

SATELLITES COMMUNICATION AND I

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At KDDI Msat Inc. (see note below), I am involved in planning and scheduling for the Inmarsat Service (see note) and work on business adjustments with Inmarsat. Those of you who read the Space Japan Review already know this very



well but the Inmarsat Service is providing communication services such as telephone, fax, data, etc. between mobile stations of ships/aircraft and land-based customers, as well as ship-to-ship communications. To provide the services we utilize satellites launched 36,000 kilometers in space in a geostationary orbit. The satellite communication service is also used for global maritime emergency communications indispensable to ships in far-off oceans and have the vital role of maintaining safety to save lives.

Note: KDDI Msat Inc., was commissioned by KDDI to handle overall planning and marketing of Inmarsat services offered by KDDI, as well as rental and sales of portable satellite communication terminals, technical support and procedures required for licensing of radio stations. KDDI Msat Inc., is a 100 percent subsidiary of KDDI.

Nearly five years will have passed since I became involved with Inmarsat business at KDDI. During that time, Inmarsat have been privatized and the organization has changed greatly. Inmarsat was originally initiated in 1976 as an international organization with 47 countries adopting “Agreement on International Maritime Satellite Organization”. In 1998 however, this agreement was revised and the operations were privatized in April 1999. As a former employee of KDD which was one of the signatories of the Inmarsat treaty, I had participated in the discussion on the privatizing of Inmarsat and it was an extremely emotional moment when the Japanese government ratified the revised agreement in June 1999.

I first became acquainted with Inmarsat upon being transferred to the Inmarsat Policy Group, Mobile Communications Business Department of KDD. Since Inmarsat was first established, KDD has been designated by the Japanese government as the signatory (operator) in the above agreement, provides funding for Inmarsat and participates in the discussion of the operation and the network planning including the satellite systems. Usually, four times a year, a board of directors meeting is held at which the signatories to the agreement gather and decide on detailed items of Inmarsat operation such as technical, planning, operation, development and financial matters. The main business of our Inmarsat Policy Group was to respond to this board of directors meeting, prepare prior to the meeting, attend the meeting and send feedback along with adjustment to the main related agencies of the Japanese government.

Initially after being transferred to the section, my knowledge of the Inmarsat service was nearly zero. At first I could not understand at all what was being discussed at meetings and it was just like listening to a foreign language. Another tremendous

source of initial frustration was that the Inmarsat business world uses a great many acronyms where the first letter of several words become a term such as POR (Pacific Ocean Region) or NCS (Network Coordination Station).

Even now I will never forget my extreme nervousness on having to speak the first time at the board of directors meeting. The giant round conference table was capable of seating some 50 people and simultaneous translation in three languages was available (unfortunately none of them in Japanese). Delegates from each country gave eloquent statements. Conference etiquette calls for starting your speech with an expression of gratitude to the chairman on being given a chance to speak (usually “Thank you, Mr. Chairman”). However I was so overwhelmed by the surroundings that in my nervousness I forgot to be courteous and started directly giving my speech. I remember my mind was a complete blank when I finished.

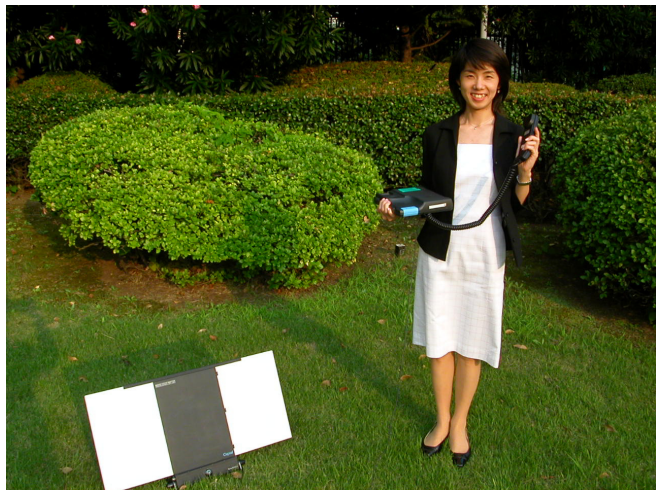
Under pressure from other satellite communication providers that were gaining strength, Inmarsat started evaluating going private for more efficient operation and freedom in procurement of funds from the latter 1990’s. The director’s meetings I attended then were always held in a spirit of white hot debate that repeatedly expanded over the large goal of privatizing Inmarsat. These meetings often continued until late at night. Many of the delegates from each country had participated in Inmarsat operations since it was first founded and I suppose the mood was pretty intense. They were also representing their own countries so they debated the prospects for privatizing Inmarsat quite seriously.

The maneuvering among the delegates got pretty lively not only during the conference but also during coffee breaks as well, with the delegates each exuding the flavor and characteristics of his own country. Among these were the stubborn consistent delegate

from Norway who was descended from Vikings, the United Kingdom delegate who was a typical English gentleman, the delegate from Greece who seemed like a philosopher and the United States delegate with his Ivy League manner. I felt extremely confused on first seeing the decision making process with my own eyes yet through this experience I think I somehow have learned the skills required for people with entirely different values to make decisions.

As a result of these board of director debates taking place over several years, it was decided that while retaining some functions as an international body under the agreement, operations would be moved to a new civil corporation established in the United Kingdom and the Inmarsat Corporation was founded on April 15, 1999.

Inmarsat which used to be a strongly technically oriented firm, suddenly became a heavily market-oriented company simultaneous with the start of privatizing. Though there was some confusion over this sudden change, things have quieted down a great deal after more than 3 years have passed



since the start of privatizing. Even after Inmarsat became privatized, I still continue my relationship with the company and currently am engaged in negotiations and adjustments involving marketing and service issues.

The Inmarsat service itself is also gradually changing due to the spread of IP and

broadband communications the same as with fixed networks. Currently it is switching over to the Internet from telephone and fax communication. In the fall of this year we are scheduled to commence 64kbps communication service mainly for maritime use called “Inmarsat Fleet”. The Inmarsat M4 service capable of 64 kbps data transmission with a portable terminal of only about 5 kilograms has been used since the New York terror incident in September of last year for television hookups from Afghanistan, etc. The tragic spectacles shown on TV may tear at our hearts yet I feel that by many others including myself viewing these kinds of images we may perhaps take a new step towards world peace.

I joined a communications company because I felt thrilled by the idea of providing a way for people to communicate with each other. The Inmarsat service can be used not only for communicating with mobile stations such as ships and airplanes but also in areas where communication infrastructure is not matured. This means it can serve as a bridge to join many people together. Not forgetting my first feelings on the job, I want to tackle my daily work tasks, and help provide even higher efficiency, high quality Inmarsat service that meets customer needs.