

Trends in Satellite Finance

Video abstract

Randy Segal and Steven Kaufman at the Paris Satellite Finance Conference in September



<http://www.hoganlovells.com/satellite-finance-trends>

Satellite deal-makers Steven Kaufman and Randy Segal shared their insights on trends in satellite finance during the annual Satellite Finance Conference held in Paris in September. Although the market for traditional broadcasting services is soft, demand for broadband communications and new forms of digital broadcasting is strong. Kaufman and Segal stressed the importance of public financiers such as the Ex-Im Bank in today's satellite projects. A number of the new projects are being initiated by countries that view the ownership of a satellite system as an important element of sovereignty and national security. Later in this issue, Steve Kaufman and Randy Segal describe the keys to a successful government satellite project,

pointing out traps when governments negotiate satellite procurement contracts under government procurement regulations. Challenging aspects include inconsistencies between government procurement laws and international satellite practices, and managing the inevitable changes that will occur during the long life of the satellite project. There is also a need to build in flexibility to coordinate the satellite procurement with the other procurements which need to take place in the months or even years after the satellite procurement is completed. With numerous interrelated contracts, many things can and will go wrong, and the contracts need to cover as many of these contingencies as possible. The full article appears on page 25.