

11 QUESTIONS WITH **Dr. Andreas Sennheiser**

Co-CEO, Sennheiser Electronics

Dr. Andreas Sennheiser is eponymous with one of the most pioneering pro audio brands around the world – Sennheiser. Being trusted by scores of pro audio rental companies, studios, broadcasters, engineers, and artists in India for precise, excellent audio clarity and delivery, the audio giant has today carved a niche for itself in the country's acoustic landscape. Dr. Andreas Sennheiser, Co-CEO, Sennheiser sits down for an in-depth conversation with Smita Rai, Deputy Project Director, PALM + AV-ICN Expo and Editor, PALM Expo Magazine and AV-ICN Expo Magazine, to field 11 Questions and expounds on the unexpected growth of a particular pro audio segment, the market for wireless microphones in India in the next five years, his takeaway from interactions with the clients in India, and more.



From a business development perspective, after selling the consumer division business to Sonova, how has things changed for Sennheiser? Is the brand doing anything differently now?

After 50 years of operating in both consumer and professional segments, we are proud to return to our roots as a fully pro-dedicated business. This shift has allowed us to focus all of our attention on meeting the needs of our professional customers, from management to field operations and spending. With this renewed focus, we have invested heavily in research and development, allocating nearly 10% of our revenue to developing cutting-edge technologies. Our global salesforce and business developers are now solely dedicated to serving our pro customers, ensuring that we provide the best possible business communication solutions for audio environments. This more targeted approach has allowed us to better understand and meet the unique needs of our professional clients, and we look forward to continuing to innovate and exceed their expectations for many years to come.

In which segment of the pro audio industry do you see most growth?

As the world continues to adapt to the new normal brought by the pandemic, it's no surprise that the hybrid working model

has become the norm. This shift has resulted in a surge in demand for our Business Communication solutions, which includes ceiling microphones, streaming solutions like mobile connect for in-house streaming. Universities have also embraced this change, making it clear that this trend is here to stay. But what's even more surprising is the unexpected growth we've seen in the Live segment. After being cooped up for two years, artists are eager to get back on stage, and fans are equally excited to attend concerts once again. In fact, ticket sales for live

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events in the US alone have increased by over 35%. However, it's not just the entertainment industry that's experiencing growth. The digital government sector, particularly in India, is far more advanced than in many other areas. With seamless technology, collaboration across states and borders has become easier than ever before.

Can you elaborate a little on how the demand and supply chain for Sennheiser was impacted due to the post pandemic disruption?

Fortunately, we had a highly efficient integrated supply chain that allowed us to fulfill most of the demand throughout the pandemic. In fact, we were the only audio industry player capable of doing so. This was made possible by our vertically integrated supply chain, which included our own production plants. Additionally, our strong relationships with key chip suppliers enabled us to secure demand and supply even during the most challenging times. Our goal is to be the most reliable partner in the audio industry, and we have proved this during the pandemic.

Sennheiser has invested heavily on AMBEO 3D. How has that evolved for the brand and what are the applications of the same?

The demand for spatial audio or AMBEO has been on the rise among consumers. Our team has been working on 3D audio for over 25 years, driven by our passion for creating immersive audio experiences. While we have always been excited about this technology, it is only in recent years that the public has become more receptive to VR, AR, and other such technologies in 3D audio. We are thrilled to see great success on the consumer side with our 3D soundbars, which have set a benchmark in the industry. Moreover, Netflix productions have also started using our spatial audio algorithm, and we are proud to announce that our 3D audio algorithms will be featured in cars launching in January next year. As a result, we have seen a significant increase in demand for our competencies in spatial audio across various industries.

You mentioned AR and VR. What about AI – do you anticipate Artificial Intelligence and Machine Learning to play a significant role in pro audio?

Absolutely, there are multiple benefits that AI can bring to our products. Firstly, it can significantly improve the efficiency of our internal development and processes. However, more importantly, AI can help us make our parts more intelligent. For instance, we are working on developing microphones that can detect the type of noise they record - whether it is speech or background music. This will enable us to create smarter devices that can selectively listen to wanted noise or speech while filtering out unwanted noise. We are leveraging AI not just for the microphone side but also for the processing side. AI algorithms can be instrumental in cleaning audio streams, especially in situations where different users have varying audio environments. For example, in meetings with different participants, one user may be in an environment with a higher reverb, while another user may have a different acoustic environment. AI can help even out these differences and deliver a consistent audio stream, regardless of where it was recorded.

