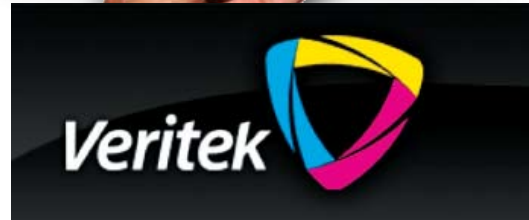


Silver service

for the projection room from



Jim Slater visited the cinema industry's newest service company

A changing industry

For generations past the servicing of technical equipment in cinemas in the UK has been carried out by a handful of traditional companies who have become 'household names' in the business, well-known for their competence and experience both in cinema installation and servicing. It was therefore something of a surprise at CineEurope time to come across a press release with the heading 'Sony choose Veritek for Europe-wide cinema servicing', and I therefore investigated further, talking with both Sony and with Veritek, to find out more about this interesting and perhaps ground-breaking development.

The basic details of the arrangement are straightforward - Sony have signed a ten-year service agreement with Veritek Global Ltd. to deliver service support to cinema exhibitors across Europe. Veritek, although previously unknown in the cinema industry, is a sizeable company, formed in 1985, which achieved 12th place in the 2011 Sunday Times International Track 100. It has



Veritek MD Jim Edgar welcomed Cinema Technology to the Eastbourne Headquarters

more than 250 service engineers all around the UK and in Europe and has many years expertise in the installation and servicing of complex photo-processing, healthcare and ophthalmic systems.

Serving Vue's Sony installations

Sony are currently rolling out their 4K projection systems to the complete Vue Cinemas network, and as part of that overall agreement, Sony sought out a qualified third party support company. Veritek, which has already provided Sony with pan-European support in other industries, met their requirements, and worked with Sony and Vue to obtain full accreditation to deliver field engineering support for the ongoing maintenance of their cinema systems, once they are installed.

Since the 18th of July, Veritek have been providing 364 day per year coverage between the hours of 9.00am and midnight, guaranteeing a same day response for priority calls logged before 4pm. Missing

from the press release was the fact that Sony have actually chosen to split their cinema servicing work between Veritek and Sound Associates - it is a geographic split, with Veritek taking on responsibility for some of the remoter parts of the UK. This is an interesting move, since it will obviously allow Sony to compare the working methods and performance of new and traditional service suppliers.

Visiting Veritek

I was delighted to be given the chance to visit Veritek's Eastbourne Headquarters and its nearby Park View site - there are currently three UK sites - on what turned out to be a wet and stormy day in September. I was welcomed by Managing Director Jim Edgar, who has been with the company since 2007, and he gave me some of the background to the company. Jim was also keen to ask about the cinema industry and how it has been changing and developing in recent years.

I was given a conducted tour of the factory and of the nearby offices, and took the chance to talk with staff from a wide range of areas, before embarking on some in-depth discussions with James Salamon, Head of Business Development and Roland Brooks, Digital Cinema Specialist.

Why move into cinema?

I began by asking how and why Veritek had decided to get into the area of servicing cinema equipment. James began by explaining about the company background and how it has developed in recent years. Veritek was founded in 1985 by the current Chairman Adrian Teulon. Veritek Global Ltd is the parent name for the international group of companies formerly trading under





Veritek is involved in providing service to a wide range of industries. The photographs show (clockwise from top left) the extensive repair centre workshop area; an Engineer working on complex optical test beds checking repaired units; part of the pre-staging area; R&D department developing tailored IT solutions for retailers.

the CMS and machinehealers brands. With its headquarters in Eastbourne, East Sussex, the company operates from three other sites in the UK and nine centres in mainland Europe, plus the USA and Australia. Veritek had a £25 million turnover last year, with some £11 million gross profit, so is certainly much larger than any of our current cinema service companies, and it was interesting to see a small part of its nationwide fleet of vans and cars, all bearing the distinctive yellow cyan and magenta logos.

Although it still has a small company philosophy of looking after its customers individually, Veritek has in recent years taken its international stature seriously, and has become ISO 9001-2008 Quality Management accredited – I visited the small

James Salamon, Head of Business Development and Roland Brooks, Digital Cinema Specialist



department that looks after standardisation and documentation and the staff there are fully up to date with all the relevant regulations and best practice. They are proud to have been listed number twelve in the 'Times International Track 100 Companies'. I also noticed in another department that the company was taking full account of its WEEE waste recycling responsibilities, as old equipment was being stripped down to individual components, each of which would be disposed of appropriately.

