

SkyWare Global wins ViaSat contract

SkyWare Global, the newly amalgamated provider of antennae and electronic solutions, has signed a deal with ViaSat to provide two Ka-band new antenna models for the distribution of satellite broadband.

The first model is for use with ViaSat's Surfbeam 2 outdoor unit, which will be deployed for use with Eutelsat's KASAT spacecraft when it launches over Europe later this year.

The second antenna is designed specifically for use with ViaSat's own consumer broadband satellite, ViaSat-1, which will be launched in 2011.



ViaSat booth at the Satellite 2010 Conference in Washington DC

The deal highlights the hold SkyWare Global has swiftly established over the satellite internet antennas market.

SkyWare Global CEO David McCourt told SatelliteFinance that the company held a 95% share of this market. He also expects the market to grow quickly.

He said: "Ka-band and satellite broadband has been a long time coming. I think that Ka has proven it's a technology that'll have many applications. I think the enterprise players and the consumer players are going to morph into broadband satellite players that are not restricted to either market. With the increased investment from ViaSat, Eutelsat and Avanti, you could easily see the current satellite broadband user base of one or two million grow to 10 million worldwide in a few years."

Satellite broadband is just one of the markets that SkyWare Global aims to dominate. Cable, media and telecoms industry veteran McCourt founded the company in December 2008, when his investment firm Granahan McCourt Capital partnered with another private investment firm, Edgewater Funds, to create Satellite Holdings.

Over the course of 2009, Satellite Holdings acquired the UK-based antenna provider Raven Group, half the business of ASC Signal Corporation, its Chinese subsidiary ASC RC and Germany-based SkyWare Radio Systems. In October 2009 it merged the companies to create SkyWare Global.

McCourt explained how these assets compliment each other. "Raven were one of the best designers and builders of antennas," he said. "The ASC assets we bought put us in the enterprise space. They had the fibreglass antennas that Raven didn't have. The acquisition of SkyWare in Germany gave us the big-time electronics that we needed to fulfil our full suite of products – electronics and the full range of antennas. Hopefully we'll close in a matter of weeks on the ASC assets in China which will give us the foothold in Asia we've been looking for.

"We don't own our manufacturing facilities in Asia but we want people on the ground there as we develop our Asian strategy."

According to McCourt, this mix means that SkyWare Global can build any kind of antenna to suit any market in any geographical location. In addition, the ASC acquisition has given it access to a global distribution network.

He said: "We feel pretty good that we have the complete solution. My background was always as an operator, so I'm used to vendors telling me what they want to sell me, but it wasn't often that they came in and said 'you have a specific problem and we want to develop a specific solution.' We're building a total solutions provider that can go to a customer and say 'what's driving your costs? What can we do to help drive your revenue? What can we do to help lower your costs?'"

SkyWare Global is now targeting 30% growth on revenue from the combined companies' total in 2009, and a doubling of EBITDA. The group is also set to expand into other sectors. "There's a fair amount more that we need to be the largest and best satellite terminal equipment company on the planet," said McCourt. "There's some adjacent markets that we're in the process of figuring out whether we want to be in."

The only antenna and electronics markets SkyWare currently has no presence in are earth stations and military services. McCourt said that regardless of where the group chooses to expand, it can do so either through acquisitions or organic growth. SkyWare Global does not need to raise financing, as both Granahan McCourt and Edgewater Funds have committed to provide whatever funding the business needs to grow.

