



# **“An Overview of the Space Industry for Investors”**

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# Unlocking the Space Business Value Chain

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# Overview

- How do we identify promising opportunities for commercial activity in the space industry?
- Understanding the value chain
- Look at analogous models
- Disaggregating the value chain
- Finding the sweet spot

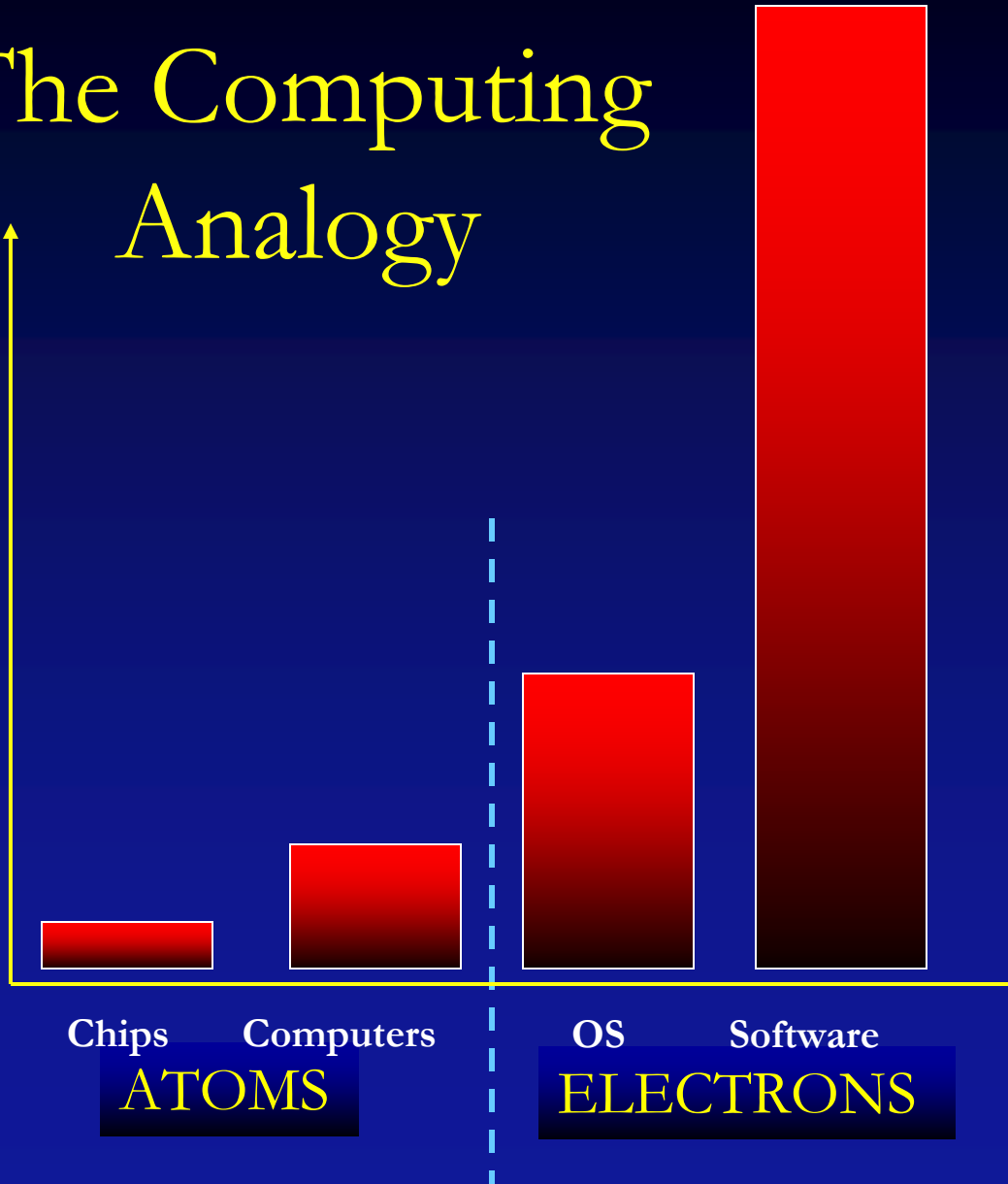
# The “Space Industry” Value Chain



*\* Note - this is not an exhaustive chain - others sectors include finance, insurance, integration, legal, etc*

