



MEASAT, the supplier of satellite communication services to leading international broadcasters, DTH platforms and telecom operators, provides satellite services to over 150 countries representing 80% of the world's population across Asia, Middle East, Africa, Europe and Australia. With capacity across five satellites, and working with other satellite partners, it also provides a complete range of broadcast and telecommunications solutions. Services include 3D, high definition and standard definition video payout, video turnaround, co-location, uplinking, broadband and IP termination services. Paul Brown-Kenyon, MEASAT's Chief Executive Officer, shares his thoughts on the current satellite industry, future trends and the company's plans for 2014.



Paul Brown-Kenyon, CEO, MEASAT

Q: What are some challenges that the Satellite Communications industry faces this year and how are you meeting those challenges?

In the regions and segments in which we operate, the overall outlook for the satellite industry remains positive. Television broadcasting, DTH and broadband are continuing to fuel growth in capacity demand.

Having said that, however, there are a number of challenges. These include slowing economic growth, a competitive business environment, continued deployment of terrestrial fiber networks, competition for satellite C-Band frequencies from BWA (broadband wireless access) users and regulatory bottlenecks which hamper the sector's development.

With careful planning, due diligence and proper risk mitigation, MEASAT has established strong positions in the region's broadcast and DTH sectors. We plan to develop that position by continuing to work closely with our customers and our partners to ensure we support their ongoing business requirements.

C-band and Ku-Band frequencies currently allocated to satellite services have, and continue to be, under threat as terrestrial wireless operators seek additional frequency spectrum for BWA devices. If these operators are successful at securing the reallocation of satellite frequencies, this would be disastrous for the satellite and the broadcasting industries.

Specifically, the World Radiocommunication Conference 2015 (WRC-15) to be held in Geneva, Switzerland from November 2 – 27, 2015 will address the issue of additional spectrum allocations to the mobile service on a primary basis.

Asian satellite operators have united under the auspices of organisations such as CASBAA and APSCC to raise awareness of the potential threat to satellite spectrum and its impact on the telecommunications and broadcasting industries, and to lobby for support for its protection. Asian operators are also coordinating with operators and interested parties in Europe, North America and Africa to ensure that our message is heard at the upcoming regulatory meetings which will consider these issues.

In addition to the above challenges, the world is seeing the evolution of media content consumption from a broadcast format viewed through the TV to more of an on-demand approach where content is consumed by individuals through a selection of devices.

In most of the markets in which we operate, we believe that broadcast will remain the primary media delivery



MEASAT Teleport and Broadcast Centre

model for the foreseeable future, and given the limitations in terms of delivery technologies, satellite as the primary delivery technology. We believe that the new media delivery technologies, where available, will be used to provide additional services which can be "wrapped around" a core broadcast service available to all. Where these new media models do become more prevalent, we believe that satellite has a key role in delivering media content to the local network.

Q: In managing spectrum, how have governments and regulatory bodies been instrumental in paving the way for the industry?

Given spectrum is a shared resource to be used by many different users and services, regulatory bodies are key in terms of defining who is able to use what spectrum and under what conditions. Given that radio spectrum services do not respect national borders, these regulatory bodies need to operate at the regional and international levels, as well as at the national level.

The International Telecommunication Union (or ITU), an organisation under the auspices of the UN, has the responsibility of developing guidelines for the global use of the radio spectrum. These are captured in a publication called the ITU Radio Regulations. Changes to these Radio Regulations are discussed and voted on periodically by the national government representatives at WRC meetings.

Given the satellite industry is a relatively small industry (compared to the mobile or broadband industries), it is important that we are able to convey effectively the importance of spectrum allocated to satellite services. Loss of allocations to mobile broadband services would have a disastrous effect not only on the satellite industry, but also the broadcasting industry which uses the satellites for the provision of TV content.

Q: Of late, there is much discussion about India.

What is happening in India that might present challenges to the satellite industry?

Specifically, how is the latest row on the limitations of the Telecom Regulatory Authority of India (TRAI) 12 minutes ad-cap affecting pay-TV sentiment?

India's pay-TV market is one of the largest and most dynamic in the world, with the number of pay-TV subscribers having doubled from approximately 75 million in 2007 to 150 million households today. This growth has led to significant growth in the demand of satellite capacity.

The provision of foreign satellite capacity to meet this demand faces certain challenges given India's procedural requirements. The supply of satellite services is also threatened by proposals to reallocate satellite services frequency (EXT C-band) for terrestrial wireless systems (WiMAX). There are also various other challenges such as the withholding tax/royalty fee hike by the Finance Ministry from 12% to 27.2%. These issues have led to delays in the provision of capacity, containing the growth of the sector.

The recent recommendations of TRAI's 12 minute per hour cap on advertisements in India have the potential to impact the revenue earnings of broadcasters (with broadcasters having reduced inventory to sell). Larger networks, with a presence across several genres, may be able to mitigate this through management of ad rates and the cross-selling of advertising space across channels. Standalone small channels, however, may find it more challenging, and may experience a reduction in their overall revenue. From a satellite perspective, we are somewhat worried about its impact on the demand for capacity from some of the smaller and independent broadcasters.

Q: How is MEASAT factoring Ultra HD (4K) in your future plans?

MEASAT invested early to develop a leadership position in the HD distribution sector of the Asian broadcasting industry. We are taking a similar approach to the 4K/ UltraHD broadcast segment. As examples of this, MEASAT was the first in Asia to showcase a regional C-Band 4K/ UltraHD transmission. Further, by partnering with technology leaders like Cisco and Ericsson, MEASAT has proven platform-readiness to support potential UltraHD live transmissions from key sporting events over the coming years, such as the 2014 UEFA World Cup and the 2016 Olympics. As with HD, we expect 4K/ UltraHD to start as a niche content format to be used for special events. Over time, we expect the format to be adopted more generally.

MEASAT SVP wins 2013 APSCC Lifetime Achievement Award

Dr. Ali R. Ebadi, MEASAT's Senior Vice President – Space Systems Development has been awarded the 2013 Asia-Pacific Satellite Communications Council (APSCC) Lifetime Achievement Award. He was presented with the award at the APSCC Awards Ceremony which took place in Hong Kong.

The award recognised his achievements as a world-renowned satellite expert, a pioneer of Malaysian satellite industry and a key contributor to the International Telecommunication Union (ITU).

"I am very honoured to receive this prestigious award from APSCC," he said. "It has been my privilege to serve the satellite industry and I look forward to its continued success."



Dr. Ali R. Ebadi, Senior Vice President – Space Systems Development, MEASAT

MEASAT plans to be at the forefront on this segment.

Q: What new initiatives and plans is MEASAT embarking on in 2014?

MEASAT is currently focused on expanding its network to support the increasing requirements of our DTH customers. In terms of specific plans, MEASAT will be launching MEASAT-3b (M3b) in Q1 2014 to support the expansion of our DTH neighborhood. M3b, which will be collocated with the MEASAT-3 and MEASAT-3a satellites at 91.5E, will provide an additional 48 Ku-band transponders to 91.5E switchable between Malaysia, India, Indonesia and Australia.

In addition to MEASAT-3b, in 2014, MEASAT will also focus on progressing the MEASAT-3c satellite. The satellite, which is a JV with another operator, will provide MEASAT an additional 18 Ku-Band transponders to the MEASAT 91.5E orbital slot. This satellite is planned for launch in 2015.

With the launch of MEASAT-3b and MEASAT-3c, MEASAT will provide 102 Ku-Band transponders at 91.5E across four satellites. This constellation of satellites will become the region's strongest and most robust DTH hotlot.

In addition to the MEASAT-3 programmes, MEASAT is working on the MEASAT-2a programme. The satellite, which will replace MEASAT-2 at 148°E, will provide broadcast and telecommunication services across Asia, Papua New Guinea, Australia, New Zealand and the Pacific Islands. We will announce more on this later in the year. TVAplus

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