Interview with Mr. Peter Jackson

by Yutaka Kazekami, Senior Editor

Peter Jackson
Chief Executive Officer

Asia Satellite Telecommunications Company Limited

Mr. Jackson has over 20 years experience in the telecommunications field. Following his training with British Telecom, Mr. Jackson joined Cable & Wireless in 1970 and has held several engineering, marketing and management positions within the company in the Caribbean, Middle East and Asia.

He has worked in Dominica and BVI as General Manager. In 1989 he was appointed Regional Marketing Manager for the Bermuda, Caribbean and Atlantic region.

Prior to joining AsiaSat in July 1993, Mr. Jackson was the Regional Director, Asia Pacific of Cable & Wireless, which included the responsibility for several satellite telecom ventures around the region.

Q1 : Thank you very much for your time in this interview. First of all I really appreciate if you introduce yourself and your company, Asia Satellite Telecommunications Company Limited, briefly.

Mr. Jackson : I am Peter Jackson, Chief Executive Officer of Asia Satellite Telecommunications Company Limited, or just AsiaSat. AsiaSat is Asia's first privately owned regional satellite operator. Since our inception in 1988 and the launch of our first satellite in 1990, AsiaSat has been providing quality satellite transponder capacity to the broadcast and telecommunications industries across the

AsiaSat 2 in Orbit

Asia Pacific region. AsiaSat was listed on the Hong Kong and New York stock exchanges in 1996. Our two major shareholders are China International Trust & Investment Corporation (CITIC) of Beijing China and the Luxembourg-based satellite operator SES GLOBAL.

Q2 : What is the relation between SES ASTRA or SES AMERICOM and your company ? Could you explain about the outline of SES group and its recent activities, also?

Mr. Jackson : SES ASTRA and SES AMERICOM are two operating companies 100% owned by SES GLOBAL. SES GLOBAL holds strategic interests in several regional satellite services providers including AsiaSat.

Launch of AsiaSat 2

SES GLOBAL was formed to hold shares in, and coordinate the operations and strategies of its two operating companies as well as the SES GLOBAL partners.
Through its network of operating companies and partners, SES GLOBAL provides worldwide coverage with single point global access for broadcast and broadband services.

Q3: I understand your company has a long history of private Satellite Communications and its services via Satellite in Asia. So, today I would like to ask about the current and future of the services via satellite, especially using communications satellite in Asia and Pacific.

Mr. Jackson : AsiaSat pioneered Asia's satellite broadcasting business by launching Asia's first private regional satellite, AsiaSat 1, in 1990. We have over a decade of experience in serving the Asian market with quality satellite transmission services. One of the most traditional and popular applications of satellite is in the broadcasting of information. Throughout these years, the broadcasting nature of satellite has not changed but the type of content has changed. Besides television and radio services,

there is increasingly more Internet content delivered via satellite. We see more new applications such as multicasting and video streaming onboard satellites, allowing the service providers to deliver common Internet content to multiple locations very cost efficiently.

Q4 : I am really astonished to recognize that there are so many Satellite TV channels in South-East Asia. Please explain this tendency and its effects to your business.

AsiaSat 3 in Orbit

Mr. Jackson : Taking AsiaSat as an example, we have seen rapid development of satellite television channels in Asia. On our AsiaSat 1 in the early 1990s, there were only a dozen analogue television channels in service. Now on AsiaSat 2 and AsiaSat 3S, we broadcast a total of 120 television channels. One important factor for this growth is the advent of digital compression technology that greatly reduces the cost of broadcasting a television channel and in addition improves transmission quality. The resulting price reduction also encourages the development of new channels and in turn stimulates demand for satellite capacity.

Q5 : In Japan, mobile telephone is very popular and young generation spends lot of their money on it. The thing which people desire is much different compared to that of 10 years ago. How about in Hong Kong ?

Mr. Jackson : We have seen a very similar phenomenon in Hong Kong with 85% of the population owning a mobile phone. Not only have we seen an increase in the quantity of mobile phones but also we now expect our mobile phones to be more than simple voice communication devices. They are now a radio, MP3 player, PC, palm pilot, and gameboy, providing us all sorts of services that allow us to communicate anytime, anywhere.

Q6 : Which is better in South East Asia to utilize communications satellite or optical fiber to establish nation's communication infrastructure ? Do they compete each other or make collaboration ?

Mr. Jackson : Satellite and cable are delivery techniques and each possesses their own unique advantages. Satellite's inherent advantage over cable is in point to multipoint communication or broadcast delivery. Satellites have the ability to reach multiple locations at a fixed cost, regardless of distance. Satellites cannot compete with cable in point to point high bandwidth applications, particularly in urban areas where infrastructure is very well developed. However, Satellites have a distinct

advantage in serving remote and rural areas where communications infrastructure is underdeveloped or non-existent. Satellite and cable can, in certain distinct applications, compete, but in most infrastructure networks are complementary.

AsiaSat 4 to be launched in late 2002

Q7 : Some people says the new business using satellite is very risky. Does AsiaSat plan to start or create new business related satellite or space development ?

Mr. Jackson : Satellite is always regarded as a risky business. But I don't think it's risky to extend our services further. We have started diversifying our business by setting up a JV company called SpeedCast in 1999. It is a satellite-related venture, developing the delivery of Internet content by satellite. We also look into developing into other areas of service that help strengthen our existing customer services. For example, we are thinking of setting up a digital platform providing turnaround solutions to our customers when our new earth station is in place in 2003.

Mr. Jackson and I

Q8 : Thank you very much again for today's interview. In the ending, we really appreciate if you can provide your message to Japanese reader or entrepreneur.

Mr. Jackson : Japan has one of Asia's most developed telecommunications infrastructure and prosperous DBS market. With the increasingly strong interaction among Asian countries, we anticipate that the less developed countries in Asia could benefit from sharing your country's extensive experience in broadcasting and telecommunications."