

Media, Entertainment and Workflow Management Software with End-to-End Scheduling, Billing, Facility and Crew Management



Richard Gallagher
President & CEO
Xytech Systems Corporation

CEOCFO: Mr. Gallagher, would you tell us about Xytech Systems?

Mr. Gallagher: Xytech Systems produces software solutions managing media and entertainment companies with our product, MediaPulse. Customers include Warner Bros., CBS, and the top media and entertainment companies in the world. We also have corporate and educational clients such as Boeing and Nebraska Educational Television. Essentially any company with a media department is part of our ecosystem. Our software spreads throughout the business as it drives efficiencies across the many disciplines of a media company. We are lucky that the most complicated department happens to be post-production because of complicated scheduling and other needs. This makes our mission easier in other departments. At Boeing they have about 120 different departments that are on our software.

CEOCFO: What are some of the basic challenges in media that Xytech Systems can help with and something that most people would never think would need to be managed?

Mr. Gallagher: The latest problem we are solving is workflow. Our customers, rather than selling widgets, sell files. These files might be a movie or a commercial, and we can completely automate the files creation supply chain. A large network customer went live last April and they truly love our solution. Their company has 8 channels and process over 20,000 shows per year and we have automated their entire facility. They have hundreds of people, and it turns out their processes run in one single, complicated workflow. The workflow starts by checking if the show is MAM. If not, is there a tape on the shelf they will need to digitize or go get it from another source? Other steps include automated and manual quality control, transcoding into different formats, adding audio, closed captions and finally sending the necessary files to their playout system. There are 139 steps of which 85% are fully automated and our software completely controls the entire workflow. Therefore, they are now managing by exception, instead of having a huge amount of processes and staff to oversee each one. The implementation has been very successful and the feedback is great. This is the direction businesses are going. Software will drive and manage their workflows.

CEOCFO: Have companies been looking for a better way?

Mr. Gallagher: Companies are always looking for a better way. It is primarily about profit, therefore if we can provide a solution that saves them costs, increases their revenue or assists with billing or more efficient processes, we have a great shot at winning the business. We have 30+ integrated modules doing just that. There is always a better way to do things. We have a large technical staff driven to find better solutions all of the time.

CEOCFO: What are some of the most recent changes to your software? What have you added to the product?

Mr. Gallagher: We have just released Version 7. This has hundreds of new features, including the advanced workflow I described earlier. Another feature is our reporting engine. This now automates the reporting scheduling for each user. Other features include a payroll rules module and a new crewing module, designed with NBC Sports for their Olympic Games Broadcasts. We have a new Web Interface including easily configured and personalized dashboards. Users can look at a graph of orders by department, see how many operations were completed by month, by year, and it is really easy to set these things up. The visibility that we are offering is comprehensive and gives our users a total view of their organization for the first time. There are many features, but the trick is getting our sites to know what they are and to use them.

CEOCFO: *How do you get your sites to us the many features?*

Mr. Gallagher: It is definitely a challenge. Finding the exact configuration of features for each client is handled by our highly trained staff in our Professional Services Group. We also now have training videos for end users available in the application. Regular engagements with our clients help our clients to take advantage of the high velocity of new features. Our customers businesses are changing rapidly. We have to move faster.

CEOCFO: *What is your geographic reach today?*

Mr. Gallagher: We are worldwide with implementations in over 40 countries. We have an office in the UK and another office in China. We also have people spread out across the United States.

CEOCFO: *Is there one solution and people would choose the parts they want or are there different levels of participation or different products depending on the need?*

Mr. Gallagher: It is actually the first one that you mentioned. There are over 30 modules and none of our sites use all of the modules. They pick-and-choose is the appropriate configuration for their business and as time goes on, they will install more and more modules and implement them.

CEOCFO: *What features are your customer using most and what features might people be missing that you feel can really help companies?*

Mr. Gallagher: The biggest example of this is workflows. We have developed this capability for 8 years with the goal of replacing very expensive custom solutions with a productized, yet highly configurable and economic solution. My challenge for this year is to get this information out there. We were showing this at the NAB Show last month in Las Vegas, where we had 9 different demo stations constantly demoing this. Automating workflows was the number one thing people wanted to see.

