



Where's the Good News???

It is time to reinvent Wall Street and reform Washington and it is time to stop watching stock quotes and get back to work... less financial engineering and more actual engineering.

Not since the Woolly Mammoths went extinct have so many giant and awesome creatures failed the Darwinian test of survival (i.e. Bear, Lehman, Merrill, AIG, Wamu, Freddie, Fannie, Wachovia....). Who's next? Where are the "safe" banks to stash the cash? Will I have a job next week? Will I have a retirement? Our political leaders, who can't quite figure out or agree on how they lead us here, tell us that if we don't back a \$700 billion rescue plan doom and a Depression will surely befall us. Credit has evaporated, mattresses are stuffed, yet our leaders still can't get their collective act together and truly communicate in clear terms the problem and the proposed solution. It's tough when you even fail at recovering from failure. Now there is growing concern that a Depression may come despite the rescue plan.

It's scary stuff and it's clearly not just the politicians' fault; Wall Street shares plenty of the blame as do we bloated over-leveraged, under-saving, over-consuming consumers. But whining about who is to blame does little good. In fact, didn't we all know this day was coming; wasn't it practically inevitable? So now it is finally here. The party is over, the house is in shambles and we just know the hangover is going to be a humdinger. These are indeed sad times for our Republic, but our nation has overcome far worse and nothing is solved by panic, gloom and despair. There is a mountain of debt to pay off and a whole lot of value that needs creating if our kids are going to visit us in our old age. So, it is time for some sleeve rolling and stiff upper lips. It is time to reinvent Wall Street and reform Washington and it is time to stop watching stock quotes and get back to work. It is time for less financial engineering and more actual engineering and it is time to stop thinking we can live off of the rest of the world's savings and swap away real risks. Your counter party's risk is still your risk and other people's savings are still their savings even if you borrow and spend them.

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So where's the inspiration to motivate us for all of the pain and hard work ahead? Where's the good news? If you are reading this blog or newsletter, you are probably connected to the satellite, wireless telecom or new media industries. You spend your days in some way connected to the creation, processing, storage, transport or usage of digital bits of information. The good news is that these industries remain strong and vibrant in the U.S. and across the



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world. There is plenty of room left for innovation and lots of growth to come. These are also industries where America has led and can lead further in the future. If there is a deep hole to climb out of, these industries are good ropes and ladders.

There are new frequencies and orbits to exploit... new applications like geospatial content and mobile video to offer... richer content, new online communities and more powerful search capabilities...

Why am I so optimistic? It's been 43 years since Comsat launched Early Bird yet, even with hundreds of commercial satellites in orbit, the world demand for satellite bandwidth has not stagnated. It is growing with new applications like cellular backhaul and ever more HD video content to move. There are new frequencies and orbits to exploit, better modulation and compression standards to roll out, and more powerful spot beam antennas with massive frequency reuse to build and launch. We in the satellite industry can help.

It's been 35 years since Motorola offered the first practical mobile phone and 29 years since the Gladden-Pareiman cellular technology patent yet, even with approximately four billion cell phones in use, the world demand for wireless services is not saturated. It is exploding with mobile email, text messaging and internet connectivity. There are WiFi, WiMax and 4G networks to build out, microwave and free space optics back haul to deploy and new applications like geospatial content and mobile video to offer. We in the wireless industry can help.

It's been 39 years since ARPANET was created, 25 years since the first TCP/IP network and 18 years since the World Wide Web first hit our screens yet, even with approximately 1.5 billion connected users, demand has not slowed. It is accelerating with richer content, new online communities and more powerful search capabilities. Web 2.0 is here, the GRID is coming, laptops are proliferating into the developing world and a whole generation is coming of age weaned from pre-K on connectivity and computers. We in the Internet and new media industries can help.

For our industries of growth and innovation, the best days are clearly still ahead...

It's been 39 years since America landed on the Moon and a lot of people in a lot of countries want to go back and then on to Mars. The Shuttle may be dead and the International Space Station a bit of a turkey, but the dream of space is alive and well. An entrepreneur, Elon Musk at SpaceX, mostly financed with his own money, has just accomplished what only a few countries have done; launch a payload into orbit. China has just taken its first space walk and sent an unmanned vehicle around the Moon. The second Space Race has unofficially begun and this time there will be far more than two contestants. We will also need to protect



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ourselves and allies from an increasingly dangerous world and monitor our precious Earth and its climate far better. We, in the aerospace industry, can help.

Politicians love to say our best days are still ahead. Well, for many industries like traditional media and wireline telecom that's just not the case. For other industries, like the oil industry, we hope that is not the case and for some industries, like the investment banking industry, it is highly unlikely to be the case. Financial services businesses in particular will need to evolve or in some ways go back to being services businesses (like Near Earth) focused on their clients and not on their proprietary trading and bonus pools. But for our industries of growth and innovation, the best days are clearly still ahead. There is more than just room for optimism, more than a sliver of silver lining in a dark and stormy economic cloud. For our 21st century industries, the sky is brilliant blue and the sun is blazing and glorious. Well OK, there are quite a few angry clouds, but they will eventually blow over. So where's the good news? The answer is we have to go make the good news and some of the most likely candidates to lead us out of this mess are the industries we all live and breathe.

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