I was interested to learn that Veritek has a long history of delivering high-quality engineering service solutions to a wide range of industries including Photo-Imaging, Healthcare, Ophthalmic and Industrial X-Ray. The company employs more than 250 engineers across Europe, including some 140 field-based staff in the UK. We discussed some of the current areas in which Veritek is providing service facilities, and it soon became apparent that their existing engineers already have many flexible skills that could, with appropriate training, be applied to the digital cinema business, providing a new and ongoing stream of work for the engineering team.

- In the Healthcare sector Veritek has contracts with major health service providers to provide 'whole of life' product support for a broad range of systems and equipment, including conventional photographic X-ray

machinery, scanning equipment, and digital radiography systems. Such equipment is these days connected to networks so that medical professionals in different locations can easily access the digital images, and Veritek takes responsibility for all the ancillary network and computing equipment. At a time when many of us struggle to get equipment fixed by manufacturers I was fascinated to learn that one of Veritek's health service contracts commits them to completing any repair within 3 hours 40 minutes of the fault being notified, and that applies 24/7, 366 days per year, with stiff financial penalties for any failure.

- Photo Imaging is a major area for the company, and I was interested to learn that they are the market leader for independent service and support in the sector, providing engineering solutions for both digital and traditional Mini-lab photo systems. In the major photographic stores, chemists, and supermarkets, this extends to the printing systems that are part of modern mini-labs, photo kiosks and their IT related equipment. The company are keen to emphasise that their only product is 'service', but it was notable that some of the photographic equipment companies have effectively handed over most of their equipment related functions to Veritek, who take delivery of the kit from the suppliers around the world, assemble and prepare it on site at

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Eastbourne, install the necessary software and check everything for perfect operation, before dismantling the system and shipping it to stores around the UK. There is also an impressive 'refurbishing' section, where well-used photo-lab equipment from stores is brought in and completely refurbished, including a re-spray so that everything looks like and works like new when it is returned to the stores.

- Opticians

In recent years my regular visits to the opticians have been made more interesting by being able to look at the increasing amount of hi-tech equipment that is used to ensure an easier and more accurate eye test and health check, from the tonometer that uses a puff of air to measure intraocular pressure to the autorefractor and retinoscope that help to determine the lens prescription and the digital retinal photography equipment that produces an instant on-screen picture showing the condition of the retina. I was interested to learn that Veritek supports a leading national multiple in respect of their entire ophthalmic equipment, covering 550 practices with a next day break to fix service, as well as making regular preventative maintenance visits.

- Industrial Testing

In the wider world of Industrial Testing, Veritek work alongside one of the world's leading manufacturing companies to provide engineering services in the field of Non Destructive Testing, utilising X-Ray equipment.

- Shops and superstores

In retail premises throughout Europe, Veritek provide roll-out, repair and maintenance services for kiosks and Point of Sale systems, and our discussions relating to retail stores led to an interesting story of how the company's obsession with service can benefit all concerned. One major store group had been having regular troubles with its receipt printers, and the printer supply company had been incurring large 'fines' for not meeting its service level agreement with the supermarket. When Veritek took over responsibility for the printer service and maintenance they more than achieved the wanted targets and saved the printer suppliers from the considerable penalty sums previously payable, whilst also making a profit for Veritek – a truly 'win-win' situation that provided a good example of how having servicing under control can benefit all involved.

Digital Cinema

So how does all this experience in other areas relate to Digital Cinema? Roland Brooks, who has a long history in the audio-visual industry, with seven years as a key account manager at Barco, was taken on by Veritek at the beginning of 2011 as their Digital Cinema Specialist, and he explained how Sony, having signed their contract to provide and maintain 4K Digital Cinema projection systems throughout the Vue cinema chain, but not wishing to set up a separate service division for this, began discussions with Veritek, with whom Sony already had a successful partnership to service other items of equipment. There was a great deal to discuss, including how staff would be trained on the Sony 4K digital equipment, how spares would be provided, and that all important Service Level Agreement. I asked James and Roland the pertinent question as to why they thought that a cinema chain or projector manufacturer would choose to use them rather than one of the traditional cinema service companies, and the answer came back as quick as a flash – "It is all about service and the Service Level Agreement. Whereas existing suppliers have generally had various degrees of formal agreement as to what work they will carry out and within what timescale, Veritek have an SLA with Sony which promises same day service and fixing of problems anywhere in

the UK and Ireland for 364 days per year, between 9.00am and midnight, provided that the problem is reported before 4pm, and there are hefty penalties if the terms of the SLA aren't met." I expressed surprise at the 4pm cut-off time when most cinemas do their peak business in the evenings, but Roland explained that this was what Sony had requested for this first agreement and that details could be modified in the future if required.

