Director's Report

October 5, 2005

The Satellite Industry Association (SIA) Director's Report is a weekly executive capsule covering current satellite industry news and events.

Your comments are appreciated. Please contact Cindy Spiers at (202) 349-3632.

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Member News

Satellite Industry Association testified at a hearing of the House Energy and Commerce Committee, Subcommittee on Telecom and the Internet. Tony Trujillo, SIA Chairman, and Senior Vice President, Corporate Services and Government Relations, Intelsat, testified on behalf of SIA. Mr. Trujillo testified about the importance of satellite technology in providing quick and reliable communications during disaster recovery efforts. Trujillo emphasized the critical importance of the following initiatives and recommendations: 1) Satellites should be regarded as an essential component in all future critical telecom network planning; 2) Satellite systems must be pre-deployed to a cadre of trained professionals; 3) Satellite personnel must be credentialed as first responders; and 4) Satellite spectrum must be preserved and protected. Trujillo stressed the importance of applying the lessons learned from Hurricanes Katrina and Rita to improve the future of disaster relief and recovery telecommunications, as various components of the disaster relief efforts are evaluated for their effectiveness. His full testimony is available on the SIA website: www.sia.org.

XM Satellite Radio recently surpassed 5 million subscribers and is on track to add a million more by the end of the year. Hugh Panero, XM president and CEO, noted that XM is poised for record growth during the fourth quarter based on the combination of new channels and new products in advance of the holiday season. **XM** announced it added more than 617,000 new net subscribers during the third quarter of 2005 for a total of more than 5.03 million subscribers. XM said this subscriber gain represents a 48 percent increase in new net subscribers compared to the third quarter of 2004, when XM added more than 415,000 new net subscribers. XM said it added more than 1.8 million new net subscribers since the beginning of 2005.

In an agreement between **DIRECTV** and **XM Satellite Radio** beginning Nov. 15, 2005, 72 channels of XM's quality music, children's, and talk programming will be available via DIRECTV, nearly doubling its current audio programming lineup at no additional cost. In addition to music channels and children's programming, XM will provide XM's Major League Baseball "Home Plate" talk radio channel, and XM's High Voltage channel, featuring talk radio stars Opie and Anthony.

DirecTV and **EchoStar**, in separate filings sent to the **Federal Communications Commission**, formally asked the agency to reconsider its decision that would require satellite TV services to

deliver multicast content to viewers in Alaska and Hawaii. In August, the FCC adopted rules that require satellite TV services, concerning their delivery of local digital channels to customers in the two states, to also provide high-def and multicast feeds from broadcasters. DirecTV said while it supports delivery of local TV signals to Alaska and Hawaii, the FCC's HDTV/multicast mandate goes "far beyond what Congress intended and far greater than those imposed on any other multichannel video programming distributor (MVPD) anywhere in the country."

DirecTV also stated that the interpretation of the statute by the FCC significantly multiplies the capacity otherwise required to retransmit local signals to these two states. DirecTV argues this diverts capacity that would "otherwise be used to provide national programming to subscribers across the country, including Alaska and Hawaii, local broadcast signals in new markets, or local HD service to millions of subscribers." DirecTV said it's committed to serving consumers in Alaska and Hawaii, and that its future DirecTV 8 satellite, scheduled to be placed in operation by early December, will serve both states. Story courtesy of SkyREPORT

Inmarsat announced that it has filed a petition with the Federal Communications Commission (FCC) seeking authorization to provide Mobile Satellite Services (MSS) by 2010 using a spacecraft that will operate in the 2 GHz band. Inmarsat hopes to use the additional spectrum to meet the expectation of significantly increased demand for new multimedia and emerging broadband satellite services and to provide first responders with reliable communications capabilities when a terrestrial network has been disabled. Story courtesy of Satnews Daily

The last AstroMesh reflector built by **Northrop Grumman** for the third and final satellite in the **Inmarsat** I-4 series has been shipped for launch integration this fall. The reflector is a key part of the antenna system used by the spacecraft to provide broadband Internet communications. Antenna sensitivity enabled by the large reflector allows the use of mobile, laptop-size modems by users anywhere in the selected coverage area. Additionally, EADS Astrium and Astro Aerospace have completed final installation of the AstroMesh reflector on the second I-4 satellite, which is scheduled for launch later this year, as well as successful on-orbit testing of the satellite communications payload of the first I-4 satellite.

