

# Space Business Review

A monthly round-up of space industry developments for the information of our clients and friends.

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## INTELSAT CONCURRENT OFFERINGS

On June 11, **Intelsat S.A.** (Intelsat) announced that it priced an offering of 13,477,089 common shares at \$14.84 per common share, subject to an option for the issuance of an additional 2,021,563 common shares, and an offering of \$350m aggregate principal amount of 4.5% convertible senior notes due 2025, subject to an option for the purchase of an additional \$52.5m aggregate principal amount of notes. Intelsat stated that it plans to loan and/or contribute all or some of the net proceeds from both offerings to **Intelsat Envision Holdings LLC**, a new wholly-owned subsidiary of **Intelsat (Luxembourg) S.A.**, which will become the direct parent company of **Intelsat Connect Finance S.A.** and will guarantee the new notes, and to use such net proceeds to purchase Intelsat (Luxembourg) S.A.'s 7.75% senior notes due 2021.

## INMARSAT ATTRACTS SUITORS

On June 8, **Inmarsat plc** (Inmarsat) announced that it received and rejected an unsolicited takeover offer from **EchoStar Corporation** on the basis that it significantly undervalued the company. The offer amount was not disclosed. On June 26, a day after confirming rumors that it was contemplating its own offer for Inmarsat, **Eutelsat Communications S.A.** announced that it does not intend to make an acquisition offer.

## JUNE LAUNCH SERVICES ORDERS

**June 4** – **Surrey Satellite Technology Limited** (SSTL) contracted with small launch vehicle developer **Firefly Aerospace, Inc.** (Firefly) for up to six launch services from 2020 to 2022 on the **Alpha** launch vehicle. The first mission currently expected to be performed is the launch of the **Carbonite-4** satellite, which is scheduled for early 2020.

**June 11** – **Spaceflight Industries Inc.** (Spaceflight) announced it procured three launch services from **Rocket Lab USA, Inc.** on the **Electron** launch vehicle. The first mission will launch a microsatellite for Spaceflight subsidiary **BlackSky Global LLC** and several other payloads in late 2018; the second mission will launch a group of commercial and government satellites in early 2019; and the third mission will launch an Earth observation satellite for **Canon Electronics Inc.** in early 2019.

**June 25** – Spaceflight announced that it signed a Memorandum of Understanding with **Virgin Orbit** for a mission to Low Earth Orbit in 2019 on the **LauncherOne** launch vehicle.

## SPACEX LAUNCHES SES-12 SATELLITE

On June 4, **Space Exploration Technologies Corp.** (SpaceX) successfully launched the all-electric **SES-12** satellite for **SES S.A.** on a flight-proven **Falcon 9** launch vehicle. Manufactured by **Airbus Defence and Space** and equipped with six wide beams and 72 high-throughput user spot beams, SES-12 will join the **SES-8** satellite at the 95°E orbital position to provide video, fixed data, mobility and government communications services to customers throughout the Middle East and Asia-Pacific region. SpaceX did not attempt to recover the first stage of the Falcon 9 following launch. In an unrelated development, on June 21, SpaceX announced that it was awarded a \$130m firm-fixed-price contract from the **U.S. Department of Defense** to perform the **Air Force Space Command-52** (AFSPC-52) mission using a **Falcon Heavy** launch vehicle in 2020. The award, which follows a competitive bidding process in which SpaceX prevailed over **United Launch Alliance**, marks the first time that the Falcon Heavy has scored a competitive victory of a military launch services contract.

## VIASAT LEASES HYLAS 4 CAPACITY

On June 25, **ViaSat Inc.** announced that it leased, for two years, one of the four steerable beams on **HYLAS 4**, **Avanti Communications Group plc**'s newest satellite, for \$10m. ViaSat Inc. plans to use the capacity to support international government applications across the Americas, the Atlantic Ocean and the Middle East. Separately, on June 12, **ViaSat Inc.** announced that it acquired **Horsebridge Defence and Security Ltd.**, a UK-based military communications company. Financial details of the transaction were not disclosed.

## AIRBUS AND PLANET TEAM UP

On June 25, **Airbus Defence and Space** and **Planet Labs, Inc.** announced that they entered into a framework agreement in order to facilitate access to each other's data and to explore opportunities for joint cooperation in new and existing markets, including toward the co-development of new geospatial solutions.

## FORECAST OF LAUNCH SECTOR GROWTH

According to a new report published by **Global Market Insights**, the global commercial satellite launch services market is poised to grow more than 16% – to \$7b – by 2024 as a result of the increasing use of data-based communication services and navigation and tracking systems.