



SOLUTIONS FOR CONTENT PROVIDERS

Back in 1996, RRsat was a small company with a staff of about 10. Today **RRsat Global Communications Network** is listed in three of the WTA's top operator rankings. Growth year-on-year has been phenomenal – what does **Lior Rival**, RRsat's VP Sales and Marketing, see as the reasons for RRsat's upwards surge?

Our core business is content management and global distribution for TV and radio channels. We are a solution provider for the content owners. You ask for the reasons for growing so fast – it's a combination of hard work, good technical support, offering a very creative and flexible technical solution, with a competitive price, and of course the location.

Our location in the Middle East means we are in a very good place for satellite distribution. You can uplink to between 32 West and 110 East orbital positions, meaning that

we can reach Asian satellites, European satellites, African satellites and also transatlantic satellites with one hop. So from the location came the idea to provide a global network. We started mainly with turnaround and created the extensive MCPC platform step-by-step.

Then we realized that TV channels need more than one version to address viewers all over the world. In response to channels' requirement for time shifting, we built our state-of-the-art playout centre which at the moment carries more than 120 TV channels. As RRsat is an independent company, we are not tied to a particular

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satellite organisation but can use the best satellite in each region. So gradually our RRsat Global Network evolved – it now has more than 35 MCPC platforms, over 40 satellites, a huge fibre network that covers practically the whole world and very good Internet connectivity. We have more than 550 TV and radio channels transmitted 24/7.

Your main base is in Israel – what facilities do you have?

We have here two playout centres and four teleports. Of course Israel is just part of the network, we have a teleport in Hawley, Pennsylvania, USA, which carries all our

distribution in North and South America, and we also have a teleport in Hungary, and many POPs around the globe for fibre and Internet that help us to complete our network. Hawley Teleport was one of the main teleports of Loral Skynet. It's spread out over 100 acres, with a lot of antennas. Since we bought it in 2008 we have started many new transponders on several C- and Ku-band satellites, we created fully diverse redundant fibre connectivities, and we are trying to be one of the main players in the States also for playout and distribution.

Was the deal with FOX Sports a result of having acquired Hawley?

I think Hawley helped but the most important thing for this deal was that we already carried BabyTV for the Fox Group so they were familiar with our service. For BabyTV we provide the end to end solution, including playout in 12 languages, and satellite distribution all over the world. So when Fox needed to extend their Fox Sports distribution over Europe and also to upgrade to HD, we offered them a very creative solution both from the satellite and commercial aspects, and they chose us.

What about HD and 3D opportunities?

In March we signed a deal for distribution of the first HD Indian "Bollywood" movie channel. At the moment we carry it to the local cable and DBS in Israel, and we are working on versions for other multichannel platforms in Europe, North America and Africa – I think it will be a big success. For us HD is a great opportunity. HD needs more satellites and more platforms, and we are creating now several DVB-S platforms, either on the Eurobird 9A satellite over Europe and North Africa, and also on the Measat-3a satellite that covers Asia and Africa. HD requires more capacity so we created an MCPC platform on DVB-S2 specially for this purpose. We are very soon going to have a 3D test and we will start transmitting a 3D channel on one of the satellites.

IPTV – opportunity or a threat?

Just an opportunity, for sure. We don't make much of it but we carry more than 100 TV channels at the moment on IPTV on a 24/7 basis. IPTV for us is an opportunity, because we provide distribution via fibre, satellite or Internet and we build solutions according to the customer's needs. For example, we carry more than 47 Indian TV channels on IPTV as part of the "Watch India" project that is going all over the world, especially to the States.

RRsat and you personally have been honoured by the WTA – what impact has that had?

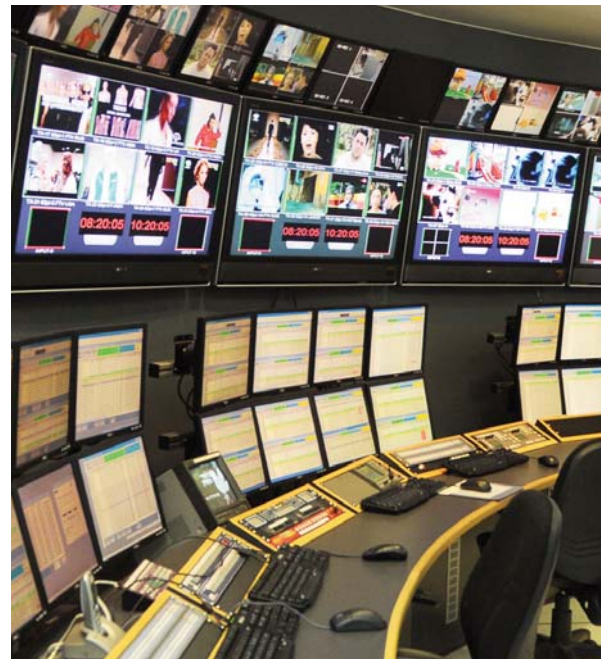
Winning the WTA Independent Teleport Operator of the Year award in 2009 was a big honour for us. I am sure it has helped to convince many major TV channels to work with us. You know the world has become very small now, it does not matter where you are. With the right solution you can playout from Israel for a major studio from anywhere in the world and then provide distribution to anywhere else.

How has the economic crisis affected the satellite sector?

2009 was a very hard year for all the industry. We managed to grow our business in 2009 with 19% additional revenues. It sounds strange but I think the economic crisis helped us in that the big TV channels realized that they had to find a better and more cost-effective solution, and because we have a very competitive solution we became more interesting for the major studios. When the market got more difficult the big TV channels started to look around for good technical and commercial solutions. That was one of the reasons why Fox Sports moved to us.

Who are your principal competitors?

There are very few companies that have a global solution comparable to ours. I think there is no-one else except GlobeCast – if I need to name one competitor it would be GlobeCast.



▲ RRsat's HD operations centre
◀ Hawley teleport

Where do you see the satellite industry heading?

I think there will be more and more opportunities for the end viewer to choose their way of watching TV. I do believe that there will be several standards, the strong channels will be HD, the weak channels will be SD on IPTV only, but the strong TV channels will have to be on all the distribution solutions – IPTV, satellite, cable, fibre, HD, SD and 3D in the future. For us this means more opportunities to provide more services – even though there will be more and more platforms, the signal will still have to go round the world.

One thing that is interesting is that the major TV channels now understand that they don't have to create technical solutions by themselves anymore. They need to focus on creating the programme, creating the content, publishing and marketing the content, and using third parties for the technical services, letting companies like RRsat provide the technical solution.

What are RRsat's future plans?

Today we are carrying 550 TV channels, in the next few years we would like to carry 1,000 or 2,000. This is what we are focusing on.

Lior Rival, thank you very much.

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