

Poland joined the EU in 2004. Nearly ten years later Anna Mitchell explores what affect the relationship has had on the country's AV industry.

# An EU success story

This May Poland will celebrate ten years of European Union membership. And celebrate is, for the majority of Poles, the right word. Southern European countries are railing against austerity measures. Anti-EU rhetoric from some western European politicians is finding favour with certain sections of their societies. Poland, however, remains a European success story.

From the opening of borders and free trade agreements, to an influx of money from Polish emigrant workers abroad, to EU funding largely for heritage and education projects, Poland is, for the most part, benefitting from EU membership.

The country is not just relying on Europe either. The economy is being restructured, bureaucracy lessened and generally Poland is becoming increasingly attractive and supportive of private business.

This is all fostering an AV industry that, whilst still small, is growing in size and sophistication.

Rafal Kociemski, purchasing and logistics manager of SLX, a large Polish integrator, says education projects are providing good business opportunities in Poland. But here the impact of EU money is clear to see.

"There is little opportunity in Polish primary and secondary schools because these schools rely on government money which is not enough for serious investment in technologies," he says. "Of course some technologies such as projectors and interactive whiteboards are deployed but you're not going to find every classroom fully equipped.

"The key education projects for us are the universities and higher education establishments. European grants play a key role here and the standard of the technologies installed is very high."

Grzegorz Augustyn, an independent consultant in Poland, agrees that education is currently a very strong sector but it's not on its own. "Public institutions are generating some good projects," he adds. "We see growth in healthcare and medicine and the corporate sector is more active than before. The hospitality sector has stabilised but there are still some interesting projects and there are still many opportunities in visitor attraction and experience centres."

The partial reliance on EU funding does have a downside.

"Some activities stopped or were much less active after finalising 2007-2013 funds from the EU," Augustyn notes. "However, we are in

*“European grants play a key role in university and higher education projects and the standard of the technologies installed is very high.”*

*- Rafal Kociemski, SLX*

front of the next EU funds window which starts this year and this will be focused on modern infrastructure, communication technologies and increasing social networks by access to digital technologies. I think more opportunities will be seen in the connection of IT, AV and BMS systems instead of just AV technology."

The gap between EU budgets has affected SLX. Kociemski explains that for three years the company grew at a rate of between 20 and 25% per year. Then, in 2013 that growth rate slowed.

"One of the reasons was the global economic situation," he explains. "But in terms of government business a lot of projects were put on hold because of the European budgets.

"The new one is beginning this year but the process of taking the money through the committees is long and bureaucratic. Hundreds of pages of documentation and business proposals are required to apply for funding and it takes at least six months. We won't start to see those projects come through until summer this year."

The EU has also had an impact on the workforce as Polish workers have left in search of higher wages in other member states. An estimate last year put the number of Poles living abroad at 2.1 million."



< But Kociemski says its had little affect on recruitment or retention of staff at SLX. His greater concern is the small size of the Polish AV market makes it hard to employ staff with the necessary skills. He estimates the number of AV integrators in Poland that are well-established, have skilled employees, good references and could handle large integration projects at no more than ten.

"There are a lot of companies involved in AV in Poland but they are mostly small. SLX has five branch offices in the country and employs less than 40 people and we are one of the biggest. I would estimate that there are only about 300 skilled AV professionals working in the main integration firms today. If you included small companies and independent integrators altogether you still would only reach about 1,000 [people]."

It's a small pool to hire from and Kociemski says that SLX staff currently have more work than they can achieve without working overtime.

Augustyn puts the market at 20 serious integrators and sums up the relationship between them.

"Business is getting more mature and we are starting to learn that not everyone should compete on every project," he says. "Now, once the market is growing, there is a bigger cake to share and some

companies will focus and increase their competencies in certain sectors. Some other companies will look at opportunities to take on a wider scope of work, including low voltage installations. Those will need engineering and subcontractors but will be able to take the financial weight of the contract.

"Smaller companies will deliver good, focused services and engineering, knowledge and project management. I expect, although do not know yet for sure, that good, healthy competition will arise on the market."

Healthy competition is stimulating for business, according to Kociemski. Problem is, he says, the competition is not always that healthy.

"We can work on bringing in a project for two to three years. In the last week someone comes in with apparently the same system at a lower price.

"When companies cut the price like this it is not possible to provide the equipment they originally claim in the specification. They will switch to cheaper products sometimes without the knowledge of the customer.


"A good example is with the cabling. On a big project such as a hotel you can have a few kilometres of AV, HDMI or CAT cables. So reducing the quality can generate some quite nice money. So they change

from say Extron or Crestron cables to lower brands or unbranded options. It makes a difference. If you have a bad cable your image quality will deteriorate. But the customer won't check, they only look at the goods that are visible.

