellow at Policy Exchange and former Head of Counter-Terrorism Command at the Metropolitan Police



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Critical communications impact

Surging group voice demand

- Requirements for emergency medical services surge capacity adds temporary patient transport capacity
- Command and control of these resources exhausts equipment caches for TETRA/P25 push-to-talk, leading to new LTE-based deployments

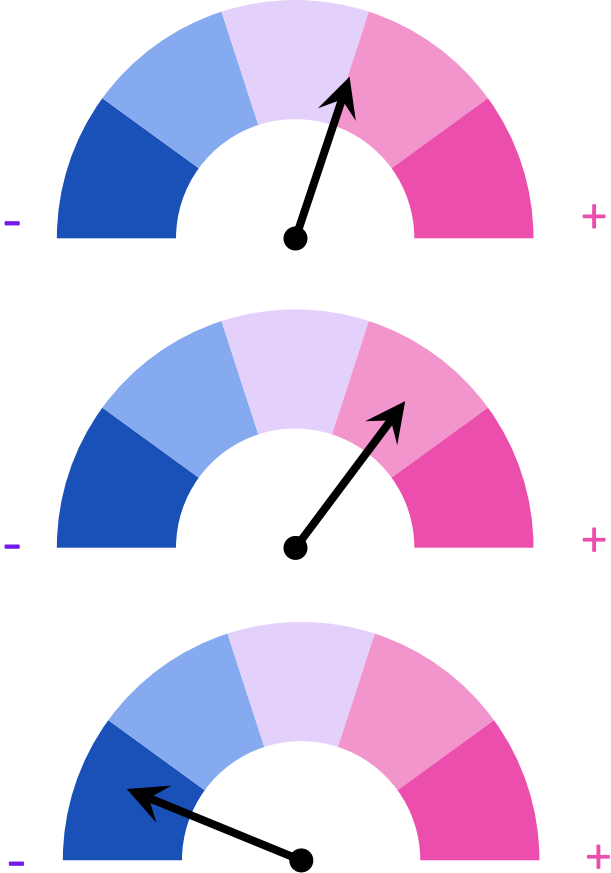
Control room agility becomes vital

- Contamination of primary dispatch centers creates need to relocate to secondary centers
- Support for home-based call-takers growing
- Leads to increased adoption of cloud-based dispatch software


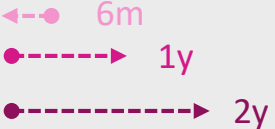

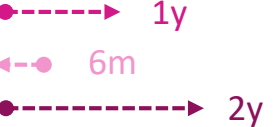


Projects slip or cancelled

- Prospect for delayed projects as municipal staff is diverted to front-line operational responsibility.
- Long-term loss of tax revenue may jeopardize future projects that do not have locked in funding.

Revenue impact



Critical communications impact

Service segment	Revenue impact	What to expect	Expected duration*
LMR/PMR systems	Negative 	Projects delayed Growing importance of hybrid LTE/LMR solutions Substitution of LTE for LMR in the infrastructure	
Control rooms	Neutral 	Increased home working speeds system refreshes and upgrades Projects delayed Accelerated shift to cloud-based architectures	
Critical communications broadband systems	Very positive 	Telemedicine accelerates mission-critical LTE adoption Requirement for wireless routers grow to serve field hospitals	

*Duration up to the time mentioned. This is an estimate based on whether the impact is purely driven by quarantines or lockdowns, or will continue longer due to post pandemic recession, or simply accelerating an ongoing trend
Source: Omdia

Critical communications impact

Service segment	Revenue impact	What to expect	Expected duration*
LMR/PMR systems	-30% to -35%†	Projects delayed Growing importance of hybrid LTE/LMR solutions Substitution of LTE for LMR in the infrastructure	
Control rooms	-10 to +5%†	Increased home working speeds system refreshes and upgrades Projects delayed Accelerated shift to cloud-based architectures	
Critical communications broadband systems	0 to +10%† 	Telemedicine accelerates mission-critical LTE adoption Requirement for wireless routers grow to serve field hospitals	

*Duration from date of presentation. These estimates reflect the impact of quarantines and lockdowns and may continue longer due to an ongoing trend.

† Revenue impact ranges for 2020 based on Omdia analyst estimates.

