

IAF BUSINESS INNOVATION SYMPOSIUM (E6)
Finance and Investment: The Practitioners' Perspectives (2)

Author: Ms. Misuzu Onuki
Space Access Corporation, Japan

SPACE INVESTMENT TO ENCOURAGE TO SUSTAINABLE GROWTH OF SPACE ECONOMY

Abstract

Human Spaceflight is going to bring another robust growth. July in 2021 was such a special month that both billionaires of Sir Richard Branson and Jeff Bezos achieved suborbital flights by their space vehicles. It is the trigger for commercial suborbital human space flights, which space is open to everybody. The Crew Dragon, SpaceX, dramatically broadens the markets both government astronaut missions and commercial astronaut missions. Especially, civilian astronaut missions create brand new markets. Also, now is the age of more than 1000 smallsats launched per year since 2020. And more than 2000 smallsats are now operated by one company, which is SpaceX's Starlink recorded in 2022. Smallsats are now social infrastructures and their applications and utilization contribute to every industry arena as solutions.

In these circumstances of such prosperity for commercial space, VC investment in space venture companies has been continuing with dramatically increasing rates since 2015. And 2021 has become the first year that VC investment in space venture companies is over 10B USD. Regarding to the exit phase of space investment, MA has been increased especially the latest three years. Furthermore, SPAC changes the landscape of space investment in 2020-2021. Now there are about 3,000 space venture companies, which predicts that more than 10,000 space venture companies will be created by the early 2030's around the world.

Japan is the third country of number of investors which invest in space venture companies after US and China. There are around one hundred space venture companies in Japan and a pretty good number of them have gotten VC funding including ispace, Astroscale and Synspective which have achieved more than 100M USD, even more 200M USD and 300M USD financing. Corporate venture capital, CVC is one of the most characteristic traits in commercial space in Japan. Many non-space companies have gotten into space business. Space development is now a burgeoning commercial growth industry. The status in Japan aiming for increased competitiveness in the global market has been advanced based on active investments and progressive government policies and sovereign wealth fund. VC and CVC investment funds facilitate these goals.