

# MARINE TECHNOLOGY

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Chris  
**Gibson**

**CEO Puts VideoRay  
on the Fast Track**

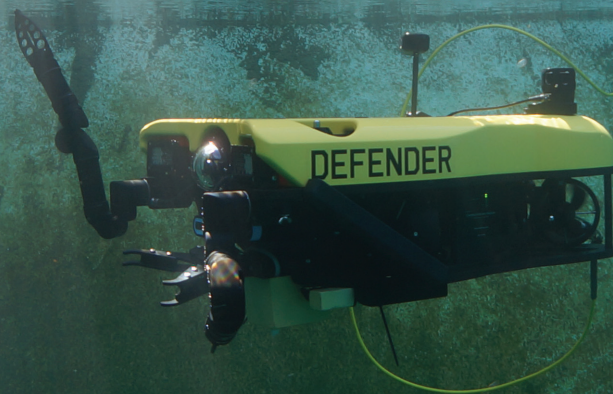
**Joides Resolution  
Resolute to the Core**

**Naval Defense  
Increasing Autonomy**

**USACE  
Coney Island Turns 100**

**The OceanGate Tragedy &  
The Future of Exploration**





## CEO in Focus: VideoRay's Chris

# GIBSON

*About five years ago, with a plethora of low-cost ROV manufacturers entering the market, VideoRay had a decision to make: sell higher volumes of lower cost units, or switch gears and sell fewer, higher cost units. Leadership chose the latter, a decision that has paid off handsomely with annual revenue growing 20-60% per year each of the last four years, driven by military/government sales. **Marine Technology TV** recently sat down with **Chris Gibson** – a 20-year veteran of the company who recently ascended to the CEO seat – for his insights on the pace and direction of VideoRay and the ROV market at large.*

**By Greg Trauthwein**



Watch the full interview with Chris Gibson, CEO, VideoRay, [https://youtu.be/p5EefJFm4\\_0](https://youtube.com/watch?v=p5EefJFm4_0)





*“We moved into more of a specialized, rugged, even more reliable systems following military grade standards ... our **Mission Specialist technology**. As a result, we’ve been selling fewer, but more expensive systems. While we’ve seen our volume go down, we’ve seen our revenue go up, increasing 20 to 60% a year for the last four years.”*

**– Chris Gibson, CEO, VideoRay**

***Chris, to start us off please give a ‘By the Numbers’ look at VideoRay today.***

We have more than 4,000 systems sold to 1,700 customers in 75 countries using our products, supported both directly and indirectly through sales and support channels, leveraging around 30 international dealers.

Our business changed a lot over the last five years when we made a strategic decision in 2017 to refocus our business. Prior to 2017, VideoRay was a low-cost provider of relatively reliable, rugged, football-sized ROV equipment. But we saw changes coming.

We decided to move into more of a specialized, rugged, even more reliable systems following military grade standards; we did this for business that we were working on with the US Navy, which coincided with the launch of our Mission Specialist technology. As a result, we’ve been selling fewer, but more expensive systems.

While we’ve seen our volume go down, we’ve seen our revenue go up, increasing 20 to 60% a year for the last four years, which is mirrored by the success that we’ve had with the US Navy Maritime Expeditionary Stand-off and Response program.

***You said you “saw changes coming.” Can you elaborate?***

We saw a lot of low-cost providers coming into market. At the time, VideoRay was selling a Scout system that retailed for around \$4,500. When we looked at that scout system, and looked at the technology that was coming on market,

we didn’t feel with that we were competitive, so we had a decision to make: Did we want to make a lot of low-cost systems, or did we want to make fewer, higher-end systems? We made the decision to make fewer, higher-end systems better.

***When you look at the VideoRay you joined more than 20 years ago, how was it most the same; how is it most different?***

What’s most the same is our focus on customer service. Scott Bentley founded the company with Bob Christ, and myself as well as a lot of other people here at VideoRay have software backgrounds. When you are doing software, you have to provide a high level of customer service. Our customers expect it, and we brought that to the maritime industry. We smothered them with customer service, and that’s stayed true. That customer focus directly correlates to solid, reliable products, because that’s what customers want: when they put the unit in the water, they know it’s going to work.

The biggest difference, especially over the last six months since I took over, is that we’ve doubled the size of our leadership team, surrounding myself with experts (both promoted from within and brought in from the outside) as we grow the business.