"This problem is not unique to Poland but it would help here if the customers were better educated and knew what to check for."

Whilst a lack of maturity in a market can have some negative consequences the good news is there are still plenty of areas to develop and while the market is growing there should be lots of opportunity for integrators.

For example, Augustyn notes that while bigger cities – notably Warsaw, Krakow, Poznan, Wroclaw and Gdansk – are leading the way opportunities are starting to emerge in regions that have been, until now, slow to develop.

As the only European Union nation to make it through the late-2000s global recession without seeing its economy shrink, it's unsurprising that the AV industry in Poland is in good spirits. What will be interesting to watch from now is if it continues to mature and develop in the way Augustyn lays out with AV integration firms taking on bigger responsibility for large projects and related systems. 

\*Poland's Central Statistics Office



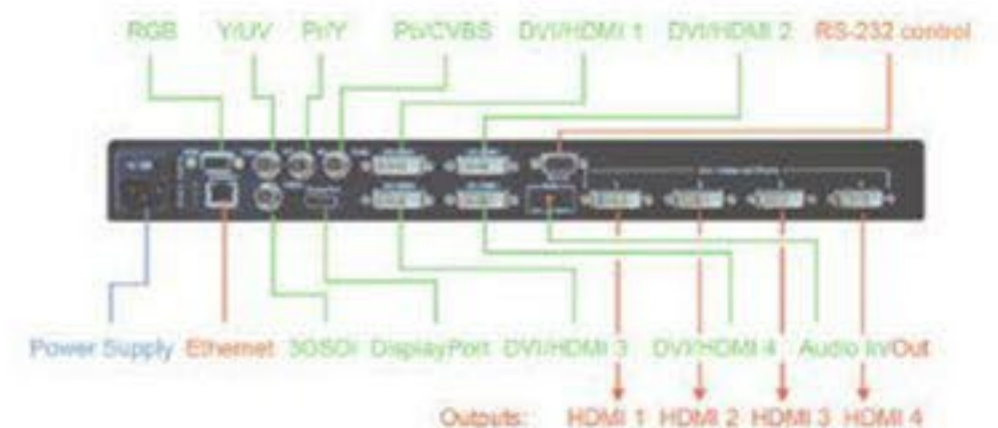
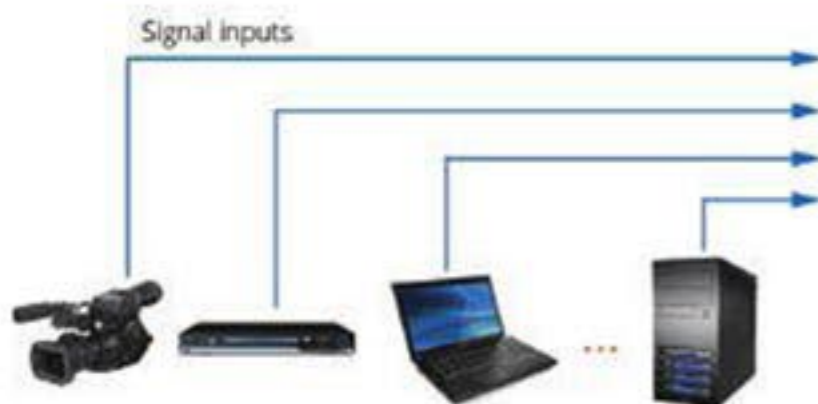
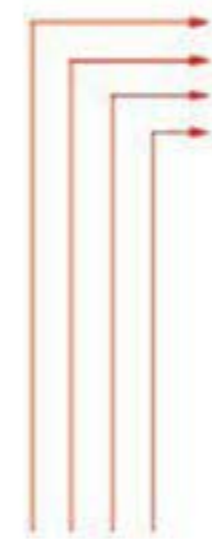
## SCALES MULTI-FORMAT SIGNALS TO WALL OF 4 SCREENS

### DEXON's Universal, Compact Video Wall Controller

#### DUS104 Universal 1x4 Scaler

- > Controls video wall of 4 monitors
- > Handling of all industry standard signal formats DVI/HDMI, RGB, YPbPr, Video, DisplayPort, SDI
- > Format conversion to DVI/HDMI outputs
- > Scaling and mapping to a wall of 4 screens
- > 2x2, 4x1 or rotated monitor positions
- > De-interlacing and comb-filtering
- > Full HDCP compatibility
- > Control and configuration through LAN and RS232 interfaces

Best solution for small video wall of 4 screens to scale and display different signal formats.



**DEXON Systems**

Call DEXON: +36 23 422 804 | UK distributor 01252 876300

Web: [www.dexonsystems.com](http://www.dexonsystems.com) | E-mail: [sales@dexonsystems.com](mailto:sales@dexonsystems.com)

