



The Director's Report

From: David Cavossa

March 8, 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 New

Globalstar LLC announced March 3, 2005 that it has filed an application with the U.S. Federal Communications Commission (FCC) for authority to offer Ancillary Terrestrial Service (ATC) in the U.S. in conjunction with its mobile satellite services. The FCC adopted rules and regulations governing ATC in January 2003 and Globalstar becomes the second satellite operator to apply for ATC authority.

Sea Launch Company successfully delivered **XM Satellite Radio's** XM-3 satellite to orbit from its ocean-based platform on the Equator, in its first mission of the 2005 manifest. Early data indicate the spacecraft is in excellent condition.

In testimony before the U.S. House Committee on Government Reform, Michael Cook, senior vice president of **Hughes Network Systems**, urged the Committee to include satellite broadband technologies in the government's "Network" procurement vehicle. Currently, only terrestrial broadband is mandated, leaving many government offices and employees underserved due to geographic limitations. Conventional terrestrial networks, such as digital subscriber line (DSL) and cable modem, are often not available in suburban or rural areas, whereas satellite broadband solutions are available virtually continent-wide.

The U.S. Air Force announced the removal of the suspension of three **Boeing Co.** units associated with its rocket business. The company's Launch Systems, Boeing Launch Services, and Delta Program business units were suspended July 24, 2003, for violations of federal law.

Inmarsat reported a total revenue for the fourth quarter 2004 of \$114.3 million, compared to \$118.8 million recorded for the fourth quarter 2003. EBITDA for the fourth quarter 2004 was \$65.6 million, a decrease of \$4.7 million from \$70.3 million reported for the fourth quarter 2003. Inmarsat said fourth quarter revenues were consistent with management expectations, but adversely impacted when compared to the third quarter 2004 revenues by volume discounts to distributors which peak in the fourth quarter before being reset at the end of the year.

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) has released the text of its new rules for the deployment and operation of an ancillary terrestrial component (ATC) to mobile satellite service (MSS) systems. The text, released on Friday, contains the details of the unanimous decision announced by the FCC at its February 10, 2005 public meeting. The Order provides MSV with substantial additional uplink and downlink flexibility, allowing it to significantly lower the cost of ATC deployment and increase MSS/ATC hybrid system capacity.

International Launch Services announced the launch on Thursday, March 10, of **Inmarsat** 4-F1 satellite on a **Lockheed Martin** Atlas V from Cape Canaveral Air Force Station, Florida.

Intelsat General Corporation, a leading provider of satellite networking service to the U.S. military and other government agencies, will launch its new GlobalConnexSM Network Broadband service at the AFCEA TechNet Tampa show, March 8-9. The service uses a bundle of satellite capacity, teleport facilities and hubs through fixed and portable Very Small Aperture Terminal (VSAT) dishes to create virtual private networks (VPN) carrying VOIP, video and

Other News

The fate of **Voom** high-definition satellite TV service will be known when the board of **Cablevision Systems Corp.** will meet to decide the offer of Charles Dolan to buy the Rainbow DBS assets that were not purchased by EchoStar. On Thursday last week, the board the board of directors

other data applications such as Internet access, e-mail and multimedia to anywhere in the world.

Hughes Network Systems, Inc. has selected Sandvine Incorporated's Attack Traffic Mitigation solution for operation on its U.S.-wide DirecWay broadband satellite network. Hughes said DirecWay service will deploy Sandvine's multi-layer Worm/DoS solution to build self-defending capability into its network. Sandvine will defend the network against Malware attacks, such as worm outbreaks and their associated denial-of-service (DoS) to customers, which can consume significant bandwidth on a service provider's network in a matter of hours. *Courtesy of SatNews Daily.*

Lockheed Martin has achieved a major milestone with completion and delivery of a sophisticated, high-performance communications subsystem integral to the infrared payload of the first Space-Based Infrared System High (SBIRS High) geosynchronous orbit (GEO) satellite. SBIRS High, the nation's next-generation missile warning system and a critical element of missile defense, will feature a communications subsystem successfully developed and tested at Lockheed Martin's facilities in Newtown, Pa., and delivered to its Space Systems Company in Sunnyvale, Calif.

announced in a Securities and Exchange Commission filing that it will delay the shut down of the Voom satellite TV service. *Courtesy of SatNews Daily.*

Satellite radio could soon hit your iPod, PDA, and cell phone with **Calypso**



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Wireless's new patent pending technology. The company has devised a solution based on their ASNAP (Automatic Switching of Network Access Points) technology that can allow your mobile wireless device to receive satellite broadcasts from either satellite transmitters or WiFi. The press release doesn't go into detail on design specifications, with no indication if it will be packaged as a device accessory or built into future devices. *Courtesy of MobilMag.*

Gilat Satellite Networks, Ltd., subsidiary, Spacenet Inc., has acquired all remaining shares of **StarBand Communications Inc.** and now plans to merge the operations of StarBand into Spacenet. Terms of the transaction were not disclosed. In a statement, Gilat said it expects that the combined Spacenet and StarBand operations will be able to achieve greater efficiencies and economies of scale. *Courtesy of SatNews Daily.*

FCC News

The Federal Communications Commission will hold an Open Meeting on the subjects listed below on Thursday, March 10, 2005, which is scheduled to commence at 9:30 a.m. in Room TW-C305, at 445 12th Street, S.W., Washington, D.C.

1. The Commission will consider Petition for Waiver of the Part 15 UWB Regulations Filed by the Multi-band OFDM Alliance Special Interest Group (ET Docket No. 04-352).
2. The Commission will consider a Report and Order and Memorandum Opinion and Order concerning the use of the 3650-3700 MHz Band.
3. The Commission will consider a Fifth Report and Order in IB Docket No. 00-248, and Third Report and Order in

CC Docket No. 86-496 concerning streamlining the procedures for reviewing non-routine earth station applications.

4. The Commission will consider a Sixth Report, Order, and Third Further Notice of Proposed Rulemaking concerning revisions to its earth station antenna gain pattern requirements, and the establishment of an off-axis EIRP envelope for Earth Stations in the Fixed Satellite Service.
5. The Commission will consider an Order concerning applications filed by commercial television stations seeking extensions of the May 1, 2002 deadline for construction of their digital television facilities.

Upcoming SIA Meetings and Events

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 10am-3pm – FCC’s Second Annual Satellite Forum at the FCC: *Satellite Services On the Move* – visit www.fcc.gov for details

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 @ 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