



By Gerry Oberst

U.K. Government Continues to Overlook Satellite Sector

The U.K. government initiated two consultations this summer that will have an impact on the satellite industry as a whole. Both are initiatives of the newly-renamed Department for Business Innovation and Skills (BIS) — previously the Department of Trade and Industry and roughly the equivalent of the U.S. Department of Commerce. One consultation is on funding and management of U.K. civil space activities and closes in October. The other concerns the increased responsibilities of communications regulator Ofcom and other matters to encourage efficient investment in communications infrastructure. This second consultation opened in mid-August and ran through September.

The two initiatives might seem to offer a good opportunity for creating a consistent approach towards fostering a thriving space sector, which has made a major contribution to communications. To the contrary, however, the consultation on civil space asks no questions on the contribution of satellites to communications activities and the consultation on infrastructure seemingly goes out of its way to avoid mentioning satellites altogether.

This complaint is only marginally fair for the civil space consultation, which in turn was based on a paper, “UK Civil Space Strategy: 2008-2012 and beyond,” issued by the British National Space Centre (BNSC) in February 2008. That paper explicitly referred to national achievements in the communications sector based on satellite facilities, such as hosting the world’s most profitable global mobile communications operator and Europe’s most successful satellite broadcaster as well as providing “the world’s leading capital market for satellite and application financing.” In a statement sure to please readers, the strategy paper included one section with the theme “the world is increasingly dependent on satellite infrastructure.”

The more recent consultation on funding and management of U.K. civil space activities was kicked off with a press release from the BNSC that continued this theme of the contributions of the satellite sector. The BNSC summarized the U.K. space sector as “second only to the United

States in space science, contributes 6.5 billion [pounds] a year to the U.K. economy and supports 68,000 jobs.” That same release says that space applications can provide solutions

for key areas in the economy and specifically notes the contribution satellite services can make in the communications field to achieving the U.K. Digital Britain initiative that aims for total broadband coverage by 2012.

With this background, it is easy to refer to satellite contributions in the communications area when answering the questions set up in the consultation. The main focus of that consultation is how best to structure future BNSC activities, so perhaps an explicit focus on communications activities was not important.

The second BIS consultation is another matter.

In mid-August, BIS issued a consultation with a shorter than normal time for response in order to review two new obligations for Ofcom. One is to encourage efficient investment in communications infrastructure and the other is to report on that infrastructure every two years. Satellite is not mentioned in the report. In fact, with respect to the duty to promote communications investment, the consultation document refers to every type of infrastructure except satellite. In the main discussion of investment, the consultation says “examples of the areas which government will require Ofcom to keep under review and report on are ... availability/coverage of the major communications platforms to include fixed telecoms, cable, mobile, broadcasting and other platforms including core, backhaul, spectrum usage and access network capability.”

This approach towards the satellite sector is inexplicable. The underlying Digital Britain Report, issued in June, fully recognizes the satellite sector. For instance, it notes that “satellite data and broadcast services are also important parts of the nation’s communications infrastructure.” The numerous other references to satellite infrastructure are not matched, however, in this most recent BIS consultation.

Maybe we are being paranoid. Maybe the BIS consultation should only be interpreted in light of the Digital Britain Report and against the backdrop of other BIS papers and government strategies, including the civil space strategy. But when a government says it wants to encourage major communications infrastructure and lists every sector except satellite, we get edgy.

Comments were due in mid-September and one hopes the satellite sector got a word in about its contributions to communications infrastructure. ▮

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