

## Diego Sutachan - MEASAT

Giovanni Verlini, Editor of *Satellite Evolution Asia (SEA)*, spoke with **Diego Sutachan**, the newly-appointed Vice President (VP) of Sales and Marketing, MEASAT.

**Question: Congratulations on your appointment as Vice President (VP), Sales and Marketing at MEASAT. Would you be so kind to tell us something about your career in the satellite industry?**

**Diego Sutachan:** I first started my career in the Information Technology (IT) industry, working for Fujitsu where I held various engineering and marketing positions. My first experience in the satellite industry, however, was in 1997 when I joined AAPT Sat-Tel, which is now known as New Skies Satellite (NSS).

My last posting before MEASAT was as the Executive Director – Asia-Pacific based in Hong Kong for Teleglobe, a telecommunications company providing voice, data and satellite services.

Now I have just taken up the position of Vice President, Sales & Marketing at MEASAT, where I am responsible for overseeing how MEASAT can support key telecom operators and broadcasters in the Asia-Pacific region with quality satellite services.

**Q: What is MEASAT's current position in the satellite market of the Asia-Pacific region? How do you position yourselves**

**in the marketplace? What is your trait as a satellite operator?**

**DS:** MEASAT is one of Asia's premier satellite operators, focused on providing high power and reliable satellite services to the broadcasting and telecommunications industries. With the majority of our customer base today in the Southeast Asian region (we serve customers across 15 countries), we pride ourselves in providing satellite services tailored for the region.

Over the last few years, MEASAT has invested heavily in ensuring that we can continue to provide the highest quality services. As you are aware, one of these investments has been in the new MEASAT-3 satellite. This satellite, which will be co-located with MEASAT-1 at 91.5 degrees East, will enable the MEASAT system to extend its reach to 70 per cent of the world's population through a single high powered beam. The satellite also supports three Ku-Band beams that provide high powered DTH quality capacity over the Malaysian, Indonesian and South Asian markets. In addition to MEASAT-3, we have also recently opened a new ground facility which we have called the MEASAT Teleport and Broadcast Center (MTBC). MTBC will act as our new corporate office, our new satellite control center, and a facility that customers can use to access our satellites. With this facility, and working in partnership with companies such as Astro and PCM, we are now able to provide solutions that meet our customers' needs more completely.

We believe that the investments in MEASAT-3 and MTBC will greatly enhance our ability to provide our customers with reliable high powered satellite services.

**Q: What is your view on the Intelsat-PanAmSat merger recently announced?**



*Diego Sutachan, Vice President (VP) of Sales and Marketing, Measat*

**Is it going to have an affect on companies such as MEASAT?**

**DS:** Consolidation has been a hot topic for a number of years. In the satellite industry, consolidation leads to greater reach, improved operational efficiencies and lower cost (especially in the area of satellite procurement). However, there are also disadvantages to consolidation. Operations become increasingly complex, capital expenditure can end up becoming less efficient, and decision making tends to become slower. Further, operating in an area as vast and diverse as the greater Asia-Pacific region, local knowledge becomes lost.

While the new entity will be able to achieve certain advantages, I believe there will be a number of disadvantages.

**Q: Could this major merger between satellite operators drive operators such as MEASAT to carry out a similar move, albeit on a smaller scale? Can we expect consolidation in Asia?**

**DS:** Faced with tough market conditions, I think there is some pressure for consolidation in the region especially when a number of the local operators are struggling. Having said that, I believe that in a region as big and with as much potential as Asia, I think there is a place for strong, independent regional operators.

MEASAT runs a strong and well managed business. Today, we operate two satellites close to capacity, and have a strong and growing video neighbourhood – both video distribution and Direct-To-Home (DTH). I think we have a strong future as an Asian focused international operator.

**Q: What is the market for C-band and Ku-**

*" MEASAT runs a strong and well managed business. Today, we operate two satellites close to capacity, and have a strong and growing video neighbourhood – both video distribution and Direct-To-Home (DTH). I think we have a strong future as an Asian focused international operator."*

**band capacity in Asia at the moment?**

**DS:** I think the key market for satellite capacity over the next few years revolve around video distribution and DTH applications (both video and broadband data). As an example, MEASAT today supports the Astro DTH network in Malaysia. Astro has built a customer base of almost 1.8 million DTH viewers on a bouquet of around 50 channels carried on 4 transponders. Compare this to the number of channels/services that DTH operators in developed markets – such as the US and UK – carry to understand the true potential.

