



Director's Report

July 6, 2006

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 Christina Langlois at (202) 349-3632.

If you would like to unsubscribe to this list, please email clanglois@sia.org.

Recent News

Boeing completed the first flight of a Delta IV rocket from Vandenberg Air Force Base, Calif., with the successful launch of the **National Reconnaissance Office** (NRO) satellite, NROL-22. The launch is the first West Coast mission completed for the U.S. Air Force Evolved Expendable Launch Vehicle (EELV) program.

Globalstar, Inc. announced that its South Africa subsidiary, Globalstar Satellite Services (Pty) Ltd. (Globalstar Southern Africa), has received a value added network services license from the Independent Communications Authority of South Africa (ICASA). Globalstar Southern Africa may now proceed with its plans to provide satellite voice and data services in South Africa. The company, established in March 2006, filed its application for a license with the ICASA in May.

Hughes Communications, Inc. announced that it has applied to list its common stock on the NASDAQ Global Market (formerly known as the NASDAQ National Market). Hughes' common stock has been quoted on the Over-the-Counter ("OTC") Bulletin Board market since it became a publicly traded company in February 2006.

Iridium Satellite announced that **Quake Global**, an authorized Iridium value added manufacturer, is one of the first companies to introduce a new, small-size low-cost

modem taking advantage of Iridium's global short-burst data (SBD) service. Quake Global's new Q9612 is aimed at the emerging machine-to-machine (M2M) communication market, providing worldwide data links for asset tracking and monitoring applications. The small unit, which is about the size of a deck of cards, runs on 9-18V power, for easy integration into a wide range of telematics applications.

Verizon disclosed that more than 415,000 of its customers get **DirecTV** service as part a service bundle. More than 66,000 Verizon customers signed up for the DirecTV/DSL/phone package during the first three months of the year, Verizon added. The telco said those customers are saving as much as \$60 a month or more off the non-promotional prices of competing bundles from cable. *Story courtesy of SkyREPORTS.*

Globalstar announced that it has filed an application with the U.S. **Federal Communications Commission** (FCC) for authority to use its entire assigned mobile satellite service (MSS) spectrum for Ancillary Terrestrial Component (ATC) services in the United States. Earlier this year, the FCC granted Globalstar the authority to use 11 MHz of its 1.6/2.4 GHz satellite radio frequencies for ATC. The latest Globalstar filing is a request by the company to use the remaining portion of its 27.85 MHz of MSS spectrum for ATC.

Space Systems/Loral announced that it has entered into a contract with a subsidiary of EchoStar Communications Corporation, Englewood Colo., to build a 1300-series satellite.

Globalstar announced that its independent gateway operator in Mexico, Globalstar de Mexico, is expanding its simplex or one-way data coverage throughout all of Mexico and to areas of northern Central America. With the resulting coverage enhancements, Globalstar simplex data customers will now be able to seamlessly access the company's satellite network from Alaska and northern Canada southward to parts of Brazil, Colombia, Ecuador, Chile and the Pacific coast maritime region of South America. The capability to offer simplex data service and solutions throughout Mexico and the surrounding region is the result of additional hardware being added to the ground station or satellite gateway operated by Globalstar de Mexico.

Intelsat, Ltd. announced the completion of its merger with **PanAmSat Holding Corporation**. With the addition of PanAmSat's video market expertise, advanced satellite fleet and blue-chip media customer base to Intelsat's portfolio, the new Intelsat is now the largest provider of fixed satellite services (FSS) worldwide to each of the media, network services/telecom and government customer sectors. Through the deal, Intelsat acquired all outstanding common shares of PanAmSat for about \$3.2 billion. The combined capacity includes a fleet of 51 satellites and a large, complementary terrestrial infrastructure including eight owned teleports, fiber connectivity and more than 50 points of presence in almost 40 cities.

Iridium is providing satellite data links for a new system of 31 ocean buoys that the **U.S. Department of Commerce National Oceanic and Atmospheric Administration** (NOAA) National Data Center is deploying. The NOAA ocean buoy system detects and monitors tsunami waves in the open ocean. This new, second-generation Deep Ocean Assessment and Reporting of Tsunamis (DART II) system consists of pressure-sensitive tsunameters on the seafloor, and buoys on the ocean surface. The Iridium constellation of 66 low-earth orbiting (LEO) satellites transmits the pressure measurements to NOAA warning centers.

The **Boeing Company** successfully completed a series of live tests demonstrating the interoperability of the Transformational Satellite Communications (TSAT) Next-Generation Processor Router (NGPR) with a government reference ground terminal, marking another achievement for the TSAT Space Segment development program.

DirecTV, Inc. is now offering local HD programming via satellite to customers in the Baltimore, Cleveland, Charlotte, N.C., Denver, Hartford, Conn., Miami, Orlando, Fla., Raleigh, N.C., and West Palm Beach, Fla., DMAs. With the addition of these nine markets, DIRECTV now offers local HD broadcast channels in 36 cities with plans to launch in an additional 13 cities later this year, offering access to DIRECTV-delivered local HD channels in more than 65 percent of U.S. television households.

Eutelsat Communications announces that its ATLANTIC BIRD™ 4 satellite has gone into full commercial service at the 7 degrees West location. Operating since

1998 as HOT BIRD™ 4 from Eutelsat's HOT BIRD™ neighborhood, the newly branded ATLANTIC BIRD™ 4 was freed to initiate its new mission at 7 degrees West with the transfer on 22 April 2006 of broadcast clients onto HOT BIRD™ 7A. Designed for consumer broadcasting, the satellite's high-power footprint has been optimized in particular to serve the Middle East and North Africa, enabling Direct-to-Home (DTH) reception of digital services with domestic antennas from 7 degrees West.

