

# The fragmenting business of broadcasting

## New technologies open doors to new revenue-generating services

BY ROBERT BELL

Since 1978, when the Public Broadcasting System (PBS) in the US decided to shift programme distribution to its member stations from AT&T terrestrial circuits to satellite, broadcasting has been the "killer app" for the satellite industry. The definition of broadcasting has certainly expanded since then to include both free-to-air and paid cable-TV channels as well as direct-to-home (DTH) broadcasting via satellite.

However, today, that definition is undergoing a revolution. The media business is fragmenting in terms of audience and distribution channels, and new technologies are making possible new revenue-generating services.

As media companies in the Asia-Pacific step cautiously into this new world, they are benefiting from the support of their traditional partners in the commercial satellite industry. These service providers are bringing to market technologies and distribution platforms that allow their media-industry customers to deploy new services without major capital investment.

The result is a shorter time-to-market, reduced risk, and faster achievement of payback.

### ■ Bringing new channels to market

Satellite service companies are helping to power the growth of the media industry in three ways. The first is to make it faster, simpler and less costly to bring new channels to market. In September 2004, PanAmSat Asia acquired the assets of Australia's bankrupt pay-TV provider TARBS and teamed with GlobeCast Australia to re-launch it as PanGlobal TV.

PanGlobal TV is a DTH distribution platform that transmits DTV signals from either GlobeCast Australia's Sydney teleport or the PanAmSat Napa Valley teleport in California to the

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PAS-8 Ku-band Australia beam. The teleports offer digital encoding, signal processing and transport services, in addition to the uplink service to the satellite.

PanGlobal TV also offers backhaul to either the Napa or the Sydney teleport by satellite, fibre or hybrid satellite/fibre contribution. At the time of launch, PanGlobal TV already reached more than 50,000 Australian homes with an array of Arabic pay-TV channels (ART, LBC, Al Jazeera). Last November, PanGlobal TV announced its first new deal to deliver four channels of Russian TV programming for Horizon World Plus TV.

In a similar deal, Loral Skynet has teamed with Ascent Media Network Services Asia to provide services and network management for ESPN Star Sports (ESS). According to last June's announcement, ESS will use dedicated and occasional-use C-band capacity on Loral's Telstar 18 and Telstar 10 to uplink live video from sporting events across Asia to Singapore for rebroadcast to Asian cable operators and DTH providers.

ESS, a joint venture between ESPN and Star, provides 13 channels spanning the region from India to Hong Kong. Ascent Media's Singapore operation also provides booking and customer support for all Loral Skynet customers in the region.

### ■ Bring Asian content to the world

Driving these deals is the steadily decreasing "cost per bit" to deliver TV via satellite, thanks to lower terminal equipment costs, greater compression efficiency and the increasing sophistication of network management software.

Reduced costs make it feasi-



GlobeCast's teleport.

ble to profitably serve narrow slices of the total broadcast audience. In some cases, the service providers are reducing the risk even further by agreeing to revenue-sharing deals in which their compensation hinges on the success of the new channel. Such deals are possible only when the service provider is given control over most aspects of service delivery, including terminal installation, customer service, billing and collections.

In April this year, Home2US and SES AMERICOM announced a deal to bring Korea Telecom's (KT) line-up of broadcast channels to homes in North and South America on AMERICOM's AMC-4 satellite. KT joined TAN TV (The Asian Network) and Onnuri TV/CGNTV on the Home2US platform.

Home2US Communications, based in Herndon, Virginia, USA, is the operator of an open pay-TV platform on the C- and Ku-band payload of SES AMERICOM's AMC-4 satellite that enables international broadcasters to distribute their TV and radio channels to ethnic audiences in the Americas.

Also in April this year, PanAmSat declared a multi-year agreement with China Radio International, China's sole overseas radio network, to serve as the global platform for delivery of 36 audio channels of programming in eight languages. PanAmSat provides C-band capa-



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city on PAS-8, PAS-9 and PAS-10 and turnaround service at its Napa teleport.

The network began service in eight languages and plans to expand to 39 over time. Its programming fare includes 200 hours of daily airtime comprising news, music, commentary and entertainment.

In September last year, Globecom Systems, a global provider of end-to-end satellite-based communications solutions, said that it has been awarded a multi-year Chinese ethnic broadcasting service contract. Under the terms of the contract, Globecom provides broadcast services for the distribution of seven Chinese ethnic broadcasting channels into Europe and South Africa, using its DTH video-distribution platform on Telstar 12.

### ■ Turning existing content into new revenue

The third way in which satellite service providers are supporting the growth of Asia-Pacific media companies is by delivering con-

tent through new distribution channels. In March this year, Singapore Telecommunications (SingTel) said it would begin offering broadband customers more than 25 channels of video-on-demand content in association with M2B World, a US-based provider of entertainment and education on-demand content.

SingTel's broadband subscribers would gain access to four broadband streaming websites programmed by M2B World, including English-language movies, sitcoms and documentaries; popular Mandarin entertainment programmes; executive learning and lifestyle programmes; and a channel of glamour and fashion programming.

World business news reaches news organisations in the Asia-Pacific region, thanks in part to Mainstream Data, a US-based global network solutions provider offering a range of services and applications for the collection, distribution, and display of information.

For Bloomberg, Mainstream Data delivers customised news feed via satellite and terrestrial broadband, tailored to the needs of Bloomberg customers and can be reconfigured as required. The content is delivered in traditional and simplified Chinese, Japanese, Italian, Spanish, Portuguese, German, French and English.

In today's fast-moving and increasingly complex media market, few companies find that they are able to go it alone. They turn to partners who can deliver specialised expertise and help reduce the risks of innovation. The media and satellite industries are no exception, and their long-time collaboration will only grow closer in the months and years to come.

The World Teleport Association will alternate with Asia-Pacific Broadcasting Union and CASBAA to appear in every other issue of APB, highlighting various association news to the industry.



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