

## Logitech's Covid-19 Business Bump

Written by Bob Snyder  
18. 08. 2016

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It's no secret that while the coronavirus pandemic knocks out some parts of our industry, it elevates others.



Logitech, as a leading maker of remote working cameras and accessories, is one of those winners. Scott Wharton, Logitech VP & General Manager of the Video Collaboration Group at Logitech, posted on LinkedIn, "LOGI had one of our best quarters in 15 years. I'm proud of our contributions to helping the world grapple and thrive with the current challenges. Oh yeah, and VC had one of our best quarters ever at +81% YoY" So let's take a look at Logitech's financial results for the first quarter of Fiscal Year 2021.

- Q1 sales were \$792 million, up 25%.
- Gross margin was 39.2%, higher than expected before the virus.
- Q1 operating profits grew 75% to \$117 million, compared to \$67 million in the same quarter a year ago.
  - Cash flow from operations tripled and reached \$119 million, compared to \$37 million in the same period a year ago.
  - EMEA sales grew 21% (the region has seen double-digit growth in five out of the last six quarters).

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## UNDERLYING SECULAR "xFH" TRENDS ACCELERATED

	Q1'21	Q1'20	Y/Y	Y/Y (CC)
Pointing Devices	120	122	(1%)	1% <sup>1</sup>
Keyboards & Combos	145	129	13%	15%
PC Webcams	61	28	116%	121%
Tablet & Accessories	46	38	20%	22%
Video Collaboration	130	73	77%	81%
Mobile Speakers	29	50	(42%)	(42%)
Audio & Wearables	71	59	22%	23%
Gaming	182	135	35%	38%
Smart Home	7	10	(31%)	(30%)
Net sales	\$792	\$644	23%	25%

Beginning in March, secular "xFH" (work-from-home, learn-from-home, and play-from-home) trends have accelerated

PC Peripherals +19% (CC), due to content creation/streaming and demand for personal workspace in the home

Gaming +38% (CC), as people entertain and socialize with friends and fellow players through online gaming

Video Collaboration +81% (CC), led by increasing demand for video everywhere

Blue Microphone sales (+50%) offset expected declines in UE and Jaybird

Note: Net sales in \$ millions. Comparisons are Y/Y and in US\$ unless otherwise specified.  
(1) Pointing Devices excluding Presenters are up 9% (CC)

[Check out the Logitech Slides for Q1](#)