

Amazon expands satellite play

Bengaluru: Amazon.com said on Tuesday it would acquire Globalstar in an \$11.57-billion deal, bolstering its fledgling satellite business as it tries to catch up with Elon Musk's Starlink.

Tech companies are pouring billions of dollars into capturing the lucrative market for satellite-based connectivity, but it will be a tall order to match Starlink's 10,000-unit-strong network. Through the deal, Amazon adds Globalstar's two dozen satellites to its existing network of more than 200.

Amazon has been working to ramp up its network by deploying about 3,200 satellites in Earth's low orbit by 2029, with roughly half required to be in place by a July regulatory deadline. It is also preparing to roll out its satellite internet services later this year.

Globalstar's satellite network is designed for reliable, low-data connections directly to mobile devices, or Direct-to-De-



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vice (D2D). The technology removes the need for devices to connect to ground-based cellular towers, making them crucial in powering emergency services and delivering connectivity in areas with limited cellular coverage.

The deal will help Amazon deploy D2D from 2028, the companies said. Meanwhile, Starlink already serves more than nine million users globally. The

SpaceX unit, which provides high-speed broadband through user terminals, is also developing D2D services through partnerships with telecom operators such as T-Mobile.

"Amazon has been falling behind Starlink on satellite broadband. Acquiring Globalstar allows them to catch up on their D2D spectrum position, and leap ahead on D2D deployment," said Armand Musey, president & founder of Summit Ridge Group.

Amazon's move comes closely on the heels of SpaceX moving forward with its plan for a stock market listing. Starlink contributes roughly 50 per cent to 80 per cent of revenue generated by SpaceX.

Amazon has signed an agreement with Apple, which invested about \$1.5 billion in Globalstar in 2024, to continue powering satellite-based safety features, such as Emergency SOS and Find My, for iPhone and Apple Watch users. Reuters