***Your career parallels an evolution and maturation of the ROV market. Can you point to one***



### *or two technologies that you think have most significantly added to ROV adoption, use and growth?*

We see some big changes happening now that mirror the early days of VideoRay. In the early days commercial divers were terrified about using ROVs because of job security. Today we are seeing new technologies coming aboard that are replaying that same scenario with ROV pilots. This new technology makes it easier for ROVs to operate, and it's going to change the type of operator that you need.

[Another change centers on] the way we 'see' underwater with multibeam sonars. Most of our customers work in low visibility waters, and when you put an ROV in the water the first thing you see is nothing: it's just brown or green; It's rarely blue, and you rarely see nature in its natural state.

Multibeam sonars provide the ability to see something at a distance and then navigate to it easily; it makes using an ROV a lot easier. When we first started selling that technology on the VideoRay systems, I would say that we sold maybe one in 10 systems; now it's about nine out of every 10 systems. It became a popular accessory as the technology has evolved, as it's gotten smaller, less expensive and better.

[Bigger picture, the miniaturization of all types of sensors and tooling has driven and opened up the market]. A lot of things that you [previously] could only put on larger ROVs, the manufacturers are now going through and miniaturizing them, making things smaller, lighter and less expensive. It's opening up the market, and making ROVs more effective tools.

### *VideoRay made the decision six years ago to emphasize selling fewer, higher cost units and the military market. Assuming that space is becoming a bit more crowded too, how does VideoRay differentiate itself?*

There's a box that we like to operate in, and that box has always been one man portable, one man recoverable. We've had internal discussions about building larger equipment, but that's the box we stay in.

The other things that make VideoRay stand are reliability and openness. We are open in regards to our architecture, our modularity, we make it very easy for people to go through and put on different types of sensors, accessories and video.

One of the most important things that we do is we make our systems, for the most part, backwards compatible. So, the tethers that we went through and sold with the first Pro 2 systems will work on Defender systems today. The sonars that you use on our Pro 5 can be used on a Defender system.

The systems that we sold, for example, to the Navy in 2017 can now take battery technology that we developed after they were released and before we even thought about integrating it onto our systems. But all in all, the most important thing that differentiates us is customer service. Not a lot of people will go through and buy their first system because of customer service. Everyone expects when they buy a new anything, it has great customer service. But our customers learn pretty quickly that VideoRay has pretty good customer service, and we're there to support them and their success.

### *We've talked about the military, but I know VideoRay ROVs are found in more than a dozen industries. Looking at all the markets you serve, what do you see as "hot" right now?*

Defense is really hot for VideoRay right now, with a program of record and some other programs that we're working with the [U.S.] Navy, plus we've seen an uptick with foreign militaries with a lot of conflict around the world right now. The other hot market that we're working on now is offshore wind and renewables. VideoRay has a really strong customer base in Europe, and now we see that customer base migrating to the United States.

### *Can you discuss in greater detail the VideoRay Mission Specialists series? What are the key technology differentiators?*