ATK solid propulsion technologies supported the successful launch of a **Boeing** Delta II rocket from Cape Canaveral Air Force Station, Fla. The launch marked the beginning of the **Defense Advanced Research Project Agency's** (DARPA) Microsatellite Technology Experiments (MITEX) mission. Nine GEM-40 solid propulsion strap-on boosters manufactured by ATK Launch Systems provided augmented thrust for the launch. Six of the boosters ignited at lift-off with the first-stage main engine and provided over 850,000-lbf maximum thrust for the launch vehicle. About one minute later, the remaining three boosters ignited to provide an additional 450,000-lbf maximum thrust.

The **Federal Communications Commission** adopted a Notice of Proposed Rulemaking (NPRM) seeking comment on licensing and service rules for satellites authorized to provide service to the United States in the 17/24 GHz Broadcasting Satellite Service (BSS). The 17/24 GHz BSS satellites will downlink domestically in the 17.3-17.7 GHz frequency band and uplink in the 24.75-25.25 GHz frequency band. The 17/24 GHz BSS service holds the potential of

bringing a new generation of innovative satellite services to American consumers – providing a mix of video, audio, data and multimedia services to residential and business subscribers.

Bernstein's Craig Moffett released a revised outlook on the satellite radio business, which he said appears to be headed towards meeting its 2006 goals. **XM** recently revised year-end subscriber guidance from 9 million to 8.5 million. Moffett said in a note the satellite radio company's revised target looks attainable, "and that expectations are unduly low. We believe the stock represents a compelling value," he added. *Story courtesy of SkyREPORTS.*

MedStar Health, a healthcare system in the Baltimore-Washington, D.C. area, has selected **Roadpost** to provide **Iridium Satellite** emergency backup communications for its personnel and facilities. Roadpost is supplying the Iridium hardware and monthly services, including nine multi-channel fixed terminals and 96 mobile handsets. The fixed terminals will be installed at MedStar's hospitals and other facilities to provide up to four independent channels for incoming and outgoing satellite calls. These will be interfaced with the buildings' private branch exchange (PBX) switching systems. Additional Information:

Globecomm Systems Inc. announced it has been awarded a Multiple Award Schedule contract by the **U.S. General Services Administration** (GSA), enhancing the company's ability to offer its satellite communications solutions directly to authorized civilian and defense agencies. The Company is currently in the process of bidding for multiple federal



Director's Report

July 6, 2006

contracts that make use of its Explorer and Summit product lines of satellite earth terminals as well as the provisioning of satellite services for the transport of voice, data and video through its teleports. GSA schedules give federal contracting officers a convenient method to procure products and services, while giving private companies greater access to federal decision makers.

Hughes Communications, Inc.

announced that it has appointed three independent executives to complete its eight member Board of Directors. Stephen Clark, venture partner with **Intersouth Partners**, Gene Gabbard, private investor and Lawrence J. Ruisi, advisory consultant, assume their positions immediately.

Iridium Satellite is pleased to announce that Tom Ridge, former **Secretary of Homeland Security** and two-term Pennsylvania Governor, has joined the Company's Board of Directors. The company helps government and businesses around the world improve preparedness and response for disaster and defense scenarios, in addition to providing mission critical and functional commercial telecommunications services. Iridium provides complete coverage of the earth, and delivers essential services to and from

remote areas where no other form of communication is available.

Loral Space & Communications Inc.

announced that it has promoted Patrick DeWitt to chief executive officer of Loral's satellite manufacturing subsidiary, Space Systems/Loral (SS/L). John Celli has been promoted to president and chief operating officer of SS/L.

Mobile Satellite Ventures (MSV)

announced that Jack Dziak has joined the company as Senior Vice President of Services and Distribution. Mr. Dziak will be responsible for building MSV's next generation services portfolio and formulating and executing distribution and delivery agreements with strategic channel partners to meet their mobile broadband requirements.

XM Satellite Radio announced that Jeff Blattner has been named Senior Vice President, Public Policy and Special Counsel, effective September 1. In the interim, Blattner will continue in his role as a consultant to XM. In his new role, Blattner will be responsible for XM's strategic initiatives in the areas of legislation, regulation and policy, reporting to Dara Altman, Executive Vice President, Business and Legal Affairs for the company.

Upcoming Meetings and Events

21 September 2006 – Continuity of Business (via Satellite) Summit, “Acquiring Robust Communications Capability to Prepare for Natural of Man-Made Disasters,” U.S. Chamber of Commerce, Washington D.C. – Co Hosted by SIA, Space Enterprise Council and NTIA.

26-28 September 2006 – APSCC 2006 Satellite Conference and Exhibition, “Satellites – Growing with Asia”, Hotel Lotte World, Seoul, Korea; info@apscc.or.kr; <http://www.apscc.or.kr/event/apscc2006.asp>



Director's Report

July 6, 2006

10-12 October 2006 - United States Space Foundation Symposium, “Strategic Space 2006”, Omaha, Nebraska www.spacefoundation.org

12-15 November 2006 - IAEM's 2006 Annual Conference and Emergency Management and Homeland Security EXPO Exhibition (EMEX), Orlando, Florida <http://www.emex.org/> and <http://www.iaem.com/>

28 November 2006 - ISCe Satellite Investment Symposium NYC '06, New York City <http://www.isis-nyc.com/>

29-30 November 2006 – SATCON 2006, New York City www.satconexpo.com

30 November – 1 December 2006 - California Space Authority, “Transforming Space” Conference, www.californiaspaceauthority.org

10-13 April 2007 - AIAA ICSSC-2007 – “*Evolution towards a Ubiquitous Network Society*,” Seoul, Korea, www.icssc2007.com