

Gazprom Space Systems Achieve Key Milestones

By Virgil Labrador

Russia-based satellite operator Gazprom Space Systems (GSS) announced last month financial results for the fiscal year 2009. GSS reported US\$ 71.8 million in revenues, 4 percent more in national currency than the previous year despite their satellites reaching full capacity two years ago. 2009 was the 10th anniversary of the launch of its first satellite- Yamal-100, which has been retired from service this summer. With increasing demand for its services, GSS have firmed up its expansion plans with three new satellites to be launched in the next three years. The aim, according to GSS' Deputy Director-General Igor Kot, is to provide coverage to the entire Eastern Hemisphere and implement a wide variety of services.

In an exclusive interview with Satellite Markets and Research, GSS' Deputy Director-General Igor Kot outlined the company's plans to expand its fleet and service offerings to meet the growing demand in Eastern Europe, the former CIS states, the Middle East, Africa and the Asia-Pacific region. GSS' current satellites are now fully booked, so it's planning to launch three more satellites in the next three years. The recent failure in May 2010 of the Express AM-1 satellite operated by the Russian Satellite Communications Company (RSCC) took up some more of GSS' capacity to ensure continued service to several customers of RSCC.

GSS plans to start its expansion with the launch of the Yamal-300K satellite next year. Following the launch of Yamal-300K, the Yamal-402 satellite is scheduled for a 2012 launch into the 55°E slot and the Yamal-401 satellite will be operating at the 90° E slot with a scheduled launch in 2013.

"GSS is a services-oriented company," said Kot. "In Russia we have a good complement of capabilities in both the provision of satellite services as well as

ground services including VSAT and TV network deployment," he added.

GSS' Yamal satellites currently carry over a hundred channels representing 30 percent of all TV channels distributed in Russia via satellites. The company is currently developing the market for VSAT services, with some 6,000 VSATs using the Yamal satellites as of 2009.

To further strengthen its ground communications capabilities, GSS intensified in 2009 building of a state-of-the-art Telecommunications Center in Schelkovo, Moscow region. Kot said that the new ground infrastructure will allow the company to widen the variety of telecommunication services they can offer which could be provided not only in Russia but also abroad.

GSS is particularly strong in vertical markets such as the oil and gas industry, with its key customer being its parent company- Gazprom, one of the largest energy conglomerates in the world. GSS is also carving a niche in aerospace monitoring services for Gazprom and other users.



**Gazprom Space Systems
Deputy Director-General
Igor Kot**

With its success in the domestic Russian market, Gazprom Space Systems is aiming to expand its international activities. The company plans to substantially expand its geographic reach which now covers 50 countries worldwide. GSS also plans to increase its current revenues from the international sales by three times the current rate. The company will be stepping its sales and marketing activities in the next year in anticipation of the launch of its new satellites.

When the three new Yamal satellites become operational by the end of 2014, GSS will be providing coverage in most of the Eastern Hemisphere. It will be substantially increasing its capacity to meet growing demand in the regions they serve for a variety of services. "We are ready to meet the demands of the new markets," said Kot. 