

4. The manufacturing space industry

Space manufacturing remains a relatively small sector. According to industry reports, worldwide space manufacturing revenues increased from USD 10.5 billion in 2008 to at least USD 13.5 billion in 2009 (Satellite Industry Association, 2010) (Figure 4.1). This trend continued in 2010, as the main commercial satellite communications operators have been in the process of upgrading their fleet. Almost thirty contracts were signed in 2010 to order geostationary communications satellites. However based on other national and regional industry surveys, revenues generated by the construction of satellites and launchers, and their associated services, are probably larger worldwide. The space industries in India and China for instance provide a large amount of products and services to their growing national space programmes (see Chapter V).

Looking at two different actors in space manufacturing activities, Japan and Europe, important industrial differences in market structure appear. Japanese space industry sales totaled JPY 269 billion for the 2009 fiscal year (around USD 3.26 billion) and employed 6 300 workers (Figure 4.2). Sales have increased two years in a row in Japan, boosted by developments for the International Space Station and national launching capabilities. However, 92.6% of sales are driven by internal demand, the rest being exported. Based on orders, sales could amount to JPY 2.54 billion in 2010 and JPY 2.72 billion in FY2011, but a decrease in employment is still ongoing (SJAC, 2010). By comparison, as noted by Eurospace (2010), the European space industry faces an important level of exposure to international markets. Commercial and export sales represent 49.9% of revenues, compared with other countries which can rely more on their national institutional customers. Consolidated revenues for 2009 represented EUR 5.5 billion (around USD 7.5 billion), with 31 369 employees (Figure 4.3).

Methodological notes

National/regional industry associations use very diverse methodologies and statistical categories to collect data, which make international comparability challenging, although existing data provide interesting orders of magnitude. Eurospace, the Society of Japanese Aerospace Companies and the US Satellite Industry Association all conduct annual surveys of the space manufacturing industry. Since the first issue of *The Space Economy at a Glance* (2007), more data providers have made a move to make their data more transparent (e.g. mentioning current versus constant currencies, using inflation deflators). Efforts are also ongoing inside the International Astronautical Federation to discuss statistical methodological issues to promote and facilitate international data comparisons in the space community.

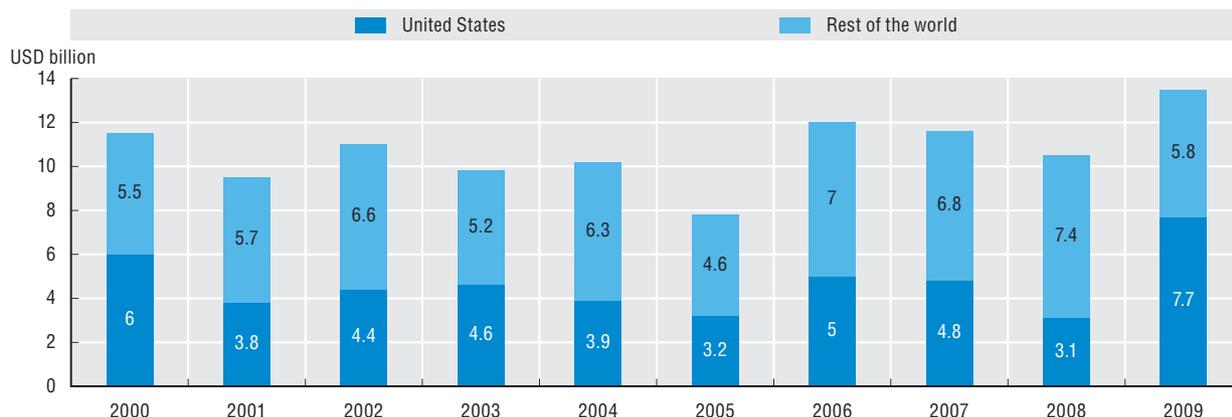
Sources

- Eurospace (2010), *The European Space Industry in 2009, Facts and Figures*, 14th Edition, Paris, August.
- Satellite Industry Association (2010), *State of the Satellite Industry Report*, Report prepared by Futron Corp., Washington DC, June.
- Society of Japanese Aerospace Companies (SJAC) (2010), *Survey of the Japanese Space Equipment Industry*, SJAC, Tokyo (in Japanese).

