HIGH THROUGHPUT SATELLITES: VERTICAL MARKET ANALYSIS & FORECASTS


A vertical market analysis of major drivers, strategic issues and demand take-up for HTS

- Over 70 pages
- Graphs & tables incorporated into every page
- Comprehensive digital files
- Including all forecasts in Excel files
- Thousands of data points
- Price starting at € 4,000

The total committed investment from the 30 satellite operators in HTS systems has reached nearly $19 billion. Compared to the 36 launches of GEO-HTS systems over the past decade, another ~100 GEO-HTS systems are expected to launch from 2017 to 2025, at an average of 11 launches per year. Of these ~100 GEO-HTS systems, roughly 60 have yet to be officially contracted and are still open to the market.

After relatively low net additions of HTS supply in 2015 and 2016, due in part to slippage of launch schedules, capacity supply is now set to more than double to nearly 2,000 Gbps by 2018, reaching roughly 3,600 Gbps by 2020. Nevertheless, the growth in GEO-HTS is to be overshadowed by the emergence of NGSO constellation projects. NGSO-HTS constellation projects are building momentum, promising massive volumes of capacity supply, low latency and global (or near-global) coverage. While it is highly unlikely that all will come to fruition, NGSO-HTS projects such as the continued expansion of SES’ O3b fleet of MEO satellites, OneWeb, SpaceX, Telesat and LeoSat would combine to account for over $20 billion of required investment capital and add upwards of 40 Tbps of supply.

Total HTS capacity lease revenues are forecasted to reach more than $6 billion by 2025, generating over $36 billion in aggregate revenues over the period. As a sign of strong underlying and elastic demand, this impressive revenue growth is expected to be achieved despite the confluence of factors combining to drive capacity prices substantially lower, including growing supply, long-term bulk contracts and an increasingly commoditized market for telecom network services.
ABOUT HIGH THROUGHPUT SATELLITES

HIGHLIGHTS OF THE EXECUTIVE REPORT:

✓ Highlights the evolution of HTS systems & architectures over the last decade
✓ HTS system launches & order forecast
✓ Impact assessment of LEO constellations
✓ Identifies & assesses the HTS investment plans of all satellite operators
✓ Projected take-up profile by frequency band of each vertical market
✓ Bottom-up vertical market forecasts/projected market take-up by region and system type (GEO-HTS Ka, GEO-HTS Ku, NGSO-HTS) until 2025; regions include:

   North America • Latin America • Europe • Russia & Central Asia • Middle East & Africa • Asia Pacific • Oceans

✓ Vertical markets include:

   Consumer Broadband • Civil Government & Enterprise Networks • Military Satellite Communications • Cellular Backhaul & Trunking • Aero In-Flight Connectivity • Maritime Communications • Video Services

METHODOLOGY:

Analysis, data and estimates found in the report rely on two complementary approaches:

• In-depth analysis containing interviews with over 20 primary stakeholders from around the globe.
• Secondary research includes a review of hard-to-obtain public information. Further, we relied heavily on our continuous research of the satellite sector from recurring publications, including reports such as Satellites to be Built & Launched, Satellite Communications & Broadcasting Markets Survey (SCBMS), and Aero IFEC.

REPORT STRUCTURE

WHO WILL BENEFIT FROM THIS REPORT:

✓ Satellite Operators
✓ Banks & Investors
✓ Service Providers
✓ Equipment Manufacturers
✓ Satellite Manufacturers
✓ Government Agencies
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In the video market, HTS capacity is mainly used for broadcasting local TV channels as the narrow spot-beam architecture is well adapted to distribute local content (news, weather, and advertising) to a specific region. The U.S. is currently by far the leading market in terms of HTS usage for video distribution services with close to 1,510 channels broadcast at the end of 2016 (99% of the total), three-quarters of which are local channels. Approximately 60% of local TV channels broadcast by OTS platforms in the United States use HTS systems. The number of U.S. channels using HTS capacity has remained largely stable in the past four years, with 150 channels added since 2012. DirecTV Network broadcast the most channels on HTS systems close to 3,000 channels distributed on three Ku-band HTS systems – see table on the left, while DirecTV broadcast KA-band HTS systems on Ka-band systems.

Outside of the U.S., the market has stagnated between 2012 and 2014, with the number of TV channels remaining stable at around 40 since then. Channels are distributed by two Korean HTS platforms: Asia TV Satellite (Indonesia) and Cambodian DTV Network, and by 24N, an OTT provider in Indonesia. In 2017, the number of channels using HTS satellites is expected to grow. Two OTT services have already been rolled out on Intelsat 35e since the start of the year (2016) in Indonesia and Vietnam by Bulgaria and Spain has expanded its channel lineup. A package targeting Thailand has also started to use capacity on Intelsat 17.

Although the use of HTS capacity for occasional video services is still limited (capacity leased: 1.15 Gbps in 2016), first market traction for newsgathering has been reported in recent years with Ka-based the dominant frequency band in 2016. Ka-based HTS solutions for news gathering are available in North America (Hughes), Europe (Kacific, Intelsat) and the Middle East & Africa (Kacific, Viasat). Further Ka-band occasional use solutions are being offered by Intelsat since 2016 in Latin America via Intelsat 24 and since 2017 on Intelsat 35e in Russia and the CIS and therefore via its ISTAR system targeting the Asia Pacific region. Broadcasters and service providers such as Globalcast, BBC, Tabe and SGR Live are using HTS services. One of the latest companies acquiring HTS capacity for occasional use services is Nomadic (February 2017), the company uses Intelsat 35e for services targeting Russia and the CIS region.
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