

A monthly round-up of space industry developments for the information of our clients and friends.

# Space Business Review

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## EchoStar XIV Successfully Launched

On March 21, **International Launch Services** announced the successful launch of the **EchoStar XIV** satellite for **DISH Network L.L.C.** on an enhanced **Phase III Proton Breeze M** launcher from the **Baikonur Cosmodrome** in Kazakhstan. Built by **Space Systems/Loral** based on its **1300** platform, EchoStar XIV is equipped with 103 Ku-band transponders to provide direct-to-home services, including high definition programming, over the continental United States from the 119°WL orbital location. At more than 6.3 tons, it is the heaviest satellite launched on Proton to date.

## March Launch Services Orders

On March 1, **Arianespace S.A.** announced that it was selected by **OverHorizon LLC** to launch its first communications satellite, **OHO-1**, in mid-2012, on an **Ariane 5 ECA** rocket. The satellite will be built jointly by **Orbital Sciences Corporation** and **Thales Alenia Space**, using the **Star™2.3** platform. OHO-1 will be equipped with a Ku-band regenerative payload for two-way broadband communications with small terminals which can be deployed on mobile platforms and vehicles. **International Launch Services (ILS)** announced on March 15 that it will launch the **Intelsat 21** and **Intelsat 23** satellites for **Intelsat S.A.**, as part of a multi-launch agreement. Intelsat 21, with a launch planned for early 2012, is being built by **Boeing Space and Intelligence Systems** using its **702B** platform and will replace **Intelsat 9** at the 302°EL orbital location to provide C-band and Ku-band capacity for broadband, video and voice applications with coverage over the Americas and Europe. Intelsat 23, with a launch planned for late 2011, is being built by **Orbital Sciences Corporation**, using its **Star™2.4E** platform, and will provide communications services for the Americas, Europe and Africa with C-band and Ku-band coverage from the 307°EL orbital location. On March 17, ILS also announced the signing of a contract with **Telesat** for launch of the **Nimiq 6** satellite on a Proton rocket in mid-2012. Nimiq 6 is being built by **Space Systems/Loral** based on its **1300** platform and is equipped with 32 Ku-band high power transponders. The spacecraft is fully leased to **Bell TV** to provide direct broadcast TV services to Canada from the 91°WL orbital location.

## March Financing Developments

On March 17, **SIRIUS XM Radio** announced that it closed the sale of \$800m of its 8.75% senior notes due 2015. The company will use the net proceeds from the offering to redeem all of its outstanding \$500m principal amount of 9% senior notes due 2013 and to repay the \$244m outstanding under the company's senior secured term loan due 2012, and for general corporate purposes. **JPMorgan** was the sole book-running manager for the offering. On March 31, **ViaSat, Inc.** announced the closing of its public offering of 6.9m shares of common stock at a price of \$33.50 per share. The net estimated net proceeds of \$100.5m will be used for general corporate purposes, including financing costs related to the purchase, launch and operation of the **ViaSat-1** satellite. **Morgan Stanley, BofA Merrill Lynch** and **Credit Suisse Securities (USA) LLC** acted as joint book-running managers for the offering.

## Harbinger Closes SkyTerra Acquisition

On March 29, **SkyTerra Communications, Inc.**, announced the completion of its acquisition by an affiliate of **Harbinger Capital Partners**. The take-private transaction was accomplished via a merger for approximately \$262.5m in cash, or \$5.00 per share. After taking into account outstanding SkyTerra debt and securities held by Harbinger's affiliates, the transaction represents a total enterprise value of approximately \$1.849b.

## FCC Unveils National Broadband Plan

On March 16, the **Federal Communications Commission** released its National Broadband Plan, setting forth a comprehensive roadmap to reshape the U.S. broadband Internet infrastructure. As regards the satellite industry, the Plan recommends accelerating terrestrial deployment of 90 MHz of Mobile Satellite Spectrum, including rationalization of Ancillary Terrestrial Component (ATC)-authorized L-band spectrum for broadband services, the addition of a primary "mobile" (terrestrial) allocation to licensed satellite S-band spectrum (conditioned on construction benchmarks or other requirements) and the grant of certain flexibility to licensees under the ATC regime in the 2.4 GHz Big LEO band to make this spectrum permanently suitable for terrestrial broadband service, subject to public interest safeguards.

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