



The Director's Report

From: David Cavossa

June 29, 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

Intelsat Americas™-8 (IA-8), a high-power fixed satellite service (FSS) spacecraft built for **Intelsat LLC**, Washington, DC, by **Space Systems / Loral** (SS/L), was successfully launched on June 23rd. The satellite was sent into space on a **Sea Launch** Zenit-3SL rocket from the Odyssey Launch Platform, positioned on the equator in the Pacific Ocean.

The head of a major satellite operator said last week that the government could save money on satellite contracts if it could commit funding for longer periods of time. "If you want to get the best price, you need to go long," said David Helfgott, president and chief executive of **Americom Government Services**, at a luncheon organized by the Washington Space Business Roundtable, a group of space industry executives. While acknowledging that the congressional appropriations process posed obstacles for long-term commitments to contractors, Helfgott said the rules should be changed for the government to get the best prices. He echoed comments made earlier this month by a federal acquisition official who expressed frustration with the acquisition funding process.

Hughes Network Systems, LLC (HNS) brings the power and reach of satellite broadband to 50,000 small businesses that reside in areas where digital subscriber line (DSL) or cable broadband are not available. Utilizing HNS' DIRECWAY®

service, these businesses are able to enjoy always-on, two-way reliable broadband Internet access by satellite—without tying up their phone lines. "There has been a lot of talk about the digital divide among consumers without access to broadband Internet but little mention has been made of a similar divide that exists among small and medium businesses across the country. In the case of these businesses, bridging this 'divide' can be the key to remaining successful in an increasingly competitive economy," said Peter Gulla, HNS vice president of consumer sales and marketing.

U.S. Marines with the 2nd Force Service Support Group (FSSG) implemented an **Iridium** satellite-enabled equipment identification and tracking system to provide a critical in-transit visibility and asset tracking capability in support of the warfighter. The system, which is under trial with the 2nd FSSG at Camp Lejeune, incorporates radio-frequency identification (RFID) tags and Web-based tracking software to locate and track the movement of vital supplies for warfighters at the front. The system relies on Iridium's network of low-earth-orbit satellites to relay data in real time from RF interrogators and to track vehicles and other assets.

Mobile Satellite Ventures (MSV) released a commissioned White Paper entitled, "Taking a Fresh Look at Public Safety's Spectrum Needs: Towards a Next



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Generation Strategy for Public Safety Communications.” This White Paper, written by recognized experts Dale Hatfield and Phil Weiser, both Professors at the University of Colorado, urges policy makers to take a careful look at the challenge of developing a next generation public safety communications network. By examining innovations in wireless communications over the last decade, the authors suggest that the best policy for public safety agencies is to look beyond simply using more spectrum dedicated to their private land mobile radio (LMR) systems.

LG Electronics said **DirecTV Inc.** has approved LG's transcoder, a content-secure device that receives DirecTV satellite HDTV signals and reformats the signal to meet the ATSC digital television standard for distribution through a hotel's existing cabling. LG Electronics said that with the agreement, hoteliers, for the first time, will be able to offer guests not only free over-the-air HDTV programming but also premium satellite-delivered HDTV programming such as HBO-HD and HD.Net. *Courtesy of SatNews.*

PanAmSat announced that it is joining forces with long-time partner JSAT Corporation to form a joint venture that will launch a new Ku-band satellite to satisfy the growing demand in the U.S. market. The joint venture will be named Horizons-2 and include a high-powered satellite that will support everything from digital video, high-definition television (HDTV) and IP-based content distribution networks to broadband Internet and satellite news gathering services (SNG).

Globalstar LLC, that it has signed an agreement with AeroAstro, a leading developer of microsatellite systems and components, to purchase seven new simplex data appliques. The new appliques will reside in various Globalstar gateways around the world, allowing the service provider to continue expanding availability of its simplex-based asset tracking and monitoring solutions.

Loral Skynet announced that it has entered into an agreement with BtNAccess, a global provider of communications services, to extend Loral's SkyReach(SM) IP-enabled communications services to Asia, providing regional users with regional and global public Internet and private networking services, including broadband Internet access, voice over IP (VoIP), and managed data services.

Intelsat, Ltd., reported that William Atkins has resigned his position as Chief Financial Officer to pursue other interests. The company has named J. Robert Medlin as acting Chief Financial Officer. Intelsat has commenced a search process for a permanent successor. Mr. Medlin, a CPA, brings to Intelsat 30 years of corporate finance experience with particular expertise in tax, audit and corporate finance work.

