A Report on UK Space Conference 2019

October 17, 2019

Shigeki Kuzuoka

Table of Contents

Abstract

From September 9 to 12, 2019, the 5th UK Space Conference 2019 was held at International Convention Centre Wales (ICCW) in the suburb of Newport, Wales, U.K. Hosting this conference was a committee formed by key personnel from U.K. space-related organizations such as the UK Space Agency (UKSA). This conference is held every two years, and this year's theme was “Inspire. Innovate. Grow.”

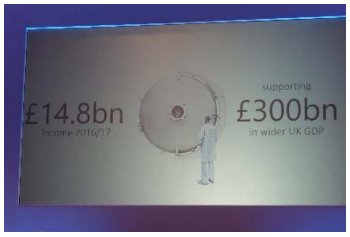
This year, there were about 1,400 participants, and lectures and discussions were divided into three meeting rooms, separate from the plenary. There were also about 100 companies officially exhibiting.

The author attended this conference for his second time following the third conference four

years ago, and the purpose of participation was to survey how the U.K. government and the private sector are responding to the space industry, as they are particularly eager for industrial development in Europe, along with surveying preparations for Brexit.

Impression & Analysis

(1) Promotion of the space industry in the U.K. toward 2030



The U.K. government has the major goal of increasing the scale of the U.K. space industry, which currently sits at 14.8 billion pounds, to 10% of the total scale of the global space industry by 2030 (currently 5.1%).[1] The UKSA, under the Department of Business, Energy and Industrial Strategy (BEIS), is responsible for decision-making and implementation regarding this policy. The UKSA is not originally an organization made up of research institutes such as how NASA or JAXA is, but is an organization established under said department for purposes of industrial policy. Its responsibility involves planning and executing measures that focus on how to foster private business, rather than developing something on its own. The UKSA is also working with an industrial consultant, London Economics, and new, industry development organizations, such as Innovate UK and Catapult, under the BEIS, in order to expand the space industry. In particular, many measures to support the development of startup companies, including launch services, are being implemented, and at this conference, these support measures were exhibited extensively, along with the direction of the UKSA and details on the track record of the U.K. space industry.

First of all, to relate one impression, it was amazing to see the attitude of earnestly preparing various statistical data on the space industry from the U.K. and discussing things based on that data.

However, when listening to the discussions, there was a point where things became uncomfortable. Certainly, it is good to nurture startup companies and new business segments (i.e., to launch new industries). This is important, and there is no objection to that. However, it can be asked: is it necessary to only foster startups and only new business segments to secure a certain “volume” on an industrial scale? In fact, nearly half of the current scale of the U.K. space industry at 14.8 billion pounds consists of DTH (direct satellite broadcasting, for

[1] The target share of the U.K. space industry in 2030 and the absolute total of the global space industry are not specified concretely, but only represent an intended ratio.

homes) (at 48%), and the scale of this service is shrinking. If we want to further expand volume from this situation going forward, is it possible to achieve the goal of 10% simply by developing startups and new business segments? This was a topic of individual discussion within the UKSA, Catapult, and even private entities.

To be honest, the fact that there was no answer to this question is a situation that we are aware of. This was discussed with many people, but there was no presentation given on this topic, thus causing some anxiety among eventgoers, and thus the discussion only seemed to focus on the fact that such growth was important, with nothing more being given. With expectations from OneWeb in the U.K., along with support from large companies such as Airbus, with its Skynet defense satellite program, etc., other forms of active participation to increase volume have also been a target of efforts, such as in the ESA's Advanced Research in Telecommunications Systems (ARTES) program in the U.K., etc. However, in one panel discussion, a representative from Lockheed Martin UK said, “As a large company, a government contract is absolutely necessary, as such can help provide much better service for the price, and one can compete globally. It will thus be necessary for the government to actively use such private-sector services." Also, the same person said, “Innovation in the New Space field is really difficult for large companies. It is important how to pass the sales figures of large companies into something similar to small companies (and startups).” Thus, further contemplation is required on how large companies and small and medium-sized companies such as startups, etc., can collaborate together to build services that can generate innovative revenue streams.

(2) Preparations for Brexit

There was no specific panel discussion about Brexit, but government officials such as those from the UKSA touched on Brexit during several discussions. All of them expressed the view that Brexit is a big opportunity.

The U.K. government will further nurture and strongly support the space industry so as to help prevent any economic downturn of the entire U.K. after Brexit. Specifically, they intend to provide support for launch ranges, along with more-active involvement in the ARTES program and the development of the Skynet defense communication satellite system.

In addition, for the U.K., which has so far used the EU as its main export market, Brexit has provided an opportunity to open doors toward the further expansion of exports to North

America and Asia[2].

Further, private companies such as SSLT, etc., said that Brexit was a good opportunity to use government mechanisms. This indicates that companies in the private sector, such as Catapult, etc., have more facilities and systems in the U.K. at their disposal.

When we had interviews about Brexit at the conference, there were not so many participants were afraid of it. Some one said that we will build the launch site after Brexit, or we will also build the launch site even though without Brexit. We will complete the responsibilities pragmatically. She seemed to take Brexit coolly.

Main Discussions and Exhibitions

(1) Launch industry and launch sites

(2) U.K. companies that focus on hardware

(3) Satellite Communication

Other Miscellaneous Comments

If you want a delicious meal in the U.K., it can be said to be a merit there that you can have “breakfast three times a day.” This time, we stayed at the conference venue hotel and counted four roundtrips to and from the conference venue. Thus, no matter what, the most-memorable meal of the day was the hotel breakfast!

Although the format of the hotel breakfast was a buffet, the dishes therein were all foods commonly found in a traditional English breakfast. The main dish was a thick, Welsh local bacon that almost seemed like a steak and a black pudding with a little crunch. When fried tomatoes, mushrooms, baked beans, and hashed potatoes are added to the mix and combined with toast, the breakfast is then said to be a "full and complete breakfast." And, as you've probably heard of "English Breakfast" tea, this breakfast goes best with that—not coffee.

[2] Out of the share of 14.8 billion pounds in the space industry, exports accounted for 37%, at 5.5 billion pounds. The proportion of European exports outside the U.K. is currently 54%.

If you have any questions regarding this document, please contact:

Shigeki Kuzuoka

Satellite Business Network

http://sat-biznet.com

E-mail: shigeki-kuzuoka@sat-biznet.com

TEL: +81-80-2052-1348

Shigeki Kuzuoka

Euroconsult Japan Office

http://www.euroconsult-ec.com

E-mail: shigeki.kuzuoka@euroconsult-jp.com

TEL: +81-80-2052-1348