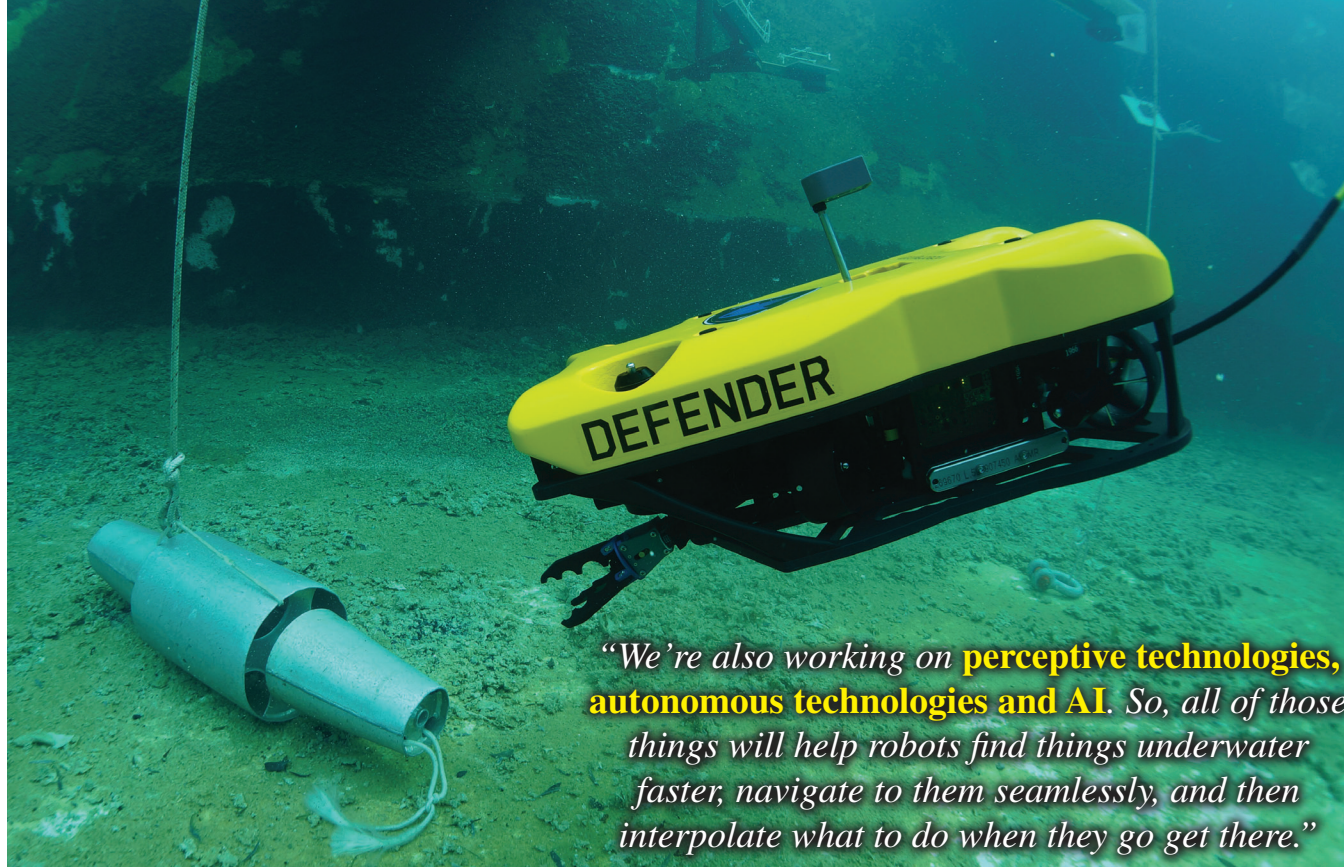
The architecture inside the mission specialist systems is modular. We work in an unforgiving environment, and things happen. When there is a problem, it needs to be fixed without sending something back to the factory.

So, we took our modularity concept to another level. I think a lot of ROV manufacturers today have modular thrusters. If a thruster breaks, you can go through and plug a new one in pretty easily, but every working component of the VideoRay can basically be replaced in a matter of three to five minutes by simply unplugging it and plugging it back in.

What we do is we provide the Navy that capability so that they can repair any systems that they need to, as close as they possibly can to the operator. [At the outset] they explained to us, "You're going to be measured on operational reliability."

We took that to heart, so we went through and looked at how we manufacture things, and we instituted what we call military grade manufacturing.

The other thing is flexibility. Because of the modularity, the VideoRay Defender gives them flexible payload integration. The open architecture of the mission specialist



*"We're also working on **perceptive technologies, autonomous technologies and AI**. So, all of those things will help robots find things underwater faster, navigate to them seamlessly, and then interpolate what to do when they go get there."*

allows customers to go through and do this without VideoRay assistance. It allows them to go through and put different types of payloads for EOD or MCM operations pretty easily.

### ***Can you discuss any recent case studies that highlight the VideoRay capability?***

Well, my favorite I really can't discuss, and that's why the Navy choose VideoRay for program of record!

I think the one that I'll talk about is Proceanic, an offshore O&G company that does business globally out of Houston. The company revolutionized how VideoRay's equipment is used to do class inspections, saving them and their customers millions of dollars. It's been disruptive to industry, which is great for us, and their customers are going through and getting really good inspection service, really high level engineering services at a fair and reasonable price.

### ***Just one more question. How is VideoRay investing today to ensure its tomorrow?***

We're investing several different ways, first and foremost in people, particularly as our business has grown signifi-

cantly over a relatively short period of time.

But all of that goes through and ties into the technology. So, the people will help us grow and support our existing customers, but they'll also go through and help us develop this next, new generation of technology that ultimately is going to make it easier for people to do work underwater.

When you think today about how people pilot ROV systems, they have to deal with current and water visibility [among many other factors]. They have to know where things are, they have to have a really good understanding about spatial awareness about where things are underwater. That all changes with new technology that's being developed now.

How does data get analyzed? When I go through and I inspect something today, how does that data that I collect compare with an inspection that I did six months to a year ago?

We're also working on perceptive technologies, autonomous technologies and AI. So, all of those things will help robots find things underwater faster, navigate to them seamlessly, and then interpolate what to do when they go get there. Our systems will start to self-diagnose based on AI, which is both interesting and scary.