

BUILDING A REPUTATION



CET Teleport in Hameln, Germany, provides a wide range of media broadcasting and corporate VSAT services. In 2002 **Ken Armstrong** first assumed responsibility for the teleport in his role as VP of Plenexis, then, in an interesting twist, six years later he came back to run it as CEO when he acquired the teleport facility from Stratos Global. What's his secret of getting CET into the WTA's Top 20 and Fast 20 lists?

I have always believed you need to give every customer the attention and the time they deserve. As companies get bigger and bigger, this disappears. Here we are totally independent. We have no major allegiance to any particular satellite operator, we work with them all which for the customer means more freedom of choice. There is also the quality of our customer helpdesk - German, French, Polish, Russian, we have all these language skills in house and the customers can phone up and talk in their own language.

You make much of your location...
We have no obstructions from East to West and so the look-angle of the satellites is exceptionally good. We have no frequency interruptions here because we don't have any microwave or communication frequencies in operation in this location. When this was built in 1987 it was one of the central hubs for the Deutsche Telekom fibre network, and beneath the building here we sit on the main route going North-South and East-West, so we

have access to a tremendous amount of fibre infrastructure - we just have to pay a connection charge. These are things that make it unique, and we don't have any restrictions on how many antennas or how much we build. We currently have over 50 antennas. This is a massive area, about 160 acres, with a building that was built to withstand the war. It's all bullet proof glass and a nuclear shelter down in the basement.

What are your core broadcast services?
We offer DTH services on the Eutelsat EB9 platform at 9 degrees, which is becoming the second community to the HotBird community at 13 degrees. EB9 covers the same footprint and is especially attractive for smaller TV companies wanting to get to the same region but at the same time drastically cutting their overheads. In both HotBird and EB9 locations, there is a tremendous number of ethnic channels and we are in a position where we can see satellites from America, Asia and also Australia so we can bring in channels to here, and then turn them around

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onto the DTH platforms. We will eventually have a full ployout service here but at the moment we are working with one or two companies who do that part of the service for us, insert adverts and commercials and things like this for local services in the various countries. This is part of the broadcast service function that we offer.

You operate globally – where are you strong?
The DTH platform is traditionally Germany going East towards what were the Eastern Bloc countries. EB9 attracts a lot of TV channels from those regions, plus ethnic channels – from India, Asia, Bangladesh, the Middle East, South and Latin America. All these have an interest in Europe and more and more TV companies are looking to get their channels as far round the globe as possible. I am in negotiations with a customer at the moment who is looking at totally futuristic technology to take channels from Europe in the most cost effective way into the States.

Who are your competitors?
Most of the people in the industry.



From where we are located people like GlobeCast and Arqiva. Obviously Media Broadcast, Deutsche Telekom are our main competitors just purely by location. In big companies it's sometimes difficult to find the right person to talk to. Here we have just over 30 people – the sales and marketing division is in the UK - and everybody knows who they should be talking to for certain things.

What are broadcasters demanding from you?

The biggest demand is getting more for less. Technology to a certain extent has enabled that to happen over the years. But of course technology is now going the other way. Customers looking to do HD find that their cost is going up as they require more and more bandwidth. It will get even worse as 3D is becoming more popular. Then of course you have got other technologies like MPEG-4 and DVB-S2. As HD has required more bandwidth these technologies are using techniques to reduce that amount of bandwidth again. It takes time to get this into the market place in any volume. If somebody just invested in a TV channel doing SD - as most of it is at the moment - they are not going to be looking at changing to HD or MPEG-4 any time soon, especially if they have just had a large capital investment to do it the normal way.

How green are you?

Being green is a consideration for

everybody and we do take it seriously. We are as green as we can be, bearing in mind that the teleport was built back in the '80s.

As we renew our HPA for the antennas, we go to solid state where possible and make them as environment friendly and economical as possible. If you take a large HPA for a 15 metre antenna where you need maybe 2 or 3 kilowatts of power, you are looking at spending in the region of £200,000 for just one antenna. As they need replacing then obviously you can make that investment. We have massive air conditioning plants here but under normal circumstances they are never running at full blast because it does not get that hot.

There is cable TV, satellite TV, IPTV. How do you see this mix developing?

Every country is different. In England cable has never really taken off, in America most people prefer to have cable TV. And of course there are countries that are not likely to get access to cable TV as the cost of putting it in is prohibitive. Satellite will always have its place, but what dictates what goes where is usually the content that's on offer.

If you look at Sky in the UK the majority of viewers go to Sky for the movies and the sport. If the BBC suddenly had a big pot of money and bought all the sport back again you'll find that people

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If the content moves, then the viewers go with it
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would stop watching Sky and go to the BBC. Viewers are not very loyal, if the content moves then the viewers go with it. I think IPTV is something that appeals to the younger generation - they are looking to pick up content anywhere and watch it on their phones and PCs. But all sorts of other issues come into it – the rights issues for example, somebody has rights terrestrially in one country and they don't want people watching it for free on IPTV.

What's in the pipeline?

At the moment we are putting a lot of effort into Africa. There is a lot of potential in Africa - new satellites are going up, but demand is so great they are almost sold out before they get into the sky. Until there is plenty of capacity the potential of Africa will never be really fulfilled. Also, large parts of Africa do not have the wealth to afford it anyway. We are currently trying to build a distributor and partner network in various countries in Africa to do a lot of the footwork for us.

What's the top priority for you?

My personal objective is to see the company regarded as a high quality provider. To become people's first choice – so they talk to us before they go to the bigger conglomerates. It's hard work to build a reputation and it is even harder to stay there.

Ken Armstrong, thank you.