At present, is there any solution or product for pro audio which Sennheiser is pushing aggressively in the market?

Currently, we are witnessing a significant surge in demand for our bread-and-butter products such as the D-6000 System on the wireless side, particularly in India. We are thrilled to see that many top artists in India are using it, and it has almost become an industry standard here. While we are not deliberately pushing this product, its success speaks for itself. Looking ahead, we have something truly innovative in store for next year. We are developing a new transmission scheme for wireless microphones and in-ear monitors based on a white band transmission technology. While we haven't revealed much about this yet, we believe that it will be a game changer in the industry.

Are there any new innovations from Neumann that consumers can look forward to, and do you have any personal favorites from Neumann?

Neumann has been actively acquiring new technologies, and one of our recent acquisitions has allowed us to enter the interface business with a strong AES67 technology. This has given us an important role in the production stream of broadcasters and live mixers, which is a new area for us. Additionally, we are excited to announce that we will be bringing back the legendary U47 microphone next year. We were able to secure a supplier for tubes, and this will be akin to the resurrection of a legend. While I don't have a personal favorite product from Neumann, I do have a preferred home setup for doing broadcasts and using Teams for meetings. I use the KH 150 as my speaker and the TLM 104 microphone along with the MT 48 as the interface. When it comes to listening to loud music and enjoying it, I prefer using the KH 420 with a subwoofer.

Where do you see the market for wireless microphones in the next five years, specifically in India?

The wireless microphone industry is facing increasing challenges in terms of frequency allocations, and it is likely that the World Radiocommunication Conference will decide on another reduction in available frequencies. This is because some of the frequencies will be allocated to the telecom industry. Despite these challenges, we are working hard to ensure that our customers still have reliable transmissions. We are optimizing our existing technologies while also developing alternative transmission schemes such as the white band transmission. In addition, we see standard technologies like 5G as a potential option in the future, although there are currently latency issues that need to be addressed. In India, we are seeing a growing trend of using wireless microphones on stage, particularly for larger productions. Artists prefer the freedom of movement that wireless microphones provide, without the restrictions of wires on their gear. As a result, wireless microphones have become the standard for many productions.

India is always known as a price-sensitive market. Do you feel that this has changed a bit?

While India has traditionally been known as a price-sensitive market, we have observed a shift towards more value for higher technology. Customers are now seeking products that offer higher quality and better workflows, rather than simply being affordable. In our Business Communication segment, we have seen that our products may not always be the cheapest on the tender, but we are still winning many tenders due to the value that we provide. Our products work seamlessly, require minimal maintenance, and can be remotely controlled, making them highly efficient for managing

audio in classrooms or other settings from a centralized location. In such cases, the efficiency gained from using our products far outweighs any cost savings from choosing a cheaper alternative. Therefore, while there is still a strong demand for high value for money products in India, customers are increasingly looking for solutions that provide superior performance and efficiency. As a result, our focus remains on providing value for money by offering products that meet these needs, rather than simply being the most affordable option.

What is perception of the global market for the pro audio products and where does India fit into this whole scheme of things?

In my opinion, the global market for pro audio products is here to stay. As humans, we have always enjoyed making and listening to music together, and this need has only grown stronger with time. Today, we are using digital technologies to create a more immersive and global experience for music lovers around the world. India, in particular, has emerged as one of the most tech-savvy countries when it comes to adopting new ideas and technologies. As a result, I believe that India will continue to play an important role in the global market for pro audio products. With its large and growing population of music enthusiasts, India presents a significant opportunity for companies like ours to offer innovative and high-quality products that meet the needs of this market.

You have interacted with clients – rental companies, studios, broadcasters, artists, and engineers in India. What takeaways did you receive from these interactions and how have they shaped your engagement with the Indian market?

During our interactions with rental companies, studios, broadcasters, artists, and engineers in India, we gained valuable insights into the market and its challenges. As a company, we believe that staying connected with our clients is crucial to understanding what's happening in the field. One of the most striking takeaways from our visit was how rapidly India is evolving. The government's digital agenda has unlocked tremendous potential for virtual collaboration in the public sector, while higher education and corporate headquarters have also embraced virtual meetings and remote working. This progress is a testament to what can be achieved when there is a strong will and financial support for infrastructure development. Our visit to India was truly an eye-opening and insightful experience that has shaped our engagement with the Indian market. We are committed to providing innovative solutions that meet the evolving needs of our clients in India and around the world. By leveraging the lessons we learned during our visit, we aim to continue building strong relationships with our clients and delivering value-added services that help them succeed.