# The Computing Analogy

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Chips Computers

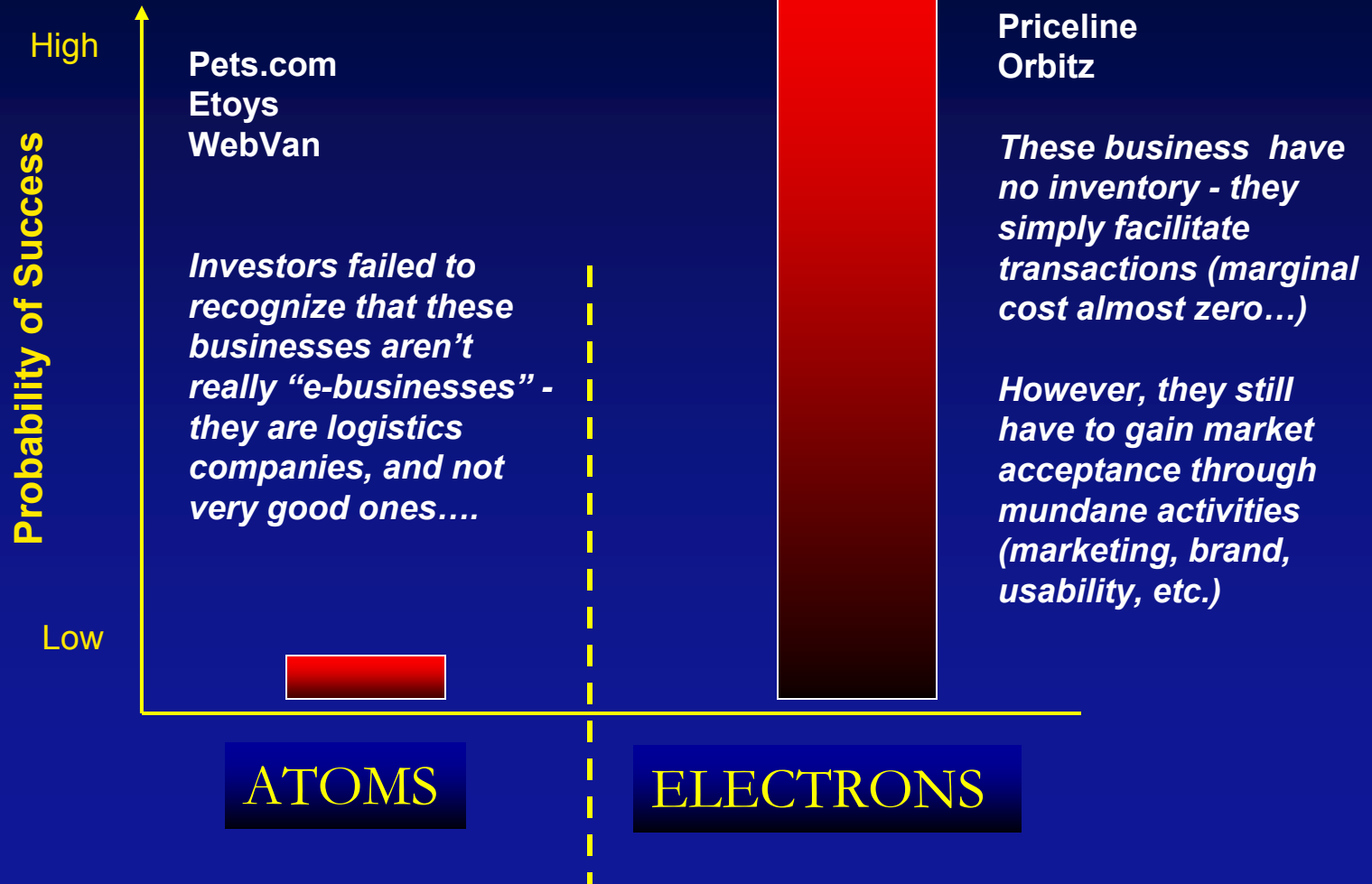
ATOMS

OS

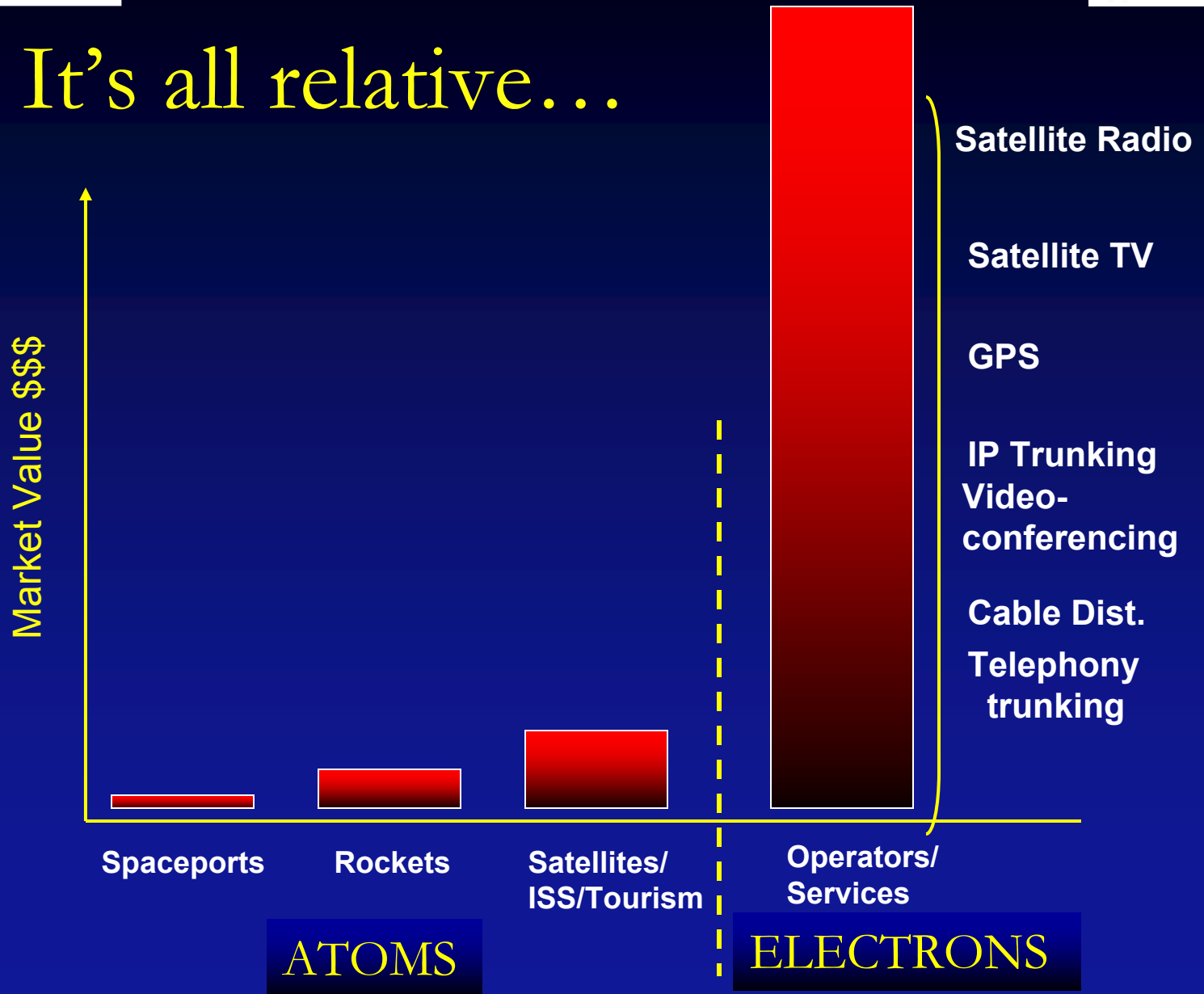
Software

ELECTRONS

