



The Director's Report

From: David Cavossa

February 28, 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 Josh Guyan at (202) 349-3632.

Member News

Iridium Satellite LLC, the global supplier of mobile satellite communication services, said that it had more than 114,000 subscribers as of December 31, 2004, a 22.5% increase over its total number of subscribers at the end of 2003. The company's revenue for the full-year 2004 increased by 23.2% over total revenue for the prior year.

MTSAT-1R, built by **Space Systems/Loral** (SS/L) for the Japanese Civil Aviation Bureau (JCAB) and Japanese Meteorological Agency (JMA), was successfully launched Feb. 26th at 1:25 am PST. The satellite, a state-of-the-art, multi-functional, weather monitoring and air traffic control satellite, was sent into space aboard an H-IIA rocket from Japan's space center in Tanegashima, Japan.

Space Systems/Loral (SS/L) announced that it has been selected by **PanAmSat Corporation**, Wilton, Conn., to build Galaxy 18, a new Fixed Satellite Service (FSS) satellite that will deliver 10 kilowatts of power over a 15-year lifetime.

Ships advised to use **Inmarsat**-based tracking technology as the threat of piracy returns to the Straits of Malacca following the devastation of the tsunami. International bulk carriers remain a target for pirates warns the International Maritime Bureau. Ships crossing the Straits of Malacca, Indonesia, are being warned

to use Inmarsat-based tracking devices to guard against piracy.

SES Global said profit of the Group rose to \$300.38 million compared to \$267.77 million in 2003. SES Global reported revenues of \$1,497.61 million compared to \$1,577.15 million in 2003. EBITDA was \$1,099.50 million versus \$1,231.45 USD in 2003. Net operating cash flow rose to \$1,151.73 compared to \$1,141.44 USD in 2003.

Space Systems/Loral (SS/L) announced Feb. 23rd that it has successfully completed all assembly, integration and tests of the **DIRECTV** 8 satellite, more than two months ahead of the contracted schedule. This progress was capped recently by the successful completion of the pre-shipment readiness reviews held in Palo Alto, Calif. The accompanying photo shows the satellite in the SS/L antenna test range.

Iridium Satellite has provided global satellite communications equipment and services for the LONGITUDE Expedition, a nine-month 32,000-mile attempt to drive around the globe, crossing four continents, through 34 countries, following lines of longitude. Launched in November 2003, the LONGITUDE Expedition was undertaken by the Drive Around the World organization to raise funds for Parkinson's Disease research while also promoting geographic and cultural awareness among schoolchildren.



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Mobile Satellite Ventures (MSV) announced that the Federal Communications Commission (FCC) finalized a comprehensive set of rules following a detailed multi-year process for the use of ancillary terrestrial component (ATC) with mobile satellite services (MSS). With this decision, the FCC expanded the technical and operational flexibility of ATC services; specifically, the new FCC rules allow for greater capacity in both the uplink and downlink directions, thereby assuring robust high speed service.

Loral Skynet announced that it has selected dbxMedia, part of the Ariel Way, Inc. group of companies, to assume the management and further development of Loral Skynet's traditional business television services (BTV), subject to certain closing conditions, including bankruptcy court approval.

Northrop Grumman Corporation has announced several organizational changes and associated executive-level appointments within its Electronic Systems sector. These changes will better position the sector for future business opportunities. "This reorganization will enable us to better focus sector resources on targeted business growth areas, while maximizing the use of executive leadership strengths, especially in such areas as military intelligence, space sensors, naval and marine systems and process and program management," said

Robert P. Iorizzo, president of the Electronic Systems sector.

Mobile Satellite Ventures (MSV) announced that it has been awarded its 4th omnibus ancillary terrestrial component (ATC) patent, covering over 100 claims. The grant of this patent, the second this month, extends MSV's issued patent portfolio to nearly 600 allowed claims. Patent #6,859,652 - Integrated or Autonomous System and Method of Satellite-Terrestrial Frequency Reuse Using Signal Attenuation and/or Blockage, Dynamic Assignment of Frequencies and/or Hysteresis - extends to multiple band sharing and band segmentation techniques between space segment (satellite) and ground segment (ATC).