Also, **Northrop Grumman** assigned four executives to new leadership positions at its Space Technology sector to further strengthen program and operating performance. Frederick L. Ricker has been named sector vice president and deputy, Programs; David L. Ryan has been named sector vice president and National Polar-orbiting Operational Environmental Satellite System (NPOESS) program director; James M. Myers has been named sector vice president, Sensors and Payloads; and Stuart T. Linsky has been promoted to vice president, Satellite Communications. Story courtesy of Satnews Daily

Arianespace reported that the liftoff of the Ariane 5 Generic vehicle with Syracuse 3A and **PanAmSat's** multi-mission Galaxy 15 spacecraft is now scheduled for the evening of October 13 in Kourou, French Guiana. Last week, Arianespace announced it discovered an anomaly on an element of the Ariane 5 launch vehicle and said this will result in a delay by a few days of the launch initially scheduled on Sept. 29. As previously reported, the PanAmSat Galaxy 15 that will be launched along with Syracuse 3A carries a commercial C-band communications package to provide relay services for cable television systems, TV broadcast affiliates, direct-to-home TV operators, Internet service providers, telecommunications companies and corporations. The satellite also has a L-band payload as part of the U.S Federal Aviation Administration's Geostationary Communications and Control Segment (GCCS) program, which will relay Global Positioning System (GPS) navigation to in-flight aircraft, providing highly accurate guidance to pilots at airports and airfields where there currently is no precision landing capability. Story courtesy of Satnews Daily

PanAmSat's PAS-1R Atlantic Ocean Region satellite has been selected by Direct-on-PC, one of Nigeria's largest and fastest growing ISPs, as the foundation for its new hub/earth station. Based on the iDIRECT managed network solution, this hub will be used to support various VSAT, VoIP and IP services. The hub, which is specifically designed to support the bandwidth-intensive needs of the business community, will provide a flexible business-class platform in the Nigerian marketplace. It will offer connectivity for various business-WAN applications through PAS-1R's expansive Ku-band footprint which covers all of Europe as well as Western Africa. Story courtesy of Satnews Daily

Lockheed Martin announced the successful delivery of its second Highly Elliptical Orbit (HEO 2) payload, a critical element of the nation's next-generation missile warning system, known at the Space-Based Infrared System (SBIRS) program. The payload ultimately will be integrated with a host satellite and launched into a highly elliptical orbit to globally scan for, detect and report missile launches and other infrared events of military interest.

Additionally, **Lockheed Martin** announced that the first phase of qualification testing at Alliant Techsystems has been successfully completed for the ORBUS 1A, the second- and third-stage solid rocket motor for the U.S. Missile Defense Agency's (MDA's) Boost Vehicle-Plus (BV+) program. The ORBUS 1A motor supplied by ATK was successfully fired this month one week ahead of baseline schedule. Preliminary results from the static test performed at ATK's Elkton, Md., facility indicate that the motor met all pre-test performance requirements.

JSAT Corp of Japan, the leading satellite operator in the Asia-Pacific region with nine satellites in eight orbital slots, has awarded **Lockheed Martin** a contract to build its next geostationary telecommunications satellite, the JCSAT-11. JCSAT-11 will be reserved entirely in orbit as a back up satellite for other

JCSAT satellites following its scheduled launch in 2007. Based on Lockheed's A2100AX platform, JCSAT-11 will be a hybrid satellite featuring Ku-band high-power and C-band medium power transponders. LMCSS is currently building JCSAT-9 and JCSAT-10, both based on the A2100AX satellite platform. JCSAT-9 and JCSAT-10 will serve Asia and Japan following planned launches in 2006.