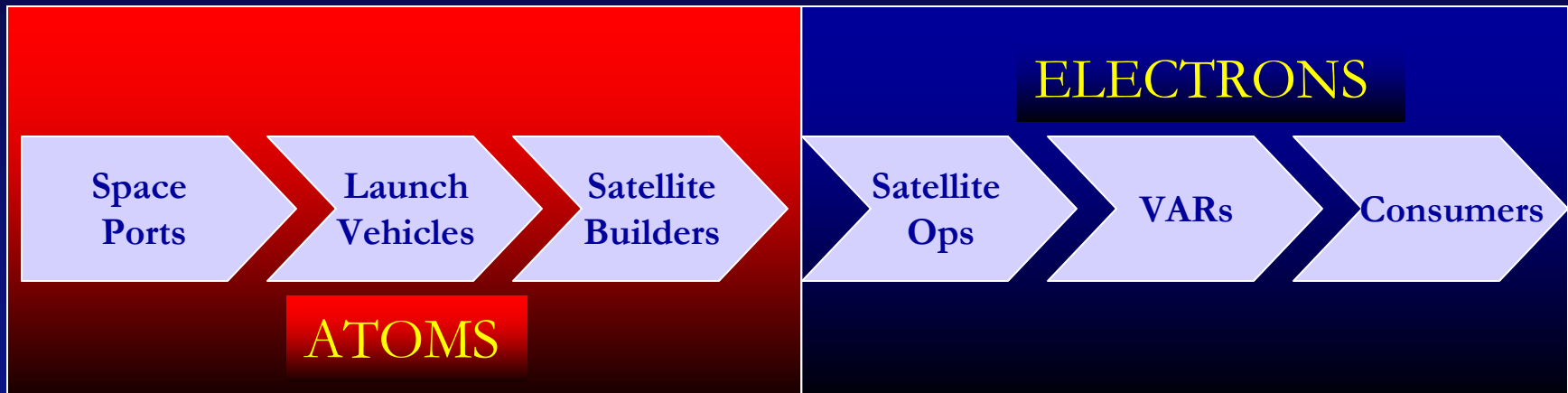
# What happened on the Web?



# It's all relative...



# The “Space Industry” Value Chain



This may be  
sexy....

...but THIS is where  
the money is...

