

SPACE TRANSPORTATION SOLUTIONS AND INNOVATIONS SYMPOSIUM (D2)
Launch Services, Missions, Operations and Facilities (2)

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COMMERCIAL COMPANIES IMPACT ON THE GLOBAL SERVICE MARKET

Abstract

Mr. Bauer, Vice President for Commercial Sales at SpaceX will discuss the role played by commercial companies like SpaceX and the impact in the Global Launch Services market, as well as his views on the future of space exploration and the pivotal role of private entrepreneurship in such endeavors.

In today's economy, with governments worldwide facing deep budget cuts, private-public partnerships within the global launch services market present an opportunity to optimize resources for maximum value. A good example of this is the partnership between SpaceX and NASA under the Commercial Orbital Transportation Services (COTS) program, initiated by NASA to develop commercial resupply services to the International Space Station (ISS). NASA structured the COTS program as a collaboration with the commercial space industry, sharing the risks, costs, and rewards of developing new space transportation capabilities. Under the program, NASA provides seed money for the development of private spaceflight capabilities, but issues payment only after a company meets technical performance milestones.

SpaceX's participation in the COTS program allowed NASA to contribute to the development of the Falcon 9 launch vehicle and Dragon spacecraft at an early stage, resulting in tremendous benefits for both organizations. For NASA, the partnership has delivered a reliable indigenous US launcher to service the ISS at a fraction of historical costs. For SpaceX, the partnership has helped support tremendous commercial success with Falcon 9 in the global launch services market; SpaceX is now the world leader in space launch based on launches awarded, reclaiming US market share in the international commercial launch services arena.

Commercial companies like SpaceX are also changing how satellite operators evaluate and procure launch services. SpaceX's Falcon 9 pricing structure has enabled the business case for additional satellites and even stimulated the apparition of new satellite operators, contributing to an increase in the total commercial satellite market size worldwide. Commercial satellite operators are now shifting their procurement methods to pair satellites with a specific launch vehicle at the early conceptual design phase, and paying more attention to electric propulsion in order to benefit from trading reduced satellite mass with carrying additional payload to fit on a specific launch vehicle.