He also told me, when we later discussed remote monitoring, that in fact he can monitor what is happening at any cinema on his laptop, and gave a recent instance of being able to sort out an evening problem when a Veritek engineer happened to be nearby, so the system is actually very flexible.

Veritek are contracted to provide preventative maintenance and reactive engineering support to the Sony 4K projection equipment and ancillaries in the Vue cinemas under their control. Interestingly, Sony preferred, for this first period at least, to be responsible for the supply and delivery of their own projector spares, so part of the Veritek servicing agreement involves liaising with the appropriate people at Sony to ensure that spare parts and replacement assemblies are delivered to site in a timely manner so as to be available for the Veritek engineer to fit. Talk about 'just in time'!

Service organisation

Looking at the map of where Veritek engineers are currently located (150 of the 250 staff in the UK are engineers) I wondered how they allocated tasks to the various engineers, and was rather surprised by the response. The whole of the service operation is controlled via an in-house designed and built service management system, 'Unicom'. Rather than simply allocating service jobs to the nearest engineer, the jobs are 'advertised' to the engineers via a hand-held device (Blackberry).





(Left to right) Rob Stepney - Repair Centre manager; Martin Denyer - Sony D-Cinema technical author and training course designer; Gary Downs -Technical Specialist & Software Management. Martin spent four days on the intensive digital projection course at Sony in Basingstoke. Working with the Sony training staff he has compiled and assembled an in-house training manual for the twenty Veritek engineers who will be initially working on the Vue cinemas service project.

These messages are originated by the Eastbourne help-desk which will have received the request for help from the customer, and then, the surprising bit for me, engineers choose their own jobs based on either enforced priority or by proximity and work type. James told me that this unique approach to service - self allocation, combined with multi-level and multi skilled engineers, enables Veritek to meet very tight SLAs with minimal travel time, which drives efficiency and uptime. Customers can also have direct web access to Unicom allowing them to monitor the service being delivered and run their own live reports, and many appreciate the openness and 'real time' visibility of service activity that the system provides. Unicom can be accessed on any internet connected computer device, subject to the appropriate security precautions. The team of help-desk operatives are all multi-skilled so as to be able to call up the most appro-

priate response for any customer, but in the same area there are numerous technical specialists in areas like digital cinema or ophthalmology, and these are provided with state of the art remote diagnostic systems to ensure that the customer always receives the most appropriate help.

Training questions

Cinema Technology readers are well aware of the need for technical training in our business, so I was fascinated to learn how Veritek go about training their engineers in areas as diverse as Photo-Imaging, Healthcare, Ophthalmic equipment and Industrial X-Ray machinery, not to mention their latest digital cinema assignment. The answer turned out to be straightforward – wherever possible Veritek like to make use of manufacturer training, believing that you generally cannot do better than go to the people who know most about their product. I won-