Loral Space & Communications announced Feb. 23rd that it has reached a settlement with China Telecommunications Broadcast Satellite Corporation (ChinaSat) regarding the Space Systems/Loral-built ChinaSat 8 satellite and its launch. Beneficial to both parties, this settlement amicably resolves all outstanding differences between the company and ChinaSat.

Sea Launch halted the Tuesday launch of **XM Satellite Radio's** XM-3 satellite at approximately seven minutes before liftoff because of an "out of specification condition" that was identified on the launch vehicle. Launch officials said they are in the process of rescheduling the launch. *Courtesy of SatNews Daily.*



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Other News

Former White House aide Bretton Alexander has joined **Transformational Space Corporation LLC** (t/Space) as Vice President for Government Relations. Prior to joining t/Space, Mr. Alexander was a senior policy analyst at the White House in the Office of Science and Technology Policy, where he played a central role in developing the Vision for Space Exploration announced by President George W. Bush in January 2004. While at the White House, Mr. Alexander also contributed to other important Administration space policy initiatives, drawing on his space expertise within the U.S. Government, commercial, and international space policy communities.

Alcatel said it is coordinating the European Research and Development project MOWGLY, which groups an international consortium of 16 partners. The objective of MOWGLY (MOBILE Wideband GLObal Link sYSTEM) aims at studying the implementation of new appropriate standards for the provision of broadband access to users of aircraft, trains and ships. Existing mobile satellite communications systems offer only narrowband services or use proprietary solutions for broadband access. *Courtesy of SatNews Daily.*

FCC News

Federal Communications Commission Chairman Michael Powell named Deborah E. Klein to be the Media Bureau's Acting Chief, following the departure of outgoing Bureau Chief Kenneth Ferree on March 4th. "I am confident that Deborah will advance the Media Bureau's examination of the myriad complex issues that confront it. In particular, her knowledge and

judgment will be invaluable as we continue to address the regulatory challenges presented by ever-evolving technologies. I wish Ken the best; his leadership will be sorely missed, but expect the transition for the Bureau to be seamless," FCC Chairman Michael Powell said.

Upcoming SIA Meetings and Events

March 3rd, 10:00am – SIA Regulatory Working Group meeting @ SIA

Thursday, March 3, 2005, 6:00-8:00pm, FCBA's Congressional Reception honoring members of the House Committee on Commerce and the Senate Committee on Commerce, Science and Transportation. Visit www.fcba.org for details.

March 11th, 10:00am – SIA "Satellite Industry Overview/Satellite 101" presentation at State Department.

March 15th 12:00-1:15pm, SSPI Brownbag Lunch and Briefing on "Mobile Satellite Services: What New Applications Will Emerge with hybrid terrestrial networks?" at Coudert Brothers 1627 I St., NW

March 21st 6:00pm – SIA/SBCA/FCBA "Satellite Communications Law 101" hosted @ Law Firm of Shaw Pittman – please visit www.fcba.org for registration details



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March 22 – SBCA Media Law Forum co-hosted by SIA and the FCBA @ The National Press Club – please visit www.sbca.org for details

March 22 – 6:30-9:00pm – SIA/SBCA “Satellite Leadership Dinner” @ Folger Shakespeare Library (Invitation Only)

March 23 – SIA “International Satellite Forum – Improving the Global Legislative and Regulatory Environment” held in conjunction with the SATELLITE 2005 Conference at the

Washington Convention Center – please visit www.satellite2005.com for registration details

March 30th, 2:00pm – SIA Regulatory Working Group Meeting @ SIA

April 19th 12:00-1:00pm AIAA/SSPI/WIA Luncheon: “Post Tsunami Lessons Learned – Earth Observation and Disaster Relief– PART I”, 2325 Rayburn Building

May 31-June 2 – ISCe Conference @ Long Beach Hyatt Regency Hotel www.isce.com