El Al Airlines is equipping seven passenger jets with Sky Connect **Iridium** Satellite terminals, which will provide global cockpit voice and data communications during long-haul flights. The 747-200 aircraft are being fitted with Sky Connect Classic Iridium satellite phone systems, which are being supplied



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by GayaCom, Iridium's authorized Service Provider for Israel.

PanAmSat Holding Corp. said on Monday its board of directors declared a quarterly dividend for the period from April 1, 2005 to June 30, 2005, in the amount of \$0.3875 per share, payable on or about July 15, 2005, to stockholders of record as of June 30, 2005. The board of directors of **New Skies Satellites** Holdings Ltd. also declared on Monday a partial quarterly cash dividend for the period from May 13, 2005 to June 30, 2005 of \$0.252146 per share, payable on or about July 15, 2005 to shareholders of record on June 30, 2005. *Courtesy of SatNews.*

Following last month's FCC authorization allowing **Mobile Satellite Ventures** to construct, launch and operate a next generation satellite at 101° W. Longitude, the Company announces the start of its satellite procurement process. This follows the posting of a \$3,000,000 bond required by the FCC as part of the authorization process. MSV will issue a request for proposal (RFP) within the next three months to a number of commercial satellite providers for this next generation satellite, known as MSV-1, and for its Canadian counterpart MSV-2 as well as the previously authorized MSV-SA satellite that is intended to cover South America. This three-satellite configuration will provide coverage throughout the Western hemisphere.

Hughes Network Systems Europe (HNSE) announced that it won two awards at Retail Solutions in Birmingham on June

7. The awards pay tribute to innovative projects implemented with ASDA and TESCO, HNSE's two leading retail customers in the UK. The award for "Best Use of Technology for Employee Development" was given to ASDA and HNSE in recognition of the benefits of 24/7 TV, ASDA's internal training and corporate communications solution based on HNSE's DIRECWAY® broadband satellite service.

Stratos Global Corp., announced the appointment of Scott Hoyt as Senior Vice President and Chief Marketing Officer. Mr. Hoyt will report to President and Chief Executive Officer, Jim Parm, and will be responsible for the overall direction, implementation and operation of all of Stratos' global marketing functions.

Jakarta-based charter operator PT Travira Air will equip its fleet of helicopters and fixed-wing aircraft this summer with **Iridium** satellite communication systems to be provided by Sky Connect LLC. The Sky Connect TRACKER™ systems will provide automatic flight following to monitor fleet movements on a 24/7 basis via air-to-ground data links relayed through Iridium's constellation of 66 low-earth orbiting satellites. PT Travira Air will also use the system for cockpit voice communications when an operational requirement dictates a change in routing or during an emergency. Travira's Singapore-based medical aircraft will utilize the Iridium-based system for vital communications between onboard medical personnel and hospital medical staff.



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Other News

France and India signed a Memorandum of Agreement (MoA) that will jointly address the commercial market for communications satellites with payload power below 4 Kw and a launch mass in the range of 2 to 3 tons. KR Sridhara Murthi, executive director of **Antrix Corp.**, and Antoine Bouvier, chairman of **EADS Astrium**, signed the agreement in the presence of Dr. G. Madhavan Nair, chairman of the Indian Space Research Organisation (ISRO). *Courtesy of SatNews.*

Radyne Corp. and **General Dynamics C4 Systems**, a business unit of General Dynamics, announced the availability of a new troposcatter or "over-the-horizon" modem. The new product, called the TM-20 modem, has the ability to transmit radio waves over the curvature of the Earth by bouncing signals off irregularities (small

changes in humidity, temperature and pressure) in the troposphere approximately 10 Km above the Earth's surface. *Courtesy of SatNews.*

The Galileo Joint Undertaking has announced its readiness to open negotiations for the contract on the building of the Galileo satellite system based on the joint proposal of Eurely/iNavSat. In his report to the GJU Supervisory Board, executive director Rainer Grohe has said that based on their evaluation, the joint proposal clearly showed better value for the public, which he said is the overriding criterion in the decision-making process. This can only be achieved with the merger, as the joint proposal combines complementarity and possibilities from the two consortia, GJU said in a statement. *Courtesy of SatNews.*

Upcoming SIA Meetings and Events

June 29, 2:00pm – SIA Government Services Working Group Meeting @ SIA

June 29, 5:30 pm-8:00 pm - SSPI co-sponsor with AIAA of WIA event: "Post-Tsunami Lessons Learned – Earth Observation and Disaster Relief" Part II Rayburn 2325

July 21, 2:00pm—SIA Regulatory Working Group Meeting @ SIA

September 12-16—SIA ITU International Satellite Workshop to be held at Intelsat with full FCC support. Contact SIA for details.