# The “Space Industry” Value Chain

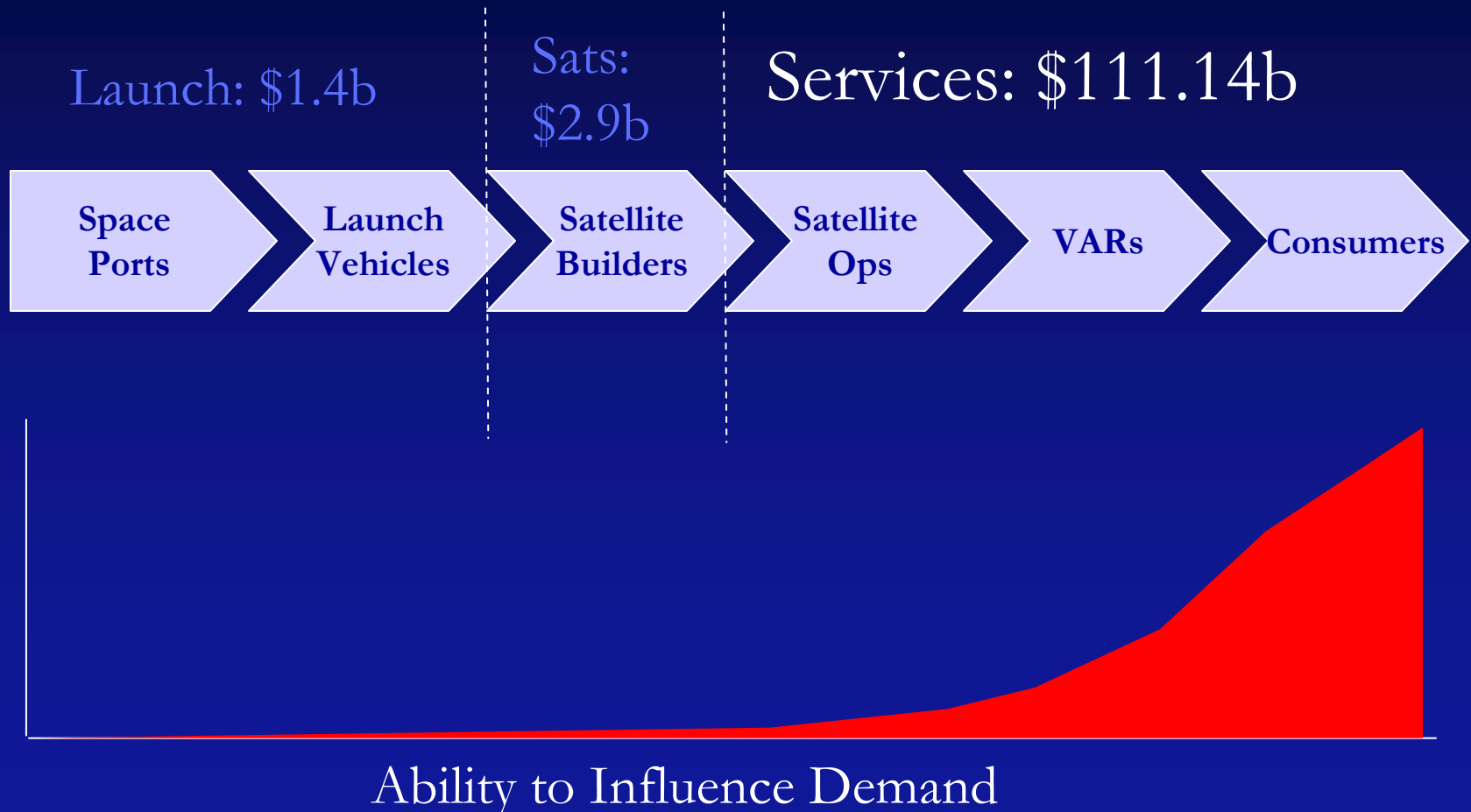
Launch: \$1.4b



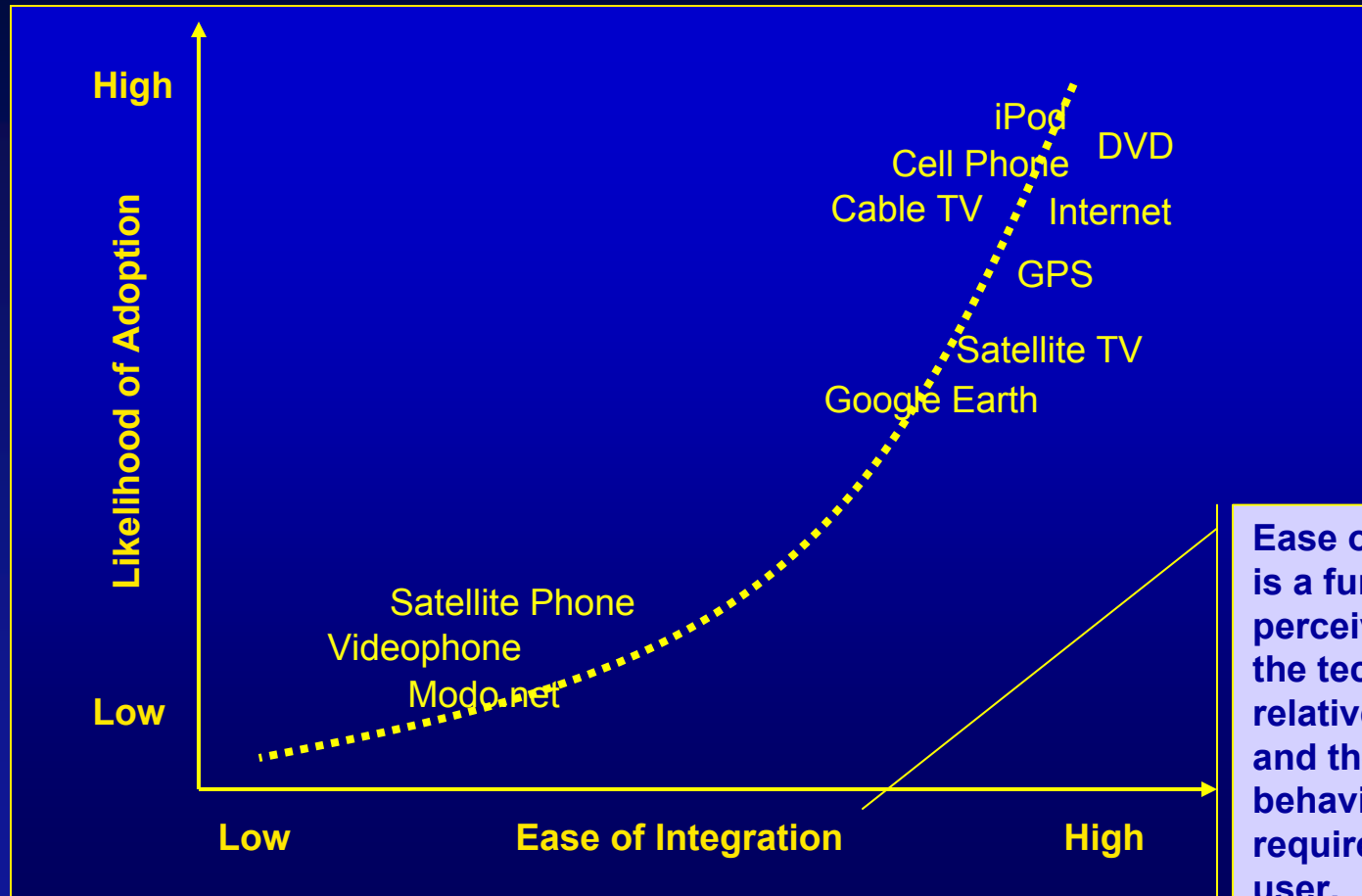
# The “Space Industry” Value Chain



# The “Space Industry” Value Chain



# Technology Adoption



Ease of integration is a function of the perceived value of the technology relative to the cost, and the shift in behavior it requires of the user.

# The “Sweet Spot”

*What’s your  