Iridium Satellite has announced the appointment of Tallahassee Technologies, Inc. as a value-added manufacturer (VAM), and Global Marine Networks and Global Technology Ltd as new value-added developers (VADs). Iridium said its VAMs provide packaged voice and data solutions for specific vertical markets using Iridium L-band transceivers (LBT) integrated with their own hardware and software. Iridium established its VAD program earlier this year to develop relationships with companies that have a particular technical expertise or capability to develop new products or solutions using the Iridium network. Story courtesy of Satnews Daily

DataTech International, LLC has announced that its new DirecStar auto-pointing and deploying mounting system has been certified by **Hughes Network Systems, LLC** (HNS), for use with HNS' DirecWay broadband satellite system. DataTec said the certification came after several months of rigorous testing by HNS, which included temperature and humidity exposure, rain, icing, freezing rain, dust, 4G and 16G mechanical shock, package vibration and handling shock, wind tunnel, and FCC and CE self-certification compliance. Available with a 0.74 or 0.98 meter dish, the DirecStar system deploys rapidly, providing instant Internet connectivity with a simple touch screen interface and is also easy to install. Story courtesy of Satnews Daily

Mobile Satellite Ventures (MSV) announced that the United States Patent and Trademark Office issued to MSV a patent regarding their future broadband multi-spotbeam satellite systems and particularly to broadband multi-spotbeam satellite systems supporting an Ancillary Terrestrial Component (ATC). This patent, with more than 50 patent claims, represents the latest in a series of key intellectual property milestones for MSV. The patent, U.S. Patent No. 6,937,857, is specifically directed to the "packing" and "unpacking" of feeder link carriers at the satellite and satellite gateway to minimize feeder link bandwidth requirements.

Alcatel Alenia Space has signed a contract with Israel Aircraft Industries (IAI) to supply Amos-3 communications satellite's payload. IAI is building the satellite for Israeli operator **Spacecom**. Alcatel Alenia said Amos-3 is slated for launch at the end of 2007, allowing Spacecom to replace the Amos-1 geostationary communications satellite launched in 1996, which mission ends in 2008, as well as expanding the operator's range of Ku-band services and initiate Ka-band service to provide high-quality communications and broadcasting transmission services covering the Middle East, Europe, Africa, and parts of the Americas. Amos-3 is the first major contract announced by the newly formed company Alcatel Alenia Space. Story courtesy of Satnews Daily

Other News

Samsung Electronics unveiled a portable media player that can be used to watch DMB (Digital Multimedia Broadcast) satellite television broadcasts. The YM-PD1 has a 4-inch TFT (thin film transistor) LCD (liquid crystal display) and can be used to watch movies or listen to music stored on the internal 30GB hard drive. The device can also be used to watch DMB satellite broadcasts and comes equipped with a TV-out option, it said.

DMB, which is currently available in South Korea and Japan, is a version of the DAB (Digital Audio Broadcasting) technology used for radio broadcasts in Europe. It allows portable devices equipped with a very small antenna to receive television signals broadcast over a satellite link. The technology is backed by Samsung and LG Electronics, among others, as a standard for satellite broadcasting to handheld devices. In South Korea, DMB television and radio broadcasts can be received using special cell phones made by Samsung and LG.

Upcoming SIA Meetings and Events

October 5th, 2:00pm— SIA Regulatory Working Group Meeting

November 15-18 - SIA Hosted DoD Fixed/Mobile Commercial Satellite Communications (SATCOM)Users Workshop, Crystal Marriott, Crystal City, VA. Contact SIA for details.

November 16th - SIA Hosted Civil Government Commercial SATCOM Workshop, Crystal Marriott, Crystal City, VA. Contact SIA for details.

December 13-16 – SIA Hosted ITU International Satellite Workshop, FCC, Washington DC. Contact SIA for details.