

# Growth, expansion for satellite services

Malaysian-based MEASAT is launching a new teleport and preparing for growth. Paul Brown-Kenyon, vice-president of sales and marketing, tells APB more.

**Q:** Can you give details about the new MEASAT satellite control and customer teleport centre?

**A:** The MEASAT Teleport, located just outside of Kuala Lumpur (KL), will work [in tandem] with our existing satellite control facility on Langkawi island, as a satellite control centre for the MEASAT fleet. The facility has also been designed to provide a second uplink site for the Astro DTH service and to support new services.

**Q:** Is this facility crucial to the launch of MEASAT-3?

**A:** Yes, for two reasons:

First, the facility will be the primary control centre for the new satellite. It will work with our Langkawi facility, and a new backup facility at the All-Asia Broadcast Centre, to manage and control the satellite.

Second, it will allow MEASAT to provide a full range of services to support customers' satellite use. MEASAT-3 is designed to reach over 70% of the world's population through a single high-powered beam.

**Q:** Will the new teleport enable MEASAT to turn into a full-service, satellite-solution provider?

**A:** The KL Teleport provides us with the physical facilities to develop MEASAT into a full satellite solution provider. As an example, through this facility we will provide services including:

**Uplinking services:** The facility will provide fully redundant uplink services to the entire MEASAT fleet through a combination of 13m, 11m, 8m and 7m antennas. The facility will also provide similar services to other satellites. As part of our joint venture with ISRO, we will likely provide connectivity to several INSAT satellites.

**Video turnaround services:** Through a TVRO farm, the facility can access over 13 video hotbirds across the region. With fibre connection to London and LA, we can provide video turnaround services providing customers with solutions to deliver channels to and from key DTH platforms in the US and European markets.

**Co-location services:** With fully supported shared space, the facility will also allow customers to co-locate equipment to use the uplink access to the MEASAT and INSAT fleets.

**Video playout services:** The facility can provide broadcasters with full playout. Working with Astro, this can include production and presentation services, such as subtitling and dubbing.

We will launch all these services before year-end on the MEASAT-1 (91.5°E) and MEASAT-2 (148°E) satellites, expanding next year onto the MEASAT-3.

**Q:** Has there been growth, as far as satellite services are concerned, in the Asia-Pacific?

**A:** Yes, we are seeing strong growth and are optimistic about the future.

As everyone knows, the satellite industry has faced a tough time over the past couple of years, with slower growth and a surplus of capacity. Our sense today is that the general market is beginning to recover, with prices beginning to stabilise. For key segments and for quality satellite capacity, however, the demand has remained strong and we believe it will continue to do so.

In terms of where the major growth will be in the next few years, I'd suggest three areas:

**DTH:** Pay-TV across this region is still at an early stage of development compared with the US and Europe. The existence of strong players across the region (such as Astro) indicates a strong potential of the sector. As these companies continue to build their presence in their core markets and look for overseas expansion, they will drive demand for quality satellite capacity.

**Broadcast distribution/contribution:** To be able to support the growth in DTH, there is a need for new TV content. I think you will see the development in DTH will go hand-in-hand with an increase in the demand for satellite playout and distribution services.

**VSAT:** Finally, I would say that as a company we are also optimistic about corporate VSAT services. While some satellite applications, for example, IP, tend to be

transient, we believe corporate VSATs tend to move from strength to strength as economies develop and mature.

**Q:** Who are MEASAT's best broadcast customers in the region? What services do you provide to them?

**A:** Customers range from large DTH operators such as Astro, which currently uses all the Ku-band on MEASAT-1. Astro will be our largest customer on MEASAT-3. Other major regional broadcasters include VTV (Vietnam); GMA and Solar Entertainment (the Philippines); RTM, TV3 and NTV7 (Malaysia), and newer customers such as TVK (Cambodia). MEASAT is TVK's first satellite provider.

**Q:** Do you think HD will make an impact in Asia? Will MEASAT offer transmission services involving HD?

**A:** Before joining MEASAT, I worked with management consultancy firm McKinsey & Company, where I spent time looking at the challenges of developing a strong role for DTV and HDTV in the US. At the time, we felt it would have a difficult start. I'm glad to see that this technology is now beginning to establish itself.

In terms of the potential for HDTV in Asia, my sense is that the economics are very challenging for all but the most developed media markets at this time. As such, strong demand for HDTV services is a number of years away. We are talking to some existing customers about carrying HDTV signals, but don't expect strong demand for a number of years.



“The Kuala Lumpur Teleport provides us with the physical facilities to develop MEASAT into a full satellite solution provider.”

— Paul Brown-Kenyon, vice-president, sales and marketing, MEASAT

**Q:** What other developments from MEASAT should we watch out for?

**A:** We are focused on the development of replacements for the existing fleet of satellites (MEASAT-1 and MEASAT-2) which are due end their lifespan in 2008. Our key customers require us to provide redundant satellite capacity to provide backup for their business. As such, moving forward, our key broadcasting slot (91.5°E) will operate with at least two satellites. We are already in discussions with a number of vendors over a MEASAT-4 programme and hope to make an announcement before year-end.

Finally, we recently received the Indian Cabinet approval for a [tie-up] with Antrix to jointly market both our organisations' satellite capacity across the South Asian and regional markets. We are currently focused on setting up this company as a strong regional satellite operator.