SSi buys Kanata property, building new satellite antenna

By Peter Kovessy, Ottawa Business Journal Staff

Wed, Sep 23, 2009 3:00 PM EST

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 vice-president 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.