

SpaceX

First invested: October 2019

Status: Private

What does it do?

SpaceX is a space-transportation company.

It designs, manufactures, and launches advanced reusable rockets and spacecraft. By embracing innovation and vertical integration, it has opened a series of cost and capability improvements which are transforming the space industry. Reusability is key. The old model of single use rockets was akin to buying an expensive