

# Show Me The Money!

## IP And DVB Show Profit Potential

BY JAMES CARELESS

ARE YOU BAFFLED BY BUZZWORDS LIKE IP and DVB, let alone understanding how they're related to satellites and business? Then you should have been at "Show Me the Money: IP & DVB Satellite in the Corporate Portfolio." Part of the Global VSAT Forum, the Wednesday afternoon session dispelled the haze around these acronyms, and gave solid examples of businesses using IP/DVB today.

First, the terms: IP is short for "Internet Protocol", while DVB stands for "Digital Video Broadcasting." So what does this mean to clients? Beyond serving as a solid platform for point-to-multipoint satellite transmissions, not much. Nor should it, said Joe Amor, vice president and general manager of Microspace Communications Inc.

"We as an industry ... have made using the new technology too difficult," Amor told delegates. Instead of confusing customers with acronyms and jargon, he argued, satellite service providers should focus instead on the benefits of satellite point-to-multipoint transmission: namely coverage, reliability and cost.

To prove his point, Joe Amor explained how Microspace provides satellite service for Morgan Stanley Dean Witter. His message was simple: whether for data or video, IP/DVB allows Morgan Stanley Dean Witter to simultaneously transmit the same content to hundreds of sites affordably and reliably.

Steven Salamoff, an assistant vice president with Hughes Networks Services, then emphasized satellite's point-to-multipoint advantage. "The key differentiator for satellite has always been coverage," he said. Unfortunately, cover-

age remains one of the industry's "best-kept secrets," Salamoff noted. "We've got to do a better job of educating content developers and content distributors, and we will."

Salamoff also defined which businesses benefit most from IP multicasting. In general, they're firms who have to send large files to multiple sites on an ongoing basis, and who are under tight time constraints to do so.

A case in point is Smith Salomon Barney. With the help of Hughes, this financial firm is now delivering "SSB TV" to 400 corporate sites nationwide, from SSB TV's New York studios direct to employee PCs.

Ilan Kaplan, Gilat Satellite Networks' vice president of business development, was next to speak. After outlining the market for VSATs, he explained Gilat Spacenet's "Connexstar" service.

Launched about six months ago, Connexstar is a commercial grade broadband service. "Its purpose is to serve as a simple standardized broadband offering," Kaplan said: "one that is optimized for IP and Web-based applications."

Connexstar "enables enterprises of any size to benefit from VSAT technology," he added. As an example, Kaplan cited BASF. A world leader in agricultural products with 9,000 retailers, BASF's goal is to operate on a single, integrated communications platform. Connexstar makes this possible, by connecting BASF and its retailers via broadband satellite.

"The trend is that the market is moving towards IP and Web-based application," Kaplan concluded. "The good news is that it's motivated us to move towards standardized solutions like Con-

nexstar, which mirrors what the terrestrial carriers have already been doing."

Finally, Dave Puente, Cyberstar's vice president and general manager of business media services, detailed the potential for supplementing terrestrial corporate WANs (Wide Area Networks). Through Cyberstar's Clearstream OverNet, companies can offload some of their traffic to satellite. They can also use satellite to provide fast WAN upgrades, to cope with occasional requirements for extra bandwidth-for live Webcasts, for instance-and to send data to remote servers for local access on demand.

"Having satellite available gives you much more flexibility in terms of cost," Puente commented, "and in responding to your end users."

But what does IP/DVB mean for the satellite industry? Simply put, it's yet another way to exploit satellite technology's superior point-to-multipoint capabilities.

"We focus on those things, and we do them better than our cable DSL counterparts," declared Salamoff. What remains is to make the content developers and distributors understand this fact, and to use it to their advantage.

Salamoff's right, as were the other panelists. Buzzwords aside, satellite remains the best choice for point-to-multipoint distributions, be it in traditional analog or leading edge IP/DVB. That's a message businesses need to hear in clear and simple terms, and one that offers hope to the satellite industry in these tough economic times.

*James Careless is a contributing writer to Via Satellite.*