Society of Motion Picture and Television Engineers – Redefining the future of storytelling
OUR VISION
TO ENABLE THE TECHNICAL FRAMEWORK AND GLOBAL PROFESSIONAL COMMUNITY THAT MAKES MOTION PICTURE, TELEVISION, & PROFESSIONAL MEDIA AVAILABLE FOR ALL HUMANITY TO ENJOY FOR ARTISTIC, EDUCATIONAL, AND SOCIAL PURPOSES
As a volunteer organization SMPTE is only as good as our members' generosity, dedication, and commitment. This approach has been the key to our success for more than 100 years and the cornerstone of our values and principles. We ask that you please take the time to review this strategic plan and ask yourself how you too can become a part of the team that helps SMPTE create value for our members, partners, and industry.
For more than a century, SMPTE® has provided innovation, leadership, and direction for one of the world’s most exciting industries.

Whether it was defining the standards for motion picture film and projection in the early 1900s, setting the standards for television in the 1950s, or the delivery of content via Internet Protocol (IP) today – SMPTE has been, and continues to be, the forum through which the industry connects for standards, membership, and education.

Today, consumers enjoy quality video content on billions of devices around the globe. From mobile phones and tablets to traditional television sets and cinema, content is being watched everywhere, at any time.

In this disruptive era, television itself has morphed from a physical device to a “viewing experience.” The new ways that viewers consume video content has impacted almost every aspect of the motion picture, television, and professional media industries.
Disruption and change bring both technical and commercial challenges. These challenges are the catalysts that bring the SMPTE community together, and drive the development of new solutions. From content creation, to delivery and consumption, SMPTE is at work behind the scenes.

About to celebrate its centenary, SMPTE’s Board of Governors recognized that the pace at which our industry was evolving made it necessary for the Society to develop and deploy a new strategic plan to guide us into the future. Countless hours of research and debate were invested to refine our vision, mission, strategy, goals, and objectives by which our Society will evolve into the future.

This plan was created during the third quarter of 2018 by a team comprised of the Executive Committee, Board of Governors, and staff.

The Board of Governors adopted this Strategic Plan in October 2018.
We evaluated the current environment and markets in which we operate. In August 2018, extensive interviews were conducted around the globe with both members and non-members to assess the level of satisfaction and engagement with SMPTE.

Questions included such subjects as: What value do you receive from your membership? Are standards still relevant? What role does SMPTE play in your career? What value do we provide the industry?

Participation far exceeded expectations with 485 members and 105 non-members providing their feedback and suggestions, which was critical in helping us complete the strategic business plan.

A sample of a few of the questions from the survey are included here.

**OUR ENVIRONMENT**

**DO YOU BELIEVE STANDARDS ARE IMPORTANT FOR OUR INDUSTRY?**

99% of respondents felt that standards are still important for our industry

**WHY DID YOU JOIN SMPTE?**

34% joined to stay ahead of media technology development

- 26.19% Encouraged by a colleague, peer or mentor
- 6.93% Attended a local Section event
- 6.49% Attended the SMPTE Annual Technical Conference
- 6.06% Saw/read SMPTE Motion Imaging Journal
- 1.08% Attended an online webinar/course
- 10.82% Wanted to participate in the Standards community
- 8.01% Wanted to expand my network to advance my career or grow my business
- 34.42% Wanted to stay ahead of media technology developments
PLEASE RANK THESE MEMBER BENEFITS BY HOW VALUABLE THEY ARE TO YOU.

The Journal and Section activities were most valued: 34% & 31%, respectively

- 34.7% SMPTE Motion Imaging Journal
- 8.82% Monthly Webcasts
- 5.41% Virtual Classroom Courses
- 31.2% Section Activities
- 4.25% Discount to attend/exhibit at the SMPTE Annual Technical Conference
- 1.9% Discounts on SMPTE Products and Services
- 2.5% Discounts on HPA events
- 17.4% Participation in the Standards Community
- 5.5% Discount to subscribe to SMPTE Standards
- 2.9% Other

IN WHAT SEGMENT OF THE INDUSTRY DO YOU BELONG?

- 21.05% Manufacturer/HW/SW
- 12.7% Consultant
- 6.8% Educational Institution
- 3.4% Dealer/Distributor
- 3.0% Cable
- 8.9% Broadcast TV Station
- 7.6% Broadcast Network
- 1.6% Association
- 1.0% Government
- 1.0% Media
- 3.2% Studio
- 2.3% Over-the-top (OTT)
- 4.23% Post Production
- 3.6% Production
- 5.3% Retired
- 2.3% Telecom
- 4.5% Other
The graphic below illustrates the cycle and phases of the strategic planning process behind this plan.

