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## **News Story**

## SSi buys Kanata property, building new satellite antenna

By Peter Kovessy, Ottawa Business Journal Staff Wed. Sep 23, 2009 3:00 PM EST

Company recently awarded multimillion-dollar Nunavut contract

A Yellowknife-based rural broadband provider is solidifying its Ottawa presence with its purchase of a three-acre Kanata property, with plans to invest up to \$5 million over the next year.

SSi officials say tenders will soon be issued for the construction of a 9.3-metre satellite antenna, to be contained inside a thin, inflated dome resembling a golf ball to protect it from snow and other weather elements.

The company has retained Kanata-based project management firm LA Group to oversee the process, and plans to increase its local workforce from four employees to approximately 15.

SSi has collocated equipment in an Ottawa Business Park facility for the past eight years, says SSi president and chief technology officer Jeff Philipp. However, as SSi's network grew, the firm increasingly relied on its Ottawa uplink and concluded last year that it required its own

"We needed a lot more space ... (and) we also need better security. We would have spent millions of dollars improving someone else facility, which doesn't make long-term sense."

SSi specializes in extending broadband Internet service, whether by satellite, fibre or wireless to remote areas all over the world. The firm has a presence in Africa and Indonesia, where Mr. Philipp says SSi was one of the first companies to enter following the 2004 tsunami.

About 18 months ago, the company started looking at expanding into South America, using the Ottawa teleport as a stepping stone. However, those plans were delayed by last year's financial crisis, the timing of which Mr. Philipp calls "quite fortunate" for the company.

"It meant we could put South America on hold for a year or two without losing any real market share."

In the meantime, the company beat northern phone company and incumbent vendor Northwestel for a contract to upgrade the Nunavut government's IT systems. The deal is reportedly worth approximately \$5 million for the initial work, and \$2 million to \$3 million annually for maintenance.

Mr. Philipp says SSi is fortunate it was already in the process of the Ottawa expansion when it won the Nunavut contract.

"It is certainly a lot easier for us to add staff and capacity than it is in Yellowknife."

WEST-END WATCH

While SSi's purchase of a 7,235-square-foot former restaurant on three acres at 230 Herzberg Rd. was one of the few recent sales in Kanata, the deep west submarket is seeing an increasing level of leasing activity, says a broker involved in the deal.

"Companies are taking advantage of the lower lease rates," says Jim Shotton, a vicepresident and broker at commercial real estate services firm CB Richard Ellis.

Observers have noted Kanata's high office vacancy rate, currently sitting around 16 per cent, is inflated by a handful of large buildings sitting empty.

"I don't think the statistics show how much activity is going on ... We're confident things are going to pick up," says Mr. Shotton.



will be more than twice the size of this 4.5-metre dish in Taloyoak, Nunavut. (Photo supplied)

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