unique advantage?*

*Glut of capacity  
Innovation Risks*



*Inelastic Demand  
18 Major Rockets  
already...*

*Major consolidation  
In this sector  
High Capital Costs for  
new entrants*

*How do you  
Invest in these..?*

## VARs are the growth segment of “Space”

- Serve customers here on Earth
- Recognize that they don’t care about “space”
- **Requires Aggressive Partnering, Marketing, Product Development** - I.e. business as usual

# So what about the other stuff...?

Asteroid Mining

Lunar Colonies

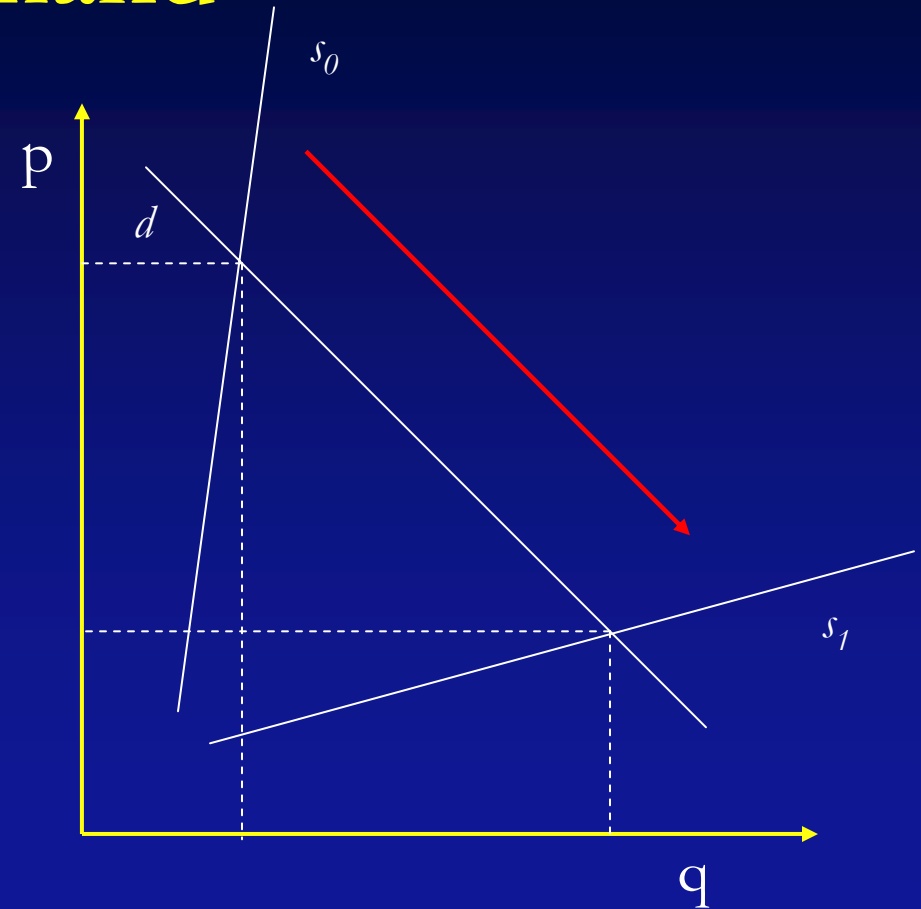
Space Hotels

Solar Power Satellites

Etc...

# Economics 101: Supply & Demand

- There is no such thing as the “trillion dollar” asteroid
- Scarcity drives pricing
- Housing, stocks, computers, pharmaceuticals, etc.



# Thank You

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