

New kid on the block

With the launch provider order book already full to the brim and with no sign of the demand for further launches abating, the emergence of a new launch service provider would seem to be particularly well timed. However, E'Prime Aerospace Corporation has big plans and is not just targeting the overspill but a significant chunk of the launch market. Using technology derived from the US Peacekeeper Intercontinental Ballistic Missile system, the company believes it can launch quicker, more cheaply and more accurately than its competitors. Yet to do this it will need money, and to that end Barry McFarland, chief financial officer of E'Prime, stated that the start-up launch provider is currently in the process of raising financing via a private placement. *Page 31*

Mobile satellite financing merry-go-round

The mobile satellite services sector has never been one for standing still and its operators continue to forge ahead with their next generation services. However, to do so requires serious amounts of financing and just as one operator secures the necessary investment to keep its plans on track, another one emerges to tap the market. This month, Thuraya raised US\$125m via a five-year term loan, through both Middle-Eastern and international banks, to help fund its third satellite. Next in line is MSV, which is looking to raise another US\$100m in debt financing by early 2008. With ICO further elucidating its North American ATC plans, some sources suggest it may be the next in line. *Page 14*

Avanti satellite now fully-funded

Enthusiastic British start-up Avanti Communications has completed financing for its debut satellite, Hylas 1, with a £32m PIK note secured from a series of investment funds. Avanti CEO David Williams, gave SatelliteFinance the low-down on the deal, and his justification on the 10.5% margin on the facility, as well as his views on the future direction of the company following its acquisition of 14GHz of Ka-band spectrum. *Page 17*

Ground segment M&A activity continues unabated

Following a slew of big deals in the FSS sector in June, July has been a somewhat more quiescent month for operator M&A activity. Not so in the land-based satellite industry. Both vertical and horizontal consolidation is taking place with VSAT providers, satellite communications solutions companies and network equipment developers all making moves. Radyne snapped up microsatellite technology provider AeroAstro for US\$18.25m, EMS Technologies bought BGAN specialist DSpace and Optibase made moves for ScopuS. And despite CommScope buying the parent company, Andrew Corp's SatComs business continues to be on the block. *Pages 23, 24 & 25*

Premiere Star receive financial injection

German pay-TV platform, Premiere Star, received a vote of confidence this month following HypoVereinsbank's decision to snap up a 10% stake in the company for a sum believed to be between E15m and E20m. Star chief Wolfram Winter was keen to emphasise that the strategy behind the equity sale was a means of mitigating risk rather than a lack of available funds. And contrary to some banking sources, owners Premiere will not be looking to reduce its majority shareholding in Premiere Star, evidenced by promises of premium content being made available to the pay-TV platform from its parent. *Page 6*

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E'primed and ready to launch

Following a change of ownership and a subsequent change in strategy, US-based launch provider **E'Prime Aerospace Corporation** is setting its sights on the commercial market and plans to take a significant market share of the launch industry by 2010.

Speaking to *SatelliteFinance*, Darron Purifoy, vice president Government Affairs, said: "2010 is what we are trying to shoot for, although this is a conservative estimate as we know we can launch before."

Barry McFarland, chief financial officer of E'Prime, added that the company's business plan was to initially focus on launching lighter weight satellites of the first two years as at present these tend to have to piggyback off the launches of bigger birds. E'Prime's Eagle Series Launch Vehicles can launch both LEO and GEO spacecraft, while the company claims its Eagle S-VII will be the most powerful launch vehicle in the world, with the capability of launching extremely heavy payloads, such as the International Space Station.

The Peacekeeper legacy

Founded in 1987, E' Prime developed out of the proprietary technology used for the Peacekeeper Missile System. The concept was to evolve the Peacekeeper Intercontinental Ballistic Missile (ICBM) technology into a commercial launch vehicle. Unlike current launch providers, which use liquid fuel, E'Prime's Eagle series rockets use technology based on the Peacekeeper solid fuel missile system. This, in addition to the use of a cold gas launch system, enables E'Prime to place the satellites very accurately. Purifoy said that the old Peacekeeper rockets were able to place a GEO or LEO payload within a 12' by 12' room.

To that end, E'Prime recently signed a strategic alliance agreement with Space Propulsion Systems, giving it access to SPS' patented new generation microcellular solid rocket propellants.

Purifoy added that the company's launch system enables it to launch satellites at very short notice and at a lower cost that is currently available.

E'Prime's rapid deployment programme aims to be able to launch a spare satellite, for an operator that experiences in-orbit problems, within a week. It can do this due to the four motor system and low labour intensity of its launches. Purifoy said that its motor system can be mixed and match based on the payload requirements and that it would take 48 individuals thirty six hours to prepare the rocket for launch.

Regarding how the company would allay the initial concerns of commercial customers due to a lack of

commercial launch heritage, Purifoy said, "the Peacekeeper has launched over fifty times without a problem. That is our heritage."

Purifoy added that E'Prime did not plan to be a stand alone company and was currently in co-operative agreement talks with other launch providers to be part of back-up relationship programmes, such as the United Launch Alliance.

Financing the project

To achieve these aims, CFO Barry McFarland said that the company would be looking to raise financing in the next couple of days. The launch provider has already been in preliminary talks but firm discussions are reliant on E'Prime preparing its 2006 audits, which it is on the verge of doing. McFarland said that the financing efforts would focus on new sources of private placement, both in equity and debt.

While this continues, the company will take the steps to list on a major stock exchange. To do so E'Prime has to prepare its SES 15C 211 filing, which should take around three weeks, followed by a thirty to sixty day filing process and then a comments period that could take up to 120 days.

The commercial market

As to why it has taken until now to bring E'Prime's technology to the commercial market, there are both political and management reasons.

Firstly in early 1990, the Peacekeeper first stage motor was included in the Strategic Arms Reduction Treaty (START), which was signed by both the United States of America and the former Soviet Union. This in turn prohibited E'Prime from producing its first stage motor for more than nine years. In 2001, the Bush Administration then removed the United States from Anti-Ballistic Missile (ABM) Treaty, reinforcing E'Prime's position.

However, the old board of E'Prime erred more towards developing the rocket as a support programme for NASA rather than as a commercial entity and McFarland said that it wasn't until ownership of the company changed in August 2006 and a new board took over, that the business plan was shifted towards a commercial strategy. E'Prime is now a public company with over 2,000 shareholders.

SES REORGANISES EUROPEAN FLEET

SES Astra has begun the redeployment of its Western European focussed fleet, following the suc-