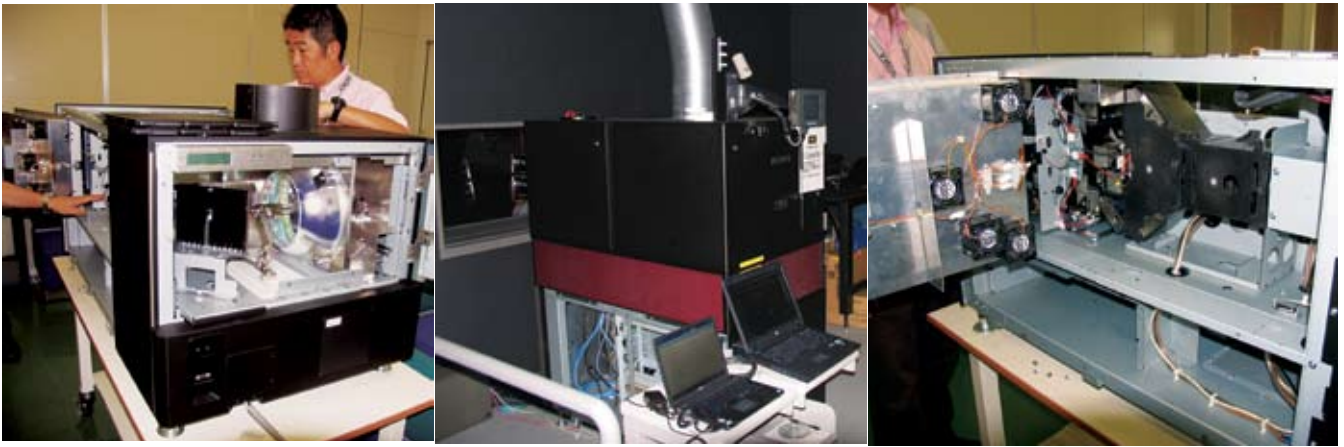
dered, though, how staff could cope with learning about completely new areas when Veritek took on new technologies. Yet again the answer made perfect sense - the growth of Veritek in recent years has generally taken place by the acquisition of specialist companies in each technical area, and they have almost always absorbed and integrated most of the specialist staff of those companies, along with their essential skills and expertise. As Veritek have embraced new technologies, entered new markets and new geographic regions, they have also recruited new engineers with the required skills, and continuous training and development programmes demonstrate a real investment in staff. Veritek tailor their engineers skills by operating at 10 differing skill levels, which provides a range of capabilities and aptitudes at an affordable cost. This multi-level approach to engineer skills allows engineers to improve their knowledge, training and experience and develop their careers, and the result is that they can ensure that the right engineer, with the right skills attends the right job, every time.

Sony 4K training

So which company had Veritek taken over to ensure that they gained expertise in the digital cinema market? Which engineers had they 'poached' from the existing service companies? My provocative questions fell rather flat as I was assured that their staff already included people with many of the optical and electronic and computing skills that digital cinema projection equipment requires. Several Veritek staff had attended the four day Sony digital projection training courses in Basingstoke, and, working with Sony training staff, these people had put together their own training materials, in both written and interactive computer package form. So far some 21 Veritek engineers have been trained to service Sony 4K digital projectors, and this number will

Left: Veritek's impressive customer service and technical helpdesk operation, a critical component of the engine that delivers guaranteed uptime and response SLAs. Right: Although the call handlers are trained to be able to cope with a wide range of events, this corner of the office has specialists in digital cinema and is Veritek's dedicated technical help desk for the Vue project.





Veritek engineers are trained to carry out a wide range of repairs and adjustments on Sony 4K Digital Cinema projectors

grow as the need occurs. I guess that it says something good about the reliability of the Sony equipment that in the first three months of the service contract Veritek have actually been called out very few times, and the engineers I spoke with were actually a little disappointed at the lack of 'hands-on' fault-finding and servicing that they had so far been called upon to do. Their managers at Veritek and those from Sony and Vue would probably not share the same feelings!

A new opportunity

Veritek see this contract to service Sony 4K Digital Cinema equipment as a great opportunity to transfer its reputation for provid-

ing unparalleled levels of expertise and customer support into a new and exciting market, working in partnership with one of the world's best known technology brands. We know that Sony are committed to delivering high end solutions to their exhibitors, including first class after sales service, and from what I learned on my visit it seems certain that Veritek will be able to meet their expectations. Vue Cinemas are aiming to provide improved customer experiences throughout Vue cinemas nationwide, and they have announced that they are confident that Veritek will be at the heart of maintaining the technical delivery of these experiences. As I took another look at the

original press release I was reminded that it spoke of Sony choosing Veritek for Europe-wide cinema servicing', and so although I have only described what is happening in the UK and Ireland, there is obviously more to come.

Service is the key

Throughout our discussions the same theme prevailed - Veritek are a service company and service is their business. They have systems in place to provide the very best of service to all their customers, and when it comes to their new business dealing with the cinema exhibition industry they are determined to pull out all the stops, aiming to providing something better than cinemas have become used to so far. Cinemas have always expected and received a fair deal from their traditional service suppliers, but James says that he and the Veritek team are determined to go that step further - they will be providing a 'silver service' for the projection box. And from what I could determine, they certainly won't be content with providing such a service to Vue and to Sony - several other cinema chains are in their sights!

Jim Slater

The management office suite at Veritek's Eastbourne HQ



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