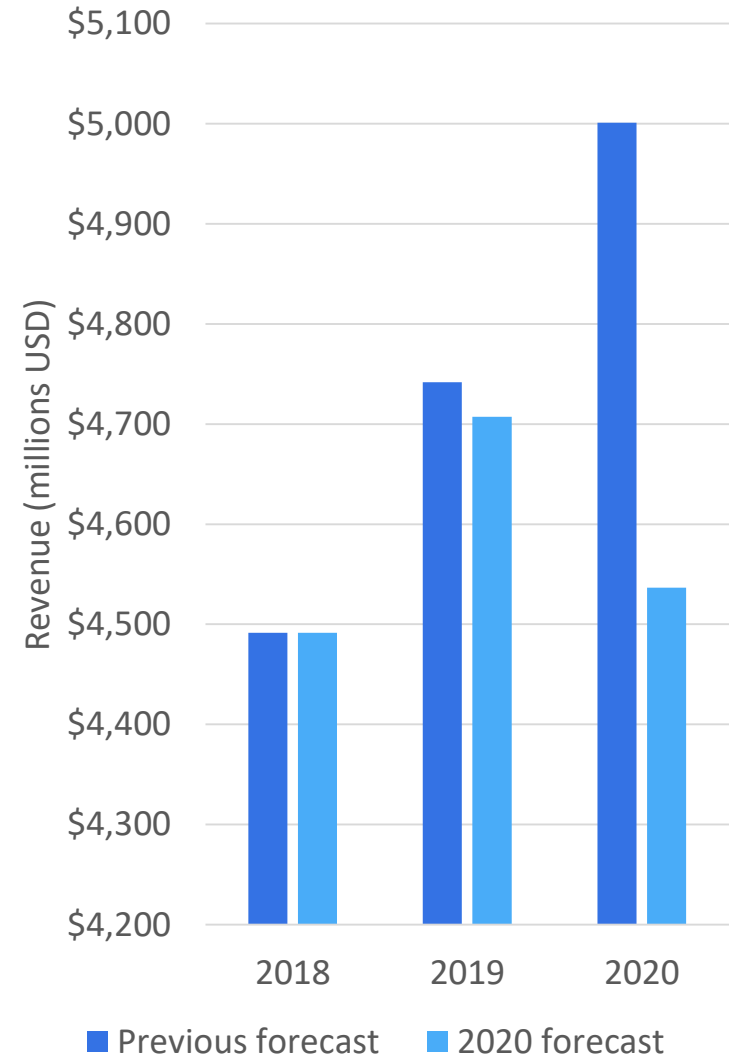
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Critical communications impact

- Public safety projects on long cycles
 - Schedules shifted due to emergency staff deployments back to field
- Non-public safety projects at greater risk
 - Transport collapse brings multi-year impact
 - Utilities capex funding at risk with lower rate payer revenue
- Europe and Asia will out-perform US
 - Consistent national lock-downs reduced strain on medical system
 - Effective testing and tracking programs enable reopening of economy safely
 - Cash injection for loss of wages boosts consumer confidence
 - No single US strategy, only regional and state initiatives

