



The Director's Report

From: David Cavossa

June 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 News

The **Satellite Industry Association** (SIA) last week released its annual "State of the Satellite Industry Report" at the ISCe 2005 Conference. SIA reported that the commercial satellite industry generated \$97.2 billion in revenue in 2004, an increase of 6.7 percent over 2003 industry revenues. SIA Executive Director David Cavossa noted that "the satellite industry continues to grow at a healthy rate and emerging services and applications such as HDTV, satellite radio, satellite broadband, and satellite hybrid solutions are expected to lead the industry's growth in 2005." The report can be found in its entirety at www.sia.org

In addition, last week the **Satellite Industry Association** (SIA) held a reception at the National Press Club for COM/CITEL delegates and government guests. COM/CITEL is the executive arm of CITEL and is composed of representatives of eleven member states of CITEL elected at the CITEL Assembly. This week's meeting hosted representatives from Argentina, Brazil, Canada, Chile, Colombia, Dominican Republic, Ecuador, Guatemala, Mexico, Paraguay, United States, and Venezuela.

Space Systems/Loral (SS/L) announced that it has been awarded a contract by XM Satellite Radio, Washington DC, to build XM-5, a high-power, digital audio radio service (DARS) satellite that will serve as a ground spare in the XM Satellite Radio fleet, ensuring XM subscribers across

North America with continued high-quality, digital- music, entertainment and data services.

Americom Government Services (AGS), a wholly-owned subsidiary of SES AMERICOM, announced today it received a contract through prime contractor Innovative Technologies Inc., to provide the satellite communications bandwidth for all 80 U.S. Department of Housing and Urban Development (HUD) offices throughout the United States. This bandwidth will carry the audio and video communications to help HUD share instructional materials and best practices that enhance the implementation of major programs.

Globalstar announced the release of its Express Data service. Express Data is a subscription- based service that allows users to send email, transfer files and browse the Internet more quickly and efficiently over the Globalstar network. Express Data is ideal for customers searching for faster satellite data speeds that will allow them to be even more productive from remote areas. The service is available anywhere there is a Globalstar satellite connection, enabling access from remote jobsites and work environments beyond cellular and landline coverage.

Iridium Satellite announced that it will release a new cost-effective worldwide fax service through its global satellite communication network in the third



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quarter of 2005. The new service will permit subscribers to send and receive fax messages between ship and shore anywhere in the world using standard Group 3 fax machines. Iridium's fax service will include a newly developed low-cost fax modem, which can easily be added to an onboard Iridium terminal and will provide the least-expensive global satellite fax solution available.

G2 Satellite Solutions Corp. (G2), **PanAmSat's** wholly owned subsidiary focused on providing communications solutions to the US government, announced the launch of a new global managed network service based on the iDirect technology. The network uses high-powered Ku-band beams around the globe to deliver voice, data, video and Internet simply and securely using commercial off-the-shelf VSAT equipment.

Hughes Network Systems, LLC (HNS), announced today that the company continues to achieve record growth in its DIRECWAY® consumer and small business subscriber base. During Q2 2005, HNS' total subscriber base has reached more than 250,000 customers, achieving double digit growth from Q4 2004.

New Skies Satellites Holdings Ltd. announced that the underwriters of its recent public offering of 11,900,000 shares of common stock have exercised their over-allotment option to purchase an additional 1,784,100 shares of common stock from New Skies Satellites Holdings Ltd. at the initial public offering price of \$16.50 per share.

Lockheed Martin and Aerojet have successfully conducted the second test firing of the Atlas V upgraded Block B Solid Rocket Booster (SRB). The test firing was performed May 24 at Edwards Air Force Base, Calif. Aerojet's Block B SRB will be used on Lockheed Martin's Atlas V launch vehicle, providing enhanced performance and reliability. The Block A SRB, a previous version of the solid motor also produced by Aerojet, was qualified in 2003 and has already flown on three separate successful Atlas V missions for Lockheed Martin.

