

Hoop Scenes

By DANIEL MILLER - 4/2/2007

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For Actua Systems Inc., strategic positioning is more than a business decision – it's the key to the company's success.

The Los Angeles company makes Positionit, a lift that can elevate or lower even heavy equipment over 30 feet, retracting in and out of tough spots quickly.

Marry that capability with a camera manufactured by Stealth Aerial Cameras LLC and professional basketball viewers are getting shots these days through the Stealthscope camera system that they have never seen before.

“The Positionit product allows you to reach places you could never reach,” said Actua President Eric Golden, who also heads Imagility Inc., Actua's Santa Monica-based parent. “What the Stealthscope does, it allows you to get shots at sports broadcasts from entirely new angles.”

The camera system debuted on TNT's Jan. 15 National Basketball Association broadcast of a Memphis Grizzlies and Phoenix Suns game, descending as close as 8 feet from the court via an Actua lift attached to the overhead scoreboard.

That holds an advantage over traditional cable systems that put cameras close to the action but can obstruct the view of spectators in the arena.

Currently, television networks like TNT can rent the camera unit for broadcasts at \$10,000-\$15,000 per game, a cost that includes a Stealth Aerial Cameras technician who operates the camera from a control unit set up on site.

Actua and Stealth are now in talks with TNT to have the camera included in more NBA regular season and playoff broadcasts, Golden said. In addition, the two companies are considering producing a less expensive version of the system for regional sports broadcasts.

Getting started

Golden founded Imagility in January 2005 after a three-year stint at Panavision Inc., where he served as executive vice president and general counsel for the camera and lighting company.

With a personal investment of about \$500,000, Golden got Imagility off the ground and looked to invest in companies that made innovative entertainment-industry products he thought could be given new uses.

“I saw over and over again extremely clever technology that grows up in the entertainment business,” Golden said. “The idea behind the whole venture was to find the choicest technologies that grew up in the entertainment business and give them a big boost up to reach their potential.”

The company was solely funded by Golden until it acquired lighting company Luminys Systems Corp. in June 2005, and Luminys executive David Pringle took an equity interest in Imagility.

Then a year later the company purchased Ribbon Lift Inc., an Owatonna, Minn. company that created a lift that would become Positionit. Golden was able to purchase the company for an undisclosed sum of less than \$1 million.

“That was an asset purchase that was largely an assumption of debt,” Golden said. “Ribbon Lift Inc. had taken on bank debt and other obligations that we assumed and agreed to purchase.”

Golden, who is a board member at Stealth Aerial Cameras, said that partnering with the Florida company provided a perfect fit for growing the Positionit lift.

“It was an example of a lot of pieces falling together. As soon as I bought the company I got together with the Stealth (chief executive) and said, ‘Look at what I got!’ And he just went nuts with the possibilities,” said Golden, who had developed contacts in the camera industry that Ribbon Lift did not have.

Imagility and Stealth Aerial are sharing the revenue and profits from the Stealthscope. Imagility’s Actua unit also derives revenues from other applications for its Positionit lift, and now accounts for one third of the company’s revenue. The Luminys Systems unit serves television and film productions that need high intensity lighting.

The Positionit lift includes a small base that houses three steel ribbons, which are coiled like a tape measure. The ribbons form a column that can either ascend or descend, depending on

how the base is mounted.

“The ribbon lift was already very popular for live stage events, and in conjunction with Stealth it is now ideal for sports. The new Stealth version is longer, faster and more stable,” Golden said.

The lift and camera system has also been used in the telecasts of NCAA football bowl games and in a National Hockey League broadcast.

Moving forward

The Stealthscope also can be used in boxing and baseball broadcasts, among other potential applications.

In Major League Baseball applications, the camera system could be mounted behind home plate and ascend for an overhead view of plays at the plate, said David Shafer, vice president for Stealth Aerial.

The first Stealthscope unit cost about \$175,000. A less expensive model would be key to expanding the use of the Stealthscope. If it were available for rent per event in the \$2,000-\$4,000 range, regional telecasts could take advantage of it, Shafer said.

Another option includes permanently installing the Stealthscope at arenas, which would rent the camera system on an annual basis. “Part of the cost is shipping and setup. Then we could train local people to operate it,” Shafer said.

Cable camera systems are the only real competitor for the Stealthscope. Those products, like the popular Skycam system, have been used at sporting events for years to offer close shots of sports action.

Those systems, which use beams and pulleys to zip the camera around a playing field, are priced in the \$50,000-\$70,000 range for single game use but can obstruct the view for fans at the event, Shafer said.

Tom Sahara, TNT’s senior director of remote operations, agreed that cable cameras can cause problems with obstructed views that the Stealthscope seems to avoid.

“We haven’t had any bad remarks about it and if it is something good we usually don’t hear anything,” said Sahara. “We have had that negative response from the cable cameras.”

However, sports marketing expert Robert Cornilles believes that the Stealthscope also could hinder the viewing experience for spectators at live events.

“The people down low in the expensive seats who aren’t accustomed to this zip technology – for them it is going to create a dizzying effect,” said Cornilles, principal of sports marketing firm Game Face Inc. “We have to find a balance of catering to the younger crowd and the more purist, traditional crowd.”

Cornilles said that the “first audience” is still the live audience and “if we do anything to hinder their enjoyment of the game it is going to be a short-lived experiment.” Still, Cornilles said that as sports teams and leagues look to grow and attract more fans, the name of the game has to be interactivity.

“We need to stay relevant in the eyes and minds of the young audience. Thanks to video games, (the young audience) is accustomed to seeing any angle in a nanosecond. We have to create games that are interacting with fans,” he said.

Actua Systems Inc.

Founded: 2006

Core Business: Manufactures Positionit, a lift unit that can elevate or lower heavy equipment

Employees in 2006: 16

Employees in 2007: 22

Goal: To expand market share within the live event, trade show, theatrical and entertainment target markets

Driving Force: The desire for new and interesting camera and lighting angles for sporting events, television shows, films and other productions

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