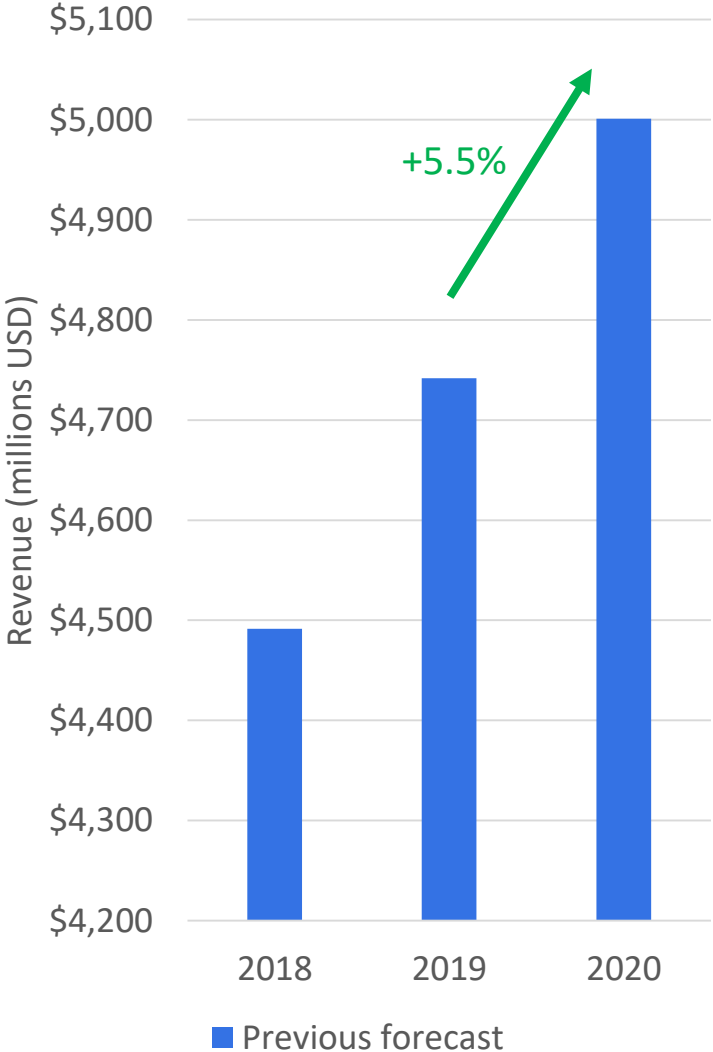
Control room market forecast comparison



Critical communications impact

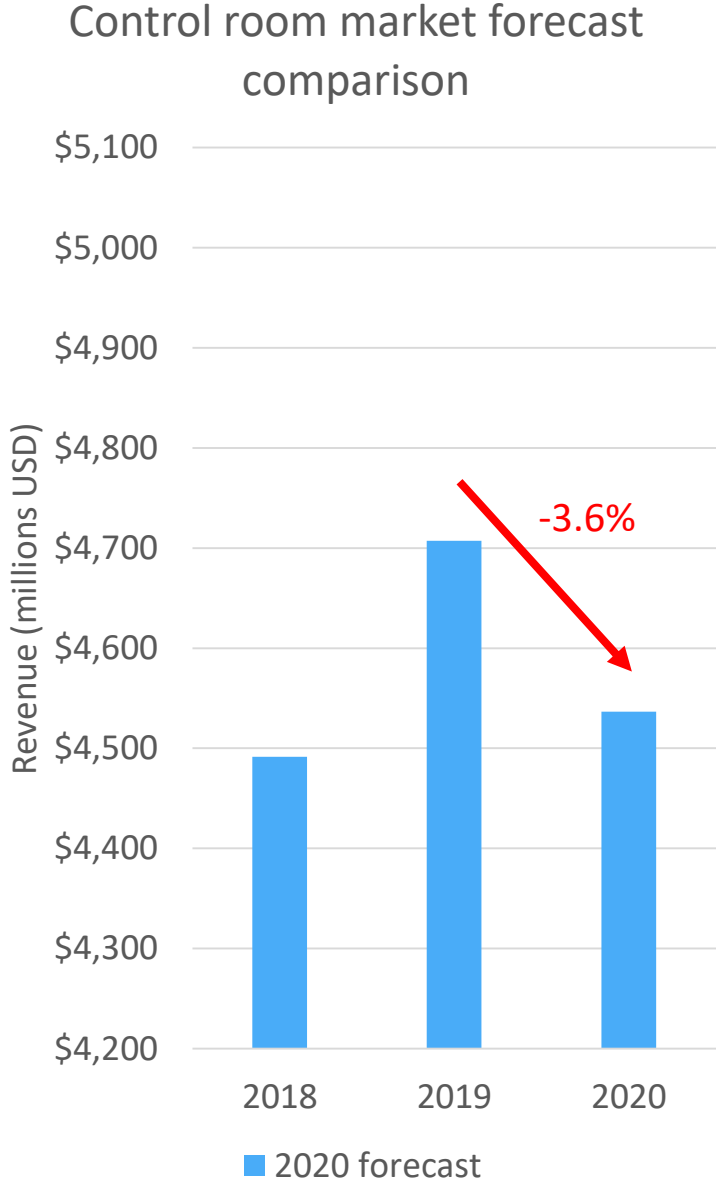
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Control room market forecast comparison



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Future scenarios



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Future scenarios



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COVID-19 crystallises change

- Crisis acts as accelerant
- Increases speed of adoption for technologies such as NG911/112, cloud-based control rooms, and body worn video

“I really see what the virus is exposing in terms of options and opportunities as to being really a blessing in disguise” – Steve Souder, former director of the 911 center in Fairfax County

Future scenarios

Recession reduces refresh rates

- For the first time since the Great Depression, both advanced and emerging economies find themselves in recession

“The Covid-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecast” – Gita Gopinath, Chief Economist, IMF



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Future scenarios



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*"Change the way
you look at things
and the things you
look at change."*

Conclusions

- COVID-19 presented, and continues to present, additional pressures onto emergency services
- Surging voice demand, flexibility and resilience of control rooms has become vital requirements
- Industry picture is mixed – dependent on sector, geography, and technology

COVID-19 acts as an accelerant of pre-existing trends

Questions?



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Thank You

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