Notes

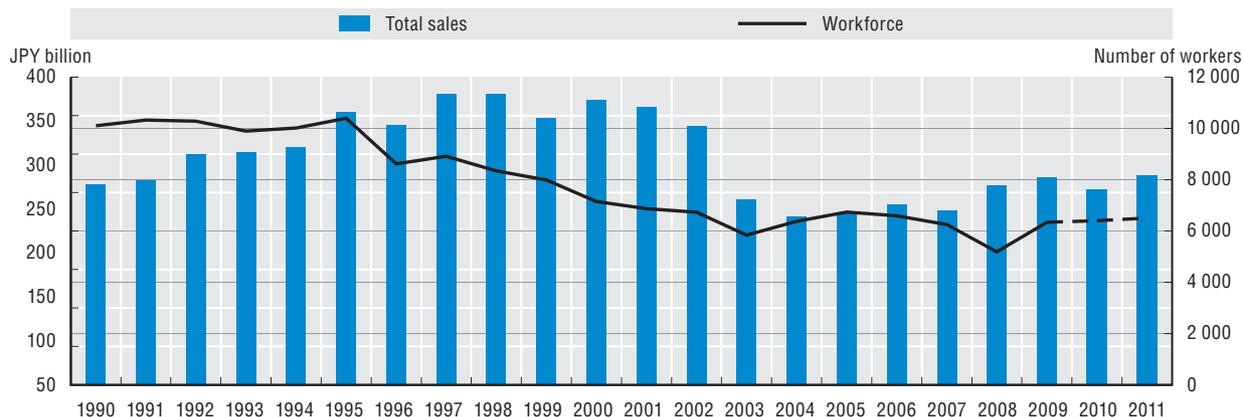
- 4.1: Not adjusted for inflation, unconsolidated data. Based on other national and regional industry surveys, the revenues derived from space manufacturing could be much larger worldwide (see Chapter V with spotlight sections).
- 4.3: Includes human spaceflight and microgravity research.

4.1 Estimates of space manufacturing revenues, 2000-09



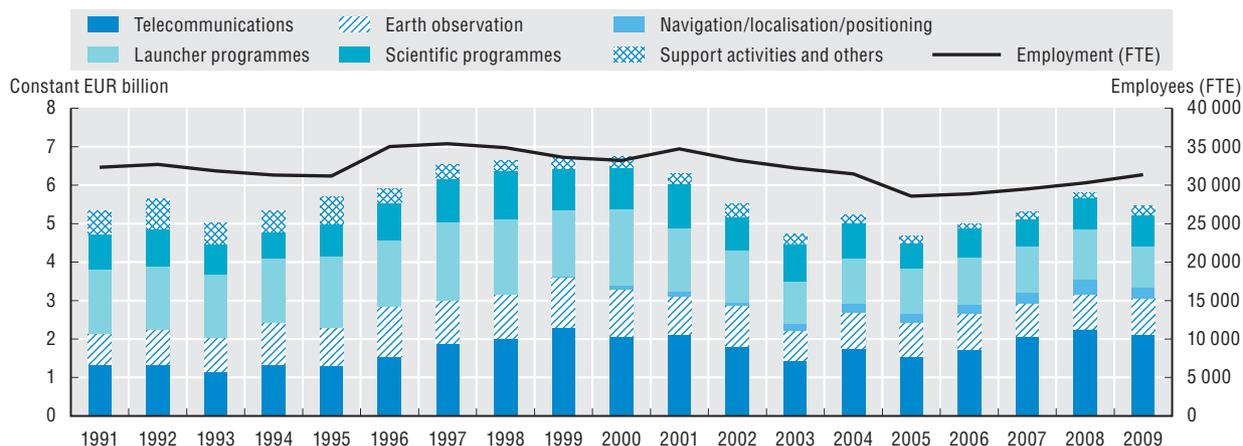
Source: Satellite Industry Association (2010).

4.2 Consolidated sales and employment by Japanese space manufacturing companies

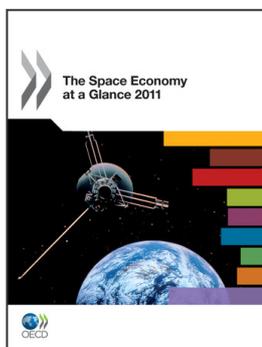


Source: SJAC (2010).

4.3 Consolidated sales and employment by European space companies



Source: Eurospace (2010).



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