This aligns with SMPTE's governance and financial calendars.

This document will review the first two phases of the strategic business plan. The Plan and Do phases. The Study and Act phases will be part of the 2019 operational plan and executed on a monthly and quarterly basis.
The values, vision, mission, and five key strategies for SMPTE were defined by the Board of Governors. The adoption of these foundational elements was used to determine the goals and objectives of the organization. They tell us what we believe, what we do, for whom we do it, and where we want to go. The Executive Committee engaged in a collaborative process to refine these statements.

Understanding the environmental situation in which SMPTE operates, including global market data and survey results, we created three-year goals and objectives to support our strategies. We used the SMART goal principle to define our objectives, ensuring each one was Specific, Measurable, Achievable, Relevant, and Time-Bound.

Each of the SMPTE pillars — Membership, Education, and Standards — articulated goals and objectives that aligned to the strategies that were most appropriate for their business.

This cascading approach is an important step in empowering the organization, as each succeeding level accepts and owns its portion of the plan.

Results are reviewed monthly with actual performance compared to the budget. This is called the Monthly Operating Review (MOR).

Every quarter the previous three MORs are reviewed in the Quarterly Business Review (QBR), objectives are evaluated and actions taken to correct course or accelerate successes.
For the purposes of this strategic business plan, the following definitions will be referenced:

- **Values**: What Do We Stand For?
- **Vision**: Where Are We Going?
- **Mission**: What is Our Purpose?
- **Strategic Objectives**: How Will We Achieve Our Mission?
- **Actions & KPIs**: Actions, Owners, Time Frames and Measurement
Before heading off on any journey, you must first evaluate who you are, where you want to go, and how you want to get there. This is by far the most difficult and critical phase, as it is the foundation on which everything else stands.

SMPTEx ....

• Is a Global organization that must operate and represent ourselves as such.

• Has three pillars of activity, Standards, Membership, and Education.

• Is Inclusive.

• Values and nurtures our volunteers.

• Strives to understand the common needs of all our stakeholders.

• Is Objective.

• Seeks to realize real and valuable synergies with the HPA and all of our partners.

• Returns a net surplus each year to sustain and grow the organization.
A vision statement describes an idealized perception of the business and serves to point the direction of where the organization wishes to be in the future.

**SMPTE Vision Statement**
Enabling the technical framework and global professional community that makes motion picture, television and professional media available for all humanity to enjoy for artistic, educational and social purposes.

A mission statement describes an organization’s fundamental purpose; this description indicates how the organization is unique in its scope of operations and its product, service, and delivery offerings. It is a general statement on how to achieve the Vision.

**SMPTE Mission Statement**
To drive the quality and evolution of motion pictures, television, and professional media through our global society of technologists, developers, and creatives by setting industry standards, providing relevant education, and fostering an engaged membership community.

Approved by Board of Governors October 2018
STRATEGIC BUSINESS PLAN

PHASE 1: Plan

STRATEGIES

The following are the five core strategies for SMPTE.

STRATEGY

Strategies are one or more ways to use the mission statement in order to achieve the vision statement. Although an organization will have just one vision statement and one mission statement, it may have several strategies. These strategies will be deployed to meet the organization’s goals.

STANDARDS

KNOWLEDGE NETWORK:
Create an environment where SMPTE standards are the heart of a “Knowledge Network.” From standards development to how the content is discovered, accessed, and monetized, the Knowledge Network will further confirm SMPTE as the leading standards development body in media.

EDUCATION

MORE TO THE CORE:
Educate the industry on the latest technologies they will need to be successful in their jobs and careers. Using the Knowledge Network as one resource, SMPTE becomes the go-to resource for relevant professional development.
MEMBERSHIP

MEMBERSHIP ALL AROUND AND MORE VOLUNTEERS ON THE GROUND:
Grow membership around the world and deliver high levels of volunteer engagement. Recognize service to expand the network. With this robust and engaged volunteer community, SMPTE’s leadership succession is safe for years to come.

SMPTE AND OUR PARTNERS

HARVEST THE SYNERGIES:
Define how SMPTE will interact with strategic partners. Harness synergies to the mutual benefit of all, such that organizations will look to SMPTE for successful partnership opportunities.

OPERATIONS

REBRAND FOR GREATER AWARENESS AND SUCCESS ACROSS ALL FUNCTIONS:
Think and act with a forward-looking mindset, using state-of-the-art tools and techniques in communication, operations, agility, and product portfolio.
Phase 2

DEPLOYMENT
GOALS
OBJECTIVES
BUDGET
INVESTMENTS
STRATEGIC BUSINESS PLAN
PHASE 2: Do
Strategic Deployment Process

With the Plan Phase completed, it’s time to move from the philosophical and theoretical to the practical world and define specific goals and objectives to help us achieve our strategies. This is phase 2: Do.