Iridium announced that it is upgrading and enhancing the popular In-Network service to make it easier for fleet operators to take advantage of the low cost of Iridium-to-Iridium calling and the convenience of prepaid Crew Calling programs. Iridium In-Network service provides savings in satellite calling charges by routing calls directly between the shipboard Iridium terminal and a fixed Iridium terminal ashore. The system transmits the calls end-to-end via satellite without going through a gateway or switching station, thereby avoiding additional charges from public switched telephone networks (PSTNs).

Inmarsat plc has announced its intention to proceed with an initial public offering of shares and to seek a full listing on the main market of the London Stock Exchange. JP Morgan Cazenove and Morgan Stanley have been appointed Joint Sponsors for the proposed flotation. JP Morgan Cazenove, Lehman Brothers, Merrill Lynch International and Morgan Stanley have been appointed joint book-runners.



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Iridium Satellite announced the appointment of four companies under the newly created Value-Added Developers (VAD) program. "Iridium has created its VAD program to establish direct technical relationships with companies that have a particular expertise or capability to develop new products or solutions using Iridium voice or data service," said Greg Ewert, executive vice president of Iridium Satellite. The first four companies to sign up as Iridium VADs are Flight Explorer, Alexandria, Va.; Gannexion B.V., Almere, Holland; The Oceanscience Group, Oceanside, Calif. and Ontec Technologies, Phoenix, Ariz.

Hughes Network Systems, LLC (HNS), announced that in response to customer and market demand, the company is offering a new managed telecommunications service designed to provide enterprises with a broadband network solution optimized for their business environment. The offering,

Other News

WildBlue Communications, Inc. has installed its first customer in Strasburg, Colorado, signaling the start of national availability of the WildBlue high speed Internet service across the United States. WildBlue said it installed a 26-inch satellite dish and modem at David and Theresa Tuttle's home in Strasburg on June 2. WildBlue is offering high-speed Internet connections to homes and small businesses in communities in the continental U.S. not currently served, or underserved, by other high speed providers. *Courtesy of SatNews.*

DIRECWAY[®] Unified Broadband, enables organizations to deploy broadband technology at every site based on business need. It also empowers IT managers to maintain control of network activities while reducing costs and enhancing network performance.

DIRECTV's Spaceway F2, the second of two Spaceway satellites that will dramatically expand digital and high-definition (HD) programming for its customers, has arrived at the Guiana Space Center in Kourou, French Guiana and is undergoing preparations for launch next month. Spaceway F2 is one of four satellites that DIRECTV is launching over a two-year span as part of a historic expansion of programming capacity that will enable DIRECTV to deliver more than 1,500 local and more than 150 national HD channels and other advanced programming services to consumers nationwide by 2007. Spaceway F1 launched in late April.

ORBCOMM, announced it has signed agreements with seven innovative technology companies that will offer their customers ORBCOMM satellite data communications services with their mobile and fixed asset applications and services. These new value added resellers (VARs) join the 84 VARs that already offer ORBCOMM services to customers around the world. *Courtesy of Yahoo Finance.*

Harris Corp. announced on Tuesday its OS/COMET(R)-based Satellite Control Center is being used to operate **DigitalGlobe's** QuickBird satellite. DigitalGlobe operates a commercial



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satellite remote sensing system that includes QuickBird. OS/COMET is an advanced software tool set featuring commercial off-the-shelf (COTS) capabilities with superior levels of

flexibility, allowing users to automate ground-system solutions at any desired level throughout the life of a satellite program. *Courtesy of SatNews.*

Upcoming SIA Meetings and Events

June 8, 6pm-8pm—FCBA Annual Spring Reception with FCC Commissioners and Legal Advisors @ Hilton 1919 Connecticut Ave. See www.fcba.org for details and registration.

June 15, 2:00pm – SIA Trade Working Group Meeting @ SIA

June 15 6-9pm – SSPI social evening – Perry's Adams Morgan 1811 Columbia Rd., NW Washington, DC.

June 23, 12:15-1:45pm—WSBR Luncheon with Speaker David Helfgott, President & CEO of AMERICOM Government Services. Topic is “Commercial Satellite Use by the Military & the Impact of Procurement Policy Reform.”

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

June 29th, 2005 – 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