

**My impressions of Pacific Telecommunications Council 2002**

Kazuhiko Aoki

Space Communications Corporation

**I . What's PTC2002?**

Pacific Telecommunications Council Annual Conference, to be held mainly for the tele-communication industry in the Asia Pacific Region, was counting 24<sup>th</sup> in 2002 January 13-17 and more than 500 companies and organizations were gathered from all over the world. The conference was held in Hawaii, its local economy has suffered from the loss of visitors due to the horrible Terrorist Attack in September 11th, but I could see many participants to the conference wearing colorful Aloha shirts and registration badges in and outside of Hilton Hawaiian Village Convention Center on the Waikiki beach. In the PTC2002, the dress code is always in casual attire for every events, opening reception, speeches, meetings, exhibitions, and even for the parties. Aloha shirts are the most formal, and naturally this attire makes the conference atmosphere open and relaxed. As I came from Japan in the coldest winter to the Hawaii in year around summer together with many tourists, right after the moment a bright voice of " Alo-o-o-ha" and tropical fruits juice welcomed me at the hotel, I was confident in enjoying next four days in Hawaii.

One of the characteristics of the PTC is represented by this year's theme "Next Generation Communications: Making IT work" and thus participants consist of, not only the telecom companies, but also system integrator and service provider from IT industry. Another characteristic of PTC is business oriented, like as the Asia Pacific regional telecom issues, regulations, partnership and consolidation rather than technical trends in the industry. This is because many of participants are the top managements of companies or key individuals responsible for the future business, and every telecom companies are looking for the direction where to, with whom, and by what means, in the business expansion. With those characteristics, there are many opportunities to have side meetings among participating companies during the PTC periods and actually I spent much more time for such meetings with possible business partners rather than for the conferences and exhibitions.

Looking into the aerospace related in the exhibition, there are some satellite

operators introducing their Asian-Pacific beam coverage. And for the satellite manufacturers and launch vehicle providers, the booth of Boeing company was most outstanding, but no exhibit from Lockheed Martin and SS/Loral in the floor. It seemed like the presence of aerospace industry in the PTC2002 became smaller than PTC last year, and naturally minor than the other conferences of aerospace.

## **II . Major Topics from the Conference**

There were various sessions discussing in parallel during the conference, but I would like to introduce the major topics relating to satellite communications which I was interested in.

### **Chinese policies for Telecommunication after joining to the WTO**

One of keynote speakers in PTC2002 was Mr. Wu Jichuan, the Minister of Chinese Ministry of Information Industry (MII). The speech explained the basic policies for Chinese telecommunications after joining in to the WTO. Essential policies are the market deregulations to the foreign telecom operators and encouraging partnership or joint venture with Chinese telecom operators. On the other hands, there are unsolved hurdles, Information Control to the billions of people from de-regulated broadcast and broadband communication, and digital and economical divide in China. Any clear actions or plans to those issues were not presented at this speech.

### **Tele-communication in the Asia Pacific Region**

Market deregulation is sweeping across the region, and the pressure to deregulate satellite services is exposing national domestic operators to a tough competition. For a formerly-protected domestic operator, a regional competitor gaining access to their core domestic market represents a new threat. In response, domestic operators have little choice but to address the wider regional market as soon as they are able. Achieving the necessary footprint is the easy part. Marketing the capacity within the region, and establishing alliances that support competitiveness, are much harder. As a result there is a growing trend towards strategic partnerships and even mergers and acquisitions. SingTel's acquisition of Optus is a good example, more can be expected within few years.

### **Undersea fiber communications in the Asia Pacific Region**

Redundant high-capacity undersea cables are spreading the trans-Pacific traffic as

well as intra-Asia Pacific traffic, and fiber operators are facing to a tough competition in their market. Thus, it is no longer meaningless to compare with the cost per bit between fibers and satellites, but it is also opening new opportunities for satellite services within the region. The huge capacity of these fiber cables means that internet content and broadband data can be delivered from a point to another point at giga-speeds and those data have to be delivered from the national gateway to their final destination. In some of Asia, where neither XDSL nor terrestrial fiber cable is available, satellite is the only option to deliver the data at speed. Some telecom operators are implementing broadband strategies with terrestrial fibers, undersea fibers, and existing satellites to offer best fitting solution for the customer needs.

### **III . Epilogue**

Even though the growth rate of Information Technology industry slowed down last year, the important role of PTC conference would have never changed, that is an annual opportunity to meet telecom leaders at one time in one place. With my gratitude to the opportunity to participate into such a conference and to report it here in the Space Japan Review magazine, I would like to finish my brief essay.