



GOING AFTER THE BIG PLAYERS

How do you crack a market like Latin America – a big region and a very diverse market too. Content management and delivery company GlobeCast has been active in Latin America for the past seven years and expects tremendous growth for 2010.

Dante Neyra, Regional Sales Manager for **GlobeCast America**, says visibility is key to success

Our success in the region has been with the import and export of content to and from the region. We have been importing major special events, including World Cup, and Olympics events.

For the export of content we have been taking the top broadcasters in the regions and currently manage their Network distribution into other markets like Europe and Asia. We leverage our global reach through our expansive infrastructure of fibre network and satellite platforms which continue to represent GlobeCast's core business.

Research shows that because of its high cost satellite TV is not popular in the region - less than 8% of urban Latin Americans own satellite TV and almost none in rural areas. Is that your impression?

We have to look at the overall market and how the market is divided. There are more rural areas than non-rural areas, so the only way to reach these will be via satellite. However the highest concentration of people resides

within the large cities and that obviously is guided by a cable industry which is fairly large in Latin America – larger than the satellite market.

What are the big players in Latin America looking for from you?

The true international players are looking for global reach and distribution of their content into other markets. In many cases they are also looking for GlobeCast to regionalize that content so it is tailored and conform to that specific market, whether it be a time shift differential, rebranding, or a new channel altogether. They are looking for a one stop shop.

How do you market GlobeCast in the region?

A key driver for success is visibility. We are active in the region, by attending the most important trade shows, constant face time with our client base and finding creative ways to give our clients viable resources to ensure they have the greatest reach while maintaining a competitive advantage. As part of the France Telecom group we also rely on our affiliate group of companies, such as Orange

Business Services to cross fertilize opportunities in the different sectors of the markets. We are also based in Miami which is a melting pot for the Latin America broadcast market.

It was during NAB 1997 that France Telecom announced to the industry the merger of its French-based Audio and Video Services Unit with its subsidiaries Keystone Communications in the US and Maxat Limited in the UK, forming at the time the world's first globally integrated provider of satellite delivery capabilities for broadcasters and corporate users. Since then we have seen the business grow exponentially, and continue to grow and expand our reach.

Are trade shows still important?

Again visibility is key so yes, they still are very important. A lot of the major players are reducing their attendance at trade shows and of course you are going to see a reduction in traffic, however there is more focus and value at these trade shows than in the past. In the past you had a large influx of attendants coming around with general inquiries and just kicking the tyres, whereas now they are

coming to secure deals and get business done.

Which customers do you target?

We are in the business of managing content. Our initial approach was to target the blue-chip client base who had extensive international programming and a sustainable business plan to expand to other markets. It proved to be successful in that we took the top broadcasters in Brazil and put them on top tier distribution platforms in Europe such as Hotbird and Astra and Asiasat for Asia.

As a result they have enjoyed substantial growth in these markets and are looking at other ways to maximize these revenue streams and fine tune the formula, which paves the way for Master Control Origination services, or Playout services, for the regionalization of this content for a specific region.

This opens opportunities for GlobeCast to regionalize or originate this tailored content from any one of our playout centres in Miami, London, or Singapore. The proven success of these top broadcasters has paved the way for the B-tier programmers who have generated enough international content to also take the next step to distribute their content internationally.

Do you work with local partners?

There is a big push from France Telecom for its wholly owned subsidiaries to work together and find synergies in the marketplace. As a result we have teamed up with our affiliate Orange Business Services in the region and have found ways to work together to generate business and new opportunities.

OBS has an extensive presence in the region and we are taking advantage of their local presence and expertise to hit the ground running and operate under the same infrastructure. We are finalizing the expansion of GlobeCast's global fibre network into Brazil and Argentina under this framework, thereby avoiding

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lengthy process it takes to set up operation in these regions.

2010 is a huge year for sport in HD – the football World Cup 2010 in South Africa for example. How are you involved in getting pictures to football fans in Latin America?

GlobeCast has always been a key player in the special events arena and are delivering reliable cost effective solutions to the market.

Africa will be a challenge due to limited satellite capacity in the region, so GlobeCast will also rely on hybrid solutions and will rely on its robust global fibre network to deliver these events to our clients. Our new fibre POPs in Brazil and Argentina will offer clients diversity and redundancy to ensure they have the most robust solutions in place to cover these high profile events.

Where have international channels made inroads in the region?

You will have a channel like the BBC mainly in a high concentration populated and very cosmopolitan area. Variety channels or channels like Disney, ESPN and mainstream sports channels have a large penetration in the region as well.

Fox, FX, Sony with their Latin American channels, are all highly popular channels and carried by cable headends. But what we are seeing now is Korean channels looking for distribution into Latin America and other niche channels looking for distribution as well.

In Latin America there is a political dimension which influences development of the media landscape. In some countries governments see journalists and media groups as enemies that need to be kept under control, in others there is support for the media and press freedom. How do you see that developing?

Latin America is a very volatile market and although it may affect a broadcaster locally, we always find ways to assist and continue to support our clients, through different applications and services.

Being a truly global company gives us a competitive advantage in being able to find ways to service our customers, technically or commercially, whether it be Cubavision, Telesur, TV Globo or Record.

What's in the pipeline?

Key driver and focus is the expansion of our global fibre network into the region. Fibre will give us the much needed flexibility to expand on our core services, develop new media applications, such as our content management platforms, IPTV, FTP transfer applications, and HD.

Our global presence will allow broadcasters a seamless integration of their facilities directly onto our network, allowing them to move that content globally with relative ease.

Dante Neyra, thank you. ■

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