

A Report on New Space Europe 2019

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Table of Contents

Abstract	1
Impression & Analysis	1
Main Discussions	3
(1) Role of governments	3
(2) ESA communications satellite programs	3
(3) Convergence point for Earth observation (EO) satellites	3
Other Miscellaneous Comments	4

Abstract

From November 13 (Wed.) to 14 (Thu.), 2019, the 3rd NewSpace Europe conference was held at the Luxembourg European Conference Center in Luxembourg, the capital city of the Grand Duchy of Luxembourg. The Luxembourg Space Agency (LSA), which began operations in September last year, is hosting this conference from this year. According to said organizer, there were about 300 participants this year, which seems to be less than last year's 500 attendees. However, this year's level was generally

consistent with the feeling of participation last year.

Impression & Analysis

The LSA is an organization administrated by Luxembourg's Ministry of the Economy and was established for the purpose of promoting the economic development of the Luxembourg space industry, such as in attracting new businesses and developing human resources, etc. For this reason, unlike other space agencies such as NASA and JAXA, etc., the LSA does not

conduct direct research or launch missions but promotes collaboration between major players in the space industry with the role of accelerating the creation of innovation-oriented business as its main purpose, with emphasis on human resources development. The agency's purpose and activities are similar to the UK Space Agency (UKSA), which places importance on developing space business.

Reflecting such LSA characteristics, the main focus of the conference was space business. Mr. Etienne Schneider (Deputy Prime Minister and Minister of the Economy of Luxembourg) gave some opening remarks at the beginning of the conference, explaining why Luxembourg is promoting the space business. According to Schneider,



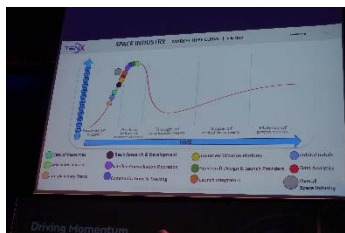
Luxembourg was historically a small agriculture-focused country with no resources, but it developed technology and gathered capital from overseas so as to develop a heavy-industry sector, etc., and is now an international center for finance representing the eurozone. With a similar situation having occurred for Luxembourg's space business, first, the Grand Duke himself was involved, and SES company was established in 1985 to grow into a leading space communications company. Similarly, NewSpace is a national commitment, with the government itself acting as an investor while actively supporting space business promotion

such as in human resources development, in university education, in the LSA, and in the establishment of a space research center, etc.

This main conference, hosted by the LSA under a national policy, focuses on supporting investment and NewSpace promotion. For example, in the keynote speech by Mr. Rob Postma from Airbus Defence and Space, the importance of investment was emphasized. At the same time, emphasis was placed on the importance of taking risks and on collaborating with multiple related organizations.

In fact, when I attended this conference, I was very interested in learning about what the investment environment was like for the European space business. At the SmallSat Symposium held in Silicon Valley in January this year, the keyword "shakeout" (i.e., a crash followed by a strengthening of those that can adapt) was often heard, and the investment climate for NewSpace, which has heated up over the past few years, was coming to a turning point and a review. This was a focus of the symposium and was something that I paid attention to. The conclusion was that I was honestly disappointed. Certainly, several investors explained the current situation and the future prospects, but there was no announcement that specifically addressed this keyword of "shakeout" because most people were focused on the good times and were still enthusiastic about investing in space startups.

However, in the announcement by Mr. Peter McCullagh of TenX, an investment company, there was a point where I became convinced of the claim that various space businesses are now in the first stage of the "Trough of Disillusionment" as per the hype cycle¹.



On the other hand, it was very helpful to participate in this conference because it showed that investment companies not only invest in startups but were also emphasizing the mechanism and incubation process, which are needed to help startups grow. The U.K.'s Seraphim Capital, TenX, and SpaceTec Capital, etc., are actively involved in such incubation. This is another movement that is not clearly visible in the United States, and it may be unique to Europe, where the number/size of startups is smaller than in the United States. For example, a venture capital firm, SpaceBit, has

announced that it will offer a six-week startup training course twice a year.

Main Discussions

(1) Role of governments

< omitted below >

(2) ESA communications satellite programs

< omitted below >

(3) Convergence point for Earth observation (EO) satellites

< omitted below >

¹ The hype cycle is a branded graphical presentation developed and used by the American research, advisory, and information technology firm Gartner to represent the transition of new specific technologies. New technology first passes through the Technology Trigger period and the Peak of Inflated Expectations period, and then enters the Trough

of Disillusionment in which interest in the technology wanes as experiments and implementations fail to deliver. However, it is said that a new technology can only become established after it gradually meets expectations again during the Slope of Enlightenment and Plateau of Productivity periods.

Other Miscellaneous Comments

As this time we stayed at a hotel next to the conference center for the short period of two days, thus we ended up only being able to visit the conference center and the hotel. Luxembourg's old town is a good place to take a walk, but if it's cold and the weather is bad, dinner will be at the hotel restaurant.

So, this time I will introduce the buffet served as lunch at the conference. Even



though it was a buffet, it had a full course with a table of appetizers such as salad and terrine, etc., a main table featuring dishes such as stew and lasagna, etc., and a table with small cakes. I often prefer to sit at a table and enjoy wine, but such meeting lunches mainly acted as a venue for business and information exchange, so it was a bit regretful that we couldn't sit down and fully enjoy our lunch food.

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