As the Asian economies become more mature, and as a greater proportion of consumers' income are channelled into entertainment services, I believe you will see a general growth in the number of video and data services being delivered to consumers. With satellites holding significant advantage over terrestrial delivery, this will drive growth in both the DTH as well the satellite video distribution services.

**Q: In recent years, pricing of satellite transponders has been a central issue in the region's industry. What is the trend at the moment: are we getting back to healthier prices?**

**DS:** As everyone says, the Asian satellite market, as with the global satellite market, has seen a general oversupply in transponder capacity. The good news is that, at this 'general' level, supply and demand are moving more into line.

This 'general' trend, however, misses the point. Not all satellite capacity is the same. Operators able to provide distinctive capacity (whether this is in terms of power or reach or head-end connectivity) have continued to see good demand. MEASAT today supports a strong regional video neighbourhood and a DTH neighbourhood. We also support strong Very Small Aperture Terminal (VSAT) and telecom neighbourhoods in Malaysia, Indonesia and the Philippines. We are op-

erating at close to capacity and have strong demand on the new MEASAT-3 satellite.

**Q: Which areas and applications do you see emerging in the region?**

**DS:** As I said earlier, we believe DTH and video distribution to be areas of particular interest.

**Q: MEASAT is strongly involved with a number of broadcasters in the delivery of TV signals. Do you think HDTV will be an opportunity for you?**

**DS:** Over the time you have seen two trends: the introduction of more bandwidth efficient technologies; and the development of new services that require more bandwidth. HDTV fits into this second category.

I do believe that there is a demand for HDTV. I believe however, that it will be a little slower to take-off than some industry experts predict, and initially will be focused on a couple of the highly developed media markets (such as Japan, Korea and Hong Kong).

**Q: At present there is a lot of noise surrounding IPTV. What is your view?**

**DS:** I think IPTV is the natural evolution of some of the DTH and Broadcast services: using IP technology to deliver content and communication services to the end user.

As an example, we see a lot of interest in the markets in which we operate to com-

bine in a DTH service video, broadband data and voice communication. While there are a number of technology challenges, when these have been ironed out, I can see this as being a killer application.

**Q: On a different level, a trend that seems to be emerging within the satellite industry is the delivery of satellite services direct-to-the-user (satellite radio, DMB, etc). Is MEASAT currently involved in this area? If not, do you plan to be?**

**DS:** We design our satellites to be high powered and very flexible. MEASAT is always evaluating opportunities to serve new customer segment.

**Q: What are your goals for the next five years?**

**DS:** To reinforce MEASAT's position as one of the key satellite operators in the Asia-Pacific region. This includes further strengthening our position in the Southeast Asian market, as well as extending the profile of the organisation into new markets such as South Asia and the Middle East. The investments we have made over the last few years – in the new satellite and the new ground facility – will enable us to achieve these two aims. In five years, I believe you will see a significantly stronger satellite operator with a considerably higher international profile than today. ■

## GMA renews and expands capacity on the MEASAT satellite network

MEASAT Satellite Systems Sdn. Bhd. (formerly known as Binariang Satellite Systems Sdn. Bhd.) has announced that it has signed an agreement with GMA Network, Inc. (GMA), the leading provider of news and entertainment broadcast services in the Philippines, to renew the satellite lease for three channels. An agreement was also signed to increase capacity to support the distribution for the new QTV Channel 11.

"MEASAT has been supporting GMA since 2002 with satellite capacity for distribution of the GMA-7 channel and Satellite News Gathering (SNG) activities," informed Diego Sutachan, Vice President (VP), Sales and Marketing, MEASAT. "At the beginning of this year, we were selected by GMA to distribute their new international channel, GMA Pinoy TV APAC, within the Asian region, and to provide a solution to deliver GMA Pinoy TV to key markets in the United States of America. We are pleased that GMA has chosen to renew the existing satellite contract and extend it to include QTV. We thank GMA for their support, and look forward to a long, mutually beneficial partnership between our two companies," Sutachan concluded.

"As we have been satisfied with the satellite distribution services MEASAT since 2002, it was a quick and logical decision for GMA to renew its capacity on the MEASAT satellite network. The carriage of the additional channels GMA Pinoy TV and QTV are a testimonial to our confidence in this partnership," said Felipe S. Yalong, SVP-Finance and Group Head for Corporate Services, GMA. ■