"This is the direction businesses are going. Software will drive and manage their workflows... Xytech Systems is a great company; we have great personnel, and people love working here. We have 97% client retention, so if you become a customer it is typically a client for life. There is a reason for that." - Richard Gallagher

CEOCFO: *Is it possible the reason you are not getting the attention with workflows is that it is not expected to be part of your services?*

Mr. Gallagher: I think you are right on there. The big win is to completely automate everything, so now you are tying into many different systems. We came from running Post-Houses and managing tape libraries, so people do not instinctively look for us to do that. This is a perception issue. We have a complete integration platform; Fuse, and for us, integration is at the core of our mission. A seamless blending of Workflow Automation has not been the expectation of what Facility Management was. It is however what Facility Management must be today. We have had good success here, but we have to get better at tell the story of our successes. We believe that the word will get out and the next few years should be great for Xytech Systems.

CEOCFO: *How does security come into play for you?*

Mr. Gallagher: There are different types of security. Most of our customers are not yet in the cloud. We have very advanced security integrated with the framework we developed. This is so our programmers cannot make a mistake. By default, a user cannot access anything, they have to be assigned roles and roles give security to users down to the field level, so that they can see it, add it, delete it, or change it. In terms of our cloud, we have third parties to verify our security. We use an enterprise class data center and we have done everything that we can to make our cloud offering protected.

CEOCFO: *Do you see enterprises as opposed to networks or production companies as a better target for you, equal, or somewhat on a lower scale? Where do you see growth?*

Mr. Gallagher: We see growth everywhere. Certainly, the larger the conglomerate the more attractive we are. We have replaced a great number of systems. At CBS we replaced 22 systems with our one. This is typical because IT departments want to manage less servers and less vendors. Both broadcast and studios are a large market for us. When it comes to the larger entertainment companies we are the solution of choice.

CEOCFO: *Changing systems can be challenging. How do you work with organizations, particularly large ones, to ease the concern over making a transition, to help implementation go smoothly?*

Mr. Gallagher: The thing we have going for us is that we have done it for 30 years, so we are experts at it. Our people are very knowledgeable on how to implement MediaPulse. Every installation is a little different, and has its own sets of

challenges, but we have many people who have worked here for 15 or 20 years, so we have the knowledge and the capability to make it successful. We can go into any environment and install our system rather quickly at this point. Replacing processes and putting in new systems is very challenging and the bigger the organization, the bigger the change. We have a project for the NBC Sports right now, and it's our largest challenge ever. We developed a new Crewing Module and reengineered our platform to scale to the thousands of users. This has required a large, dedicated team to work under very tight deadlines for 18 months as we ramp up to the Games. They will be using it for the next Olympics and all of NBC Sports, including the Kentucky Derby and the Preakness, as well as all of the scheduling, logistics, payroll, forecasting and budgeting--all of that is being handled by our software.

CEOCFO: *Is it easy to attract qualified people?*

Mr. Gallagher: We have been pretty lucky. We have hired 15 to 20 people in the last year or so that are all high quality people. We spend a good deal of time on our HR procedures, candidate screening and outreach. We only hire top people and finding good people, once you've work out a good plan, has not been hard.

CEOCFO: *Would you tell us about the Ultimate Frisbee Hall of Fame?*

Mr. Gallagher: Ultimate Frisbee is a great sport. Many people have not heard about it, but it is played in about 9,000 colleges today. It is a pretty rough sport with lots of cardio as you are continually running and diving. If you do not have the disc you are running as hard as you can to try and lose your defender. If the disc is up in the air you are going as hard as you can to try and catch it, and your defender is going as hard as he can to block it. It is a great sport and I was lucky to be able to play with the Santa Barbara Condors, which is a great place to learn. I played with them for 3 years, then a team in LA, where we went to Nationals many times. I was honored to be selected for the Hall of Fame, as I hadn't really played Ultimate Frisbee for 20 years. I am inducted in 2018 at Nationals, which will also be celebrating 50 years of Ultimate, so it will be a very big event that I am looking forward to.

CEOCFO: *What has surprised you as Xytech Systems has grown and evolved?*

Mr. Gallagher: I am surprised of the longevity of Xytech as I have seen significant changes in technologies and so many companies come and go. Our customers are moving from tape to digital and this only made us more relevant after 30 years. We have withstood competition from the largest of technology companies and have thrived under the competition. We started before Microsoft and we have stayed relevant as we have adapted to the nuances. The biggest surprise to me is our longevity and I do not see anything stopping us right now.

CEOCFO: *What is the takeaway for our readers? What should people remember about Xytech Systems?*

Mr. Gallagher: Xytech Systems is a great company; we have great personnel, and people love working here. We have 97% client retention, so if you become a customer it is typically a client for life. There is a reason for that. We help businesses grow and get organized without having to change their processes, as we keep the processes the same over growth, which is one of the best things that we have to offer.

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