

The staying power of satellite

Steve Collar joined O3b in March this year as CEO. Here he discusses O3b's scheduled launch in 2013 and its huge potential for the emerging markets.

One of the reasons I became involved in O3b is because I find the prospect of connecting the developing world enormously exciting. Providing broadband connectivity to the emerging markets – effectively 'connecting the unconnected' – is the primary focus of our business. We will be providing access to 3G and mobile services where it has not been economic to do so in the past. There is a very strong and demonstrable linkage between the telecommunications infrastructure and social and economic development within emerging countries and markets and that is something that has always interested me.

I've been in the satellite industry now for 20 years. Half this time has been spent on the manufacturing side and half on the operating side. In my previous role at SES, I was involved with business and market development and was closely involved with SES's investment in O3b. I was an evangelist for SES's investment in O3b and saw O3b's product offering as being highly complementary to SES's other business.

Since I joined O3b, I have been dividing my time between the technical side – overseeing the implementation of our network – and the commercial, meeting current and future customers. With regards to the former, we are making great progress with our primary satellite launch and ground segment vendors, all of




Steve Collar, CEO, O3b

whom are on track. With regards to the latter, progress has been phenomenal, with more than a third of our capacity already committed.

We will be in service by mid-2013 and we have a lot of work to do between now and then. O3b offers something different to the market. We provide low cost and plentiful middle-mile connectivity so, rather than targeting the end user, we provide high bandwidth and low latency backhaul compatible with all forms of last-mile solutions (2G, 3G, WiMAX, LTE etc), which gives us a fairly unique position in the satellite space. Our satellites will be in a medium earth orbit, a quarter of the distance from the earth than

geostationary satellites, which is advantageous because it means lower latency. We have been selling our capacity as far afield as Africa, the Pacific, the Middle East, Asia and Latin America. Africa is where we have been most successful in pre-selling capacity but we now see Latin America as a market with huge potential, particularly with the explosion of mobile networks and mobile infrastructure in the last few years.

In Africa, the situation is slightly different. Several fibre projects have arrived, providing huge connectivity to the coasts, while a number of satellites have also launched in a short period of time. There is no doubt though that the demand for connectivity will continue to grow and while there will likely be a hiatus as operators take up the substantial supply just provided, as happened in Latin America several years ago, we now see Latin America demanding huge capacity and this too will happen in Africa. There are always peaks and troughs in supply and demand and I think after a short period we'll see Africa's demand outstripping supply again, hopefully coinciding with our launch in 2013. 

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READER PROFILE

Michael Wheeler



Michael Wheeler is the VP of the global IP network business unit for NTT America and has over 15 years sales management and operational experience in the internet and data communication industry.

"Capacity is one of the most effective information resources

for the industry. When I think of *Capacity* I don't just think of the magazine, I think of the online and events aspect as well. It's the tri-sector of those three things coming together, from a technology and regional perspective.

A main area of interest for us is to see the

different activities happening in different regions. From a global market perspective, we are interested in the Americas and particularly what is happening

in Latin America.

Over the last few years I have been responsible for our global IT business, so Europe, North and South America and Asia are all important because we have a network that runs through all of those different regions.

I generally read the whole magazine but the cover story always catches my eye as I like to see what issues are being highlighted that month. The people section is also always interesting, as despite its global scale, this is not a huge industry and there are a core set of players which we meet with regularly, especially on a regional basis, so it's good to keep up with how people are changing companies and roles.

For a monthly magazine I think the

information covered manages to remain very fresh. The news analysis on 100G or the Japanese earthquake, for example, were very timely and relevant topics for our business. The online aspect now makes it easier for us to convey information externally to our customers.

If you work in finance then you would read the *Wall Street Journal* or *Forbes*, which are viewed as the 'bibles' of that industry. In my mind, *Capacity* fulfils that role for wholesale telecoms."