

A Mid-term Assessment of 2009 and the *Annus Horribillis* that was 2008

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Simply put, 2008 and the first half of 2009 have been years best described in 1992 by Queen Elizabeth as *annus horribillis*. In other words, they really stunk. This is obvious to the millions of men and women dangerously out of work everywhere; to the North American auto industry; to those dependent on financial services for credit or to make payroll, and to the billions of folks in Asia who were raised out of poverty during the past two decades, but who find their rising economic circumstances in peril.

Mercifully, the Queen's phrase only selectively applies to the international satellite community. There have been setbacks, of course. The June 22 declaration by Sea Launch that it was seeking the protection of a court of law to manage its debt brought home the specter that the business cycle and the difficulty of pricing and maintaining margins in a complex field like launch services remain. (Let all take note, however, that the day prior to its declaration, the company

placed Measat-3a into orbit and in April it put Telespazio's communication satellite up. These contributions to the global economy and to the future remain embedded in the mission of the satellite launch industry.)

Yet it is frustrating when industry projects that would have made an impact on business or the human community fail. This was the case with the failure of NASA's Carbon Observatory bird in February, yet another attempt by the satellite industry to play a key role in an emerging global

consciousness to return earth to balance. The mission, literal, was an attempt to study how the earth takes breath!

Writing about the failure, Lauren Morello of *ClimateWire* was inspiring, "Airplanes, weather balloons and ground-monitoring stations can measure how much CO2 is in the air at certain points, but they can't cover the whole globe like a satellite. The Orbiting Carbon Observatory was designed to collect 8 million

measurements every day for at least two years." (<http://www.nytimes.com/cwire/2009/02/25/25climatewire-after-carbon-observatory-crashes-scientists-a-9853.html>)



David Hershberg, CEO of Globecomm Systems, rang the closing bell of the NASDAQ last March 20th after announcing three major acquisitions this year.

(photo courtesy of Globecomm Ssystems)

Opinion

The good news is that Sea Launch promises to be back after it goes through its dark passage and NASA will continue to explore important issues. Both speak volumes about the importance to both short-term communications and long-term science accomplishments that satellite brings. This industry is a silver-lining and helps lead the way to the new, slowly emerging economy.

There were dozens of glimpses into how the industry continues to move forward, even during the annus horribili. As with much of the global economy, the charge was led by small, innovative businesses and ideas.

One example was from a small, global company that claims accurately, to make “a little satellite go a long way.”

When Society of Satellite Professionals International Hall of Fame member David Hershberg, CEO of US-based Globecom Systems, rang the closing bell of the NASDAQ exchange on the afternoon of March 20th (<http://phx.corporate-ir.net/phoenix.zhtml?c=77373&p=irol-newsArticle&ID=1267860&highlight>), it signaled to shaken financial markets that at least one acquisition had taken place on Wall Street in 2009! In fact, Globecom made three of them, including the acquisition of the Dutch company Mach6 and Telaurus Communications. Although retrenchment remains the order of the day for many overleveraged companies, Globecom was one satellite industry company that sniffed-out opportunities and moved. Its acquisitions in the maritime space, where it was confident it could break the price-performance barrier for broadband with its global satellite service delivering IP connections to shipping lanes and ports worldwide, was an

area where a company in the satellite industry—defined a future opportunity and laid the foundation for the “next wave” of economic growth.

The company also built a new “future proof” media processing center for Bharti Airtel (<http://www.globecommsystems.com/rs/mediaCaseStudies.aspx>), that was the first facility of its type. The media processing center enabled one of Asia’s largest telecom carriers to enter the TV business. What was unique, according to the trade press, is how a satellite industry company was able to design and integrate an IP-based facility capable of acquiring programming from multiple sources and then distributing it via DTH, IPTV and mobile systems. A combination of technologies never before assembled on this scale was the result.

From universal application to industry-specific advancements, the industry pushed ahead during the time when the sky fell. No one, not even a queen, can look into the future to divine the next wave. However, we do know that unless the sky really does fall, satellite will be a part of it. 



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