Cloud Electronics





anaging Director Simon Curtis says that Cloud Electronics is the UK leader in amplification, mixeramplifiers and zone-routing audio tools when it comes to commercial and domestic installations. Cloud's purposedesigned, professional suite of equipment and its brand of "clearly better sound" are suitable for a variety of different venues, and the firm's equipment is now found in more than 100,000 commercial venues across the world. Simon tells *The Parliamentary Review* the Cloud Electronics story.

The early 1970s saw the emergence of the discotheque as a prime entertainment venue for the young generation in the USA, UK and subsequently worldwide, coupled with the creation of the new and major role of the DJ.

During this time, Roy Millington and Andrew Colley founded Cloud Electronics, specifically to provide this dynamic and growing industry with its own purposedesigned, professional audio tools. The usefulness, rugged longevity and sheer audio performance of these products led to increased sales, an unrivalled reputation and consequently a wider demand for Cloud's particular brand of "clearly better sound".

For this reason, Cloud has steadily expanded its activities worldwide, with extensive international distribution in conjunction with its product range, offering designed solutions to the audio needs of many different styles of venue, entertainment and hospitality facilities, retail stores and health and fitness venues.

FACTS ABOUT CLOUD ELECTRONICS

- » Managing Director: Simon Curtis
- » Founded in 1980
- » Located in Sheffield, South Yorkshire
- » Services: Design, manufacture and distribution of highquality commercial audio equipment
- » No. of employees: 30
- » Annual sales in excess of £4.5 million
- » www.cloud.co.uk

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Turning tables

In March 2008, the former proprietors retired from their position and I took over the business. With the ethos of the company as a key driving factor, we hope our success and unrivalled reputation will continue going forward. Our internal management team has ensured continuity and a focus on product quality, while rapidly expanding product design and portfolio – determined to remain competitive and relevant while being challenged by lower-cost copy manufacturers from the Far East.

Every Cloud commercial audio product has been designed with a particular application in mind, and all are built to the most exacting professional standards using only the most reliable and proven components available. All products are meticulously tested through a three-stage quality process and sound tested by hand in dedicated sound booths. Every design is unique to Cloud Electronics and based on integrity and performance priorities. For end users, contractors and venue operators alike, our products deliver a unique mix of quality, reliability and value. That reputation is our customers' guarantee of excellent performance.



We have become the UK's leading specialist manufacturer of background music equipment and contracting installation audio equipment.

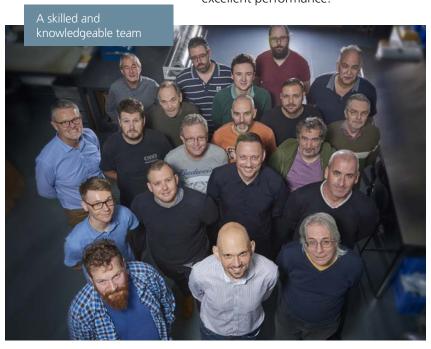
We are specialists in paging, zone-routing, amplification and combined mixer-amplifiers for all types of commercial and domestic installations, such as retail, licensed retail, entertainment, hospitality, fitness, wellbeing and more. Cloud is the most trusted brand in its sector with 35 years of outstanding and proven heritage and is recognised as 100 per cent reliable in the most demanding and difficult applications.

Our clients value clear and faultless sound that is easily managed and consistently trouble-free. We enjoy a worldwide reputation for delivering exactly that, a reputation won almost entirely through word of mouth. Performance over time is the only benchmark – all Cloud products are backed with a five-year commercial guarantee.

Proving our metal in the city of steel

We are based in the city of Sheffield. All of our products are built by skilled and knowledgeable workers. This facility also houses our specialist in-house research and development team. Every design is unique to Cloud Electronics and follows the most rigorous testing and sound testing process in the industry.

We are a unique business in the UK, with no direct competitors and a large market share. Our product competition comes principally from the Far East, which has the lowest price, and the USA, which provides better technology. We have been able to maintain our niche by providing a fundamentally great product, with



a very loyal UK customer base who account for around 55 per cent of revenue and a growing export distribution network with over 40 countries represented.

Five years ago, we opened our USA office in Park City Utah with the objective of competing in the most lucrative background music market in the world. The USA office supports and serves all the Americas and Japan. Sales and growth in this highly challenging market have been steady without being dynamic, although the brand's reputation is highly regarded and respected throughout the US and Canada.

Changing the track

The 2009 recession was a particularly challenging time, with sales declining by 50 per cent causing considerable stress on the business, but our reputation, along with aggressive cost controls, saw the business survive and recover during the resurging years.

Since then, considerable investments have been made in the operation, in the infrastructure and particularly in growing the research and development department.

Our open market economy makes it increasingly difficult for British electronics manufacturers to compete on the world stage. We have no meaningful protection or security from importing competitors who can flaunt our flimsy European safety regulations, while British exporters of audio electronics are blatantly restricted from importing to all the world's leading markets by the use of tenuous electrical safety compliancy.

The emerging economies such as the BRIC nations all have clear strategies to challenge any competing importers, while UK businesses continue to pay their domestic taxes and comply with any and all legislation.



The sound of music

Staying competitive and relevant is always the challenge for small niche manufacturers, and we believe this should be the main focus of our business. This can best be achieved by investing in new product development that best leverages our world-renowned brand equity, our long heritage and loyal workforce.

This strategy is starting to take shape with the introduction of our first range of low-energy digital 100v amplifiers aimed squarely at commercial buildings, hospitality venues, hotels and larger retail applications such as car dealerships, gyms and hotels. With end users increasingly concerned about their energy consumption, they are looking to better reduce this cost.

We have a world of competitors but will continue to improve product technology and market reach to grow our reputation and sales around the world.

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