To the right you will find an illustration of the Strategic Deployment Process (SDP) used to align our strategies to our goals and objectives. This is not just theoretical, the SDP is also the operational model that aligns all staff members and volunteers to everything we do.

At the top we have mission, and strategies of the Society, which are defined and approved by the Board of Governors. As you cascade through the organization, the strategies of the Board become the goals of the Executive Committee to manage. The goals of the Executive Committee then become the objectives of the staff and volunteers. From the objectives, specific actions are assigned to every staff member.

Using this approach, we now can link every action back to the core strategies defined on pages 14 and 15. Every staff member has an SDP, which includes their specific goals and objectives for the upcoming fiscal year. This is the basis for managing the organization on a monthly and quarterly basis. It is essential that all activities are in some way connected to a specific SMPTE strategy, goal, or objective.
PHASE 2: Do
ALIGNING STRATEGIES, GOALS & OBJECTIVES

Below are SMPTE’S newly articulated Strategies, Goals and Objectives. The five key strategies: Standards, Education, Membership, Operations and SMPTE Partner synergies cascade into three-year goals, which then become the objectives for year one, 2019.

STANDARDS
KNOWLEDGE NETWORK
Create an environment where SMPTE standards are the heart of a “Knowledge Network”. From standards development to how the content is discovered, accessed, and monetized, the Knowledge Network will further confirm SMPTE as the leading standards development body in media.

EDUCATION
MORE TO THE CORE
Educate the industry on the latest technologies they will need to be successful in their jobs and careers. Using the Knowledge Network as one resource, SMPTE becomes the go-to resource for relevant professional development.

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HARVEST THE SYNERGIES
Define how SMPTE will interact with strategic partners. Harness synergies to the mutual benefit of all, such that organizations will look to SMPTE for successful partnership opportunities.

OPERATIONS
REBRAND FOR GREATER AWARENESS AND SUCCESS ACROSS ALL FUNCTIONS
Think and act with a forward-looking mindset, using the state of the art tools and techniques in communications, operations, agility and product portfolio.
3-YEAR GOALS

• Remain the go-to-organization globally for standards for the motion picture, television, and professional media industry.
• Become the de-facto standard organization to define and endorse specifications for the motion picture, television, and professional media industry globally.
• Become the go-to-source globally for Education for the motion picture, television, and professional media industry.
• Increase membership (sustaining and individual) by 10% in 3 years.
• Increase membership engagement. 25% of the membership will engage in 3 of the 5 SMPTE offerings on an annual basis: Governance, Section activities, Education, Conferences, or Standards participation.
• Be a valued and respected partner with whom organizations desire to work.
• Maintain a minimum of 5% EBITDA each year from 2021 forward.
• Think, act and become a digital leader in our global communications, operations, organization, agility and product portfolio.

2019 OBJECTIVES

• 50% increase in digital library standards sales
• Partner with, and start developing, 2 new specifications.
• Ensure Publications and Professional Development deliver 15% and 35% ROI, respectively.
• Deploy two new courses in 2019.
• Plan 2019 fundamentals webcast series.
• Ensure Publications and Webcasts topics align for a minimum of 60% of issues and Technology Series Webcasts maintain and seek additional partnerships with relevant organization.
• Increase individual membership 3%.
• Add 10 new sustaining memberships.
• 25% increase in engagement over what it is today.
• Establish the first virtual Section.
• Revive at least one “dormant” Section.
• Establish Student Chapter officer role in each Section that has a local Student Chapter.
• Implement SMPTE-HPA branding, positioning and messaging.
• Deliver a positive EBITDA.
• Invest and install new CRM and digital marketing platform.
The final step of Phase 2: Do is to translate 2019’s objectives into a financial plan. Using 2018 as a baseline we reviewed each of our revenue sources and expenses and the investments we believe necessary to meet our new growth goals and objectives. Working across the set of SMPTE programs, each stakeholder built their respective budget to ensure buy-in from all parties. With 2019’s budget created we then built a pro-forma for 2020 and 2021.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
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<tr>
<td>Revenue</td>
<td>$4,355,000</td>
<td>$5,078,000</td>
<td>$5,299,000</td>
<td>$5,691,200</td>
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<tr>
<td>Expenses</td>
<td>$4,429,000</td>
<td>$5,013,500</td>
<td>$5,153,000</td>
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<td>EBITDA $</td>
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<td>$64,500</td>
<td>$146,000</td>
<td>$272,050</td>
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<tr>
<td>EBITDA %</td>
<td>-1.7%</td>
<td>1.3%</td>
<td>2.8%</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

Special focus was paid to meeting our objective of operating with a positive EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization). 2019 will be a challenge, as we reverse a trend of being slightly below positive EBITDA. All healthy organizations strive to thrive and grow. A positive annual EBITDA allows us to plan for a surplus, which we can reinvest in future initiatives.
The 2019 Financials illustrate the impact that the strategic plan has had on our thinking and approach. Never losing sight of our Vision and Mission, we have made the decision to invest in systems and tools to better allow us to engage with the Society.

The investments are planned for 2019. They are incorporated into the 2019 budget in order to achieve the stated objectives. The positive EBITDA noted on page 20 reflects the return on this investment.

All investments are aligned to one or more of SMPTE’s core strategies, as illustrated in the graph above.

- A new CRM and marketing platform will be deployed that will enable 21st century communications both to and from the membership.

- An Idea Lab will be established to research the latest in media technology innovations and their future potential for standardization.

- A learning management system will be deployed to assist members in identifying and managing their education requirements, with administrative functionality connected to the new membership system, improving the learning experience.

- A state-of-the-art collaborative document management platform will simplify standards development and publication and be the foundation for our new Knowledge Network.

Although aggressive, we firmly believe we can meet our 2019 financial objectives. Using the SDP, we can assign and align actions for each staff member that tie back to the financials. These will be managed closely on a monthly and quarterly basis to ensure we are on track, using the Study and Act phases, which will be discussed in the next section.
MONTHLY OPERATING REVIEWS
QUARTERLY BUSINESS REVIEWS
CORRECTIVE ACTIONS
As we enter 2019, we will not only have a new strategic business plan to guide us, we will also be deploying a new operational model by which we will be managing ourselves.

**Study and Act**

The Study and Act phases are where the performance of the business is reviewed on a monthly and quarterly basis. The vehicles to deliver this are the Monthly Operating Review (MOR) and the Quarterly Business Review (QBR). This is the primary reporting process between the staff and management. The purpose is to communicate the status of the business as well as the actions being taken to accelerate and or improve performance. The objective of the MOR/QBR is to ensure that the business is on track to meet its annual business plan.

The QBR replaces the MOR every third month (March, June, September, and December). Changes in direction are made in the QBR to adjust course or to accelerate. Making course adjustments every three months prevents monthly anomalies and over correction. It also prevents organizational fatigue. The MOR is a 1-1 meeting between a manager and their direct reports. The QBR is attended by the entire senior staff. Based on the potential cross-functional impact, QBR changes are agreed upon by the entire team before implemented.
THE FOLLOWING PEOPLE WERE INSTRUMENTAL IN THE CREATION OF THIS PLAN

- 2017-2018 SMPTE Board of Governors
- Kevin Joyce: Dragonflies Butterflies & Bees
- Janet Gardner & Kevin Scott: Perspective Media Group
- SMPTE Staff
THE JOURNEY CONTINUES . . .

Organizations often speak about the "Journey" on which they are about to embark. We express this passage when we know that there is a long and difficult road ahead.

Despite inevitable and unforeseen challenges, such journeys must be embraced as opportunities.

More than 100 years ago, C. Francis Jenkins and his colleagues embarked on their journey with a vision to organize the technical chaos of the day, and create a membership association of like-minded talent that could collaborate on their technological contributions to enhance and grow the motion picture industry. They never imagined that their vision would result in a 103-year old Society, extending beyond motion picture, with a global membership, and industry reach.

Today, we are committed to continuing that journey. This Strategic Business Plan reflects that vision. It reflects the goals and actions required to enable SMPTE to thrive and grow beyond its next century. With this Strategic Business Plan in place, we will work in synergy as volunteers and staff to achieve our goals and objectives, with annual reviews to assess our position and consider required changes. With periodic assessment, this plan will be adjusted, and form a long-term roadmap that will guide the Society for years to come.

SMPTE’s value is our constituents — our members, our partners, and the broader global industry.

For our members, we provide, promote, and nourish the technical motion picture, television, and professional media communities through our membership, education, and standards activities.

For our partners, we provide the resources, expertise, and accreditation to support their cause to further advance the motion picture, television, and professional media industries.

For the industry, we define, manage, and promote the technical standards and specifications by which our industry operates. Educating the society on those technologies, to maximize the quality and ubiquity of the global motion picture, television, and professional media industries.

We are proud of the value we have delivered for more than a century and are confident that with the continued leadership from our volunteers, SMPTE will be a valued asset for years to come.

To learn more about how you can join our journey, please contact SMPTE Executive Director, Barbara Lange, at blange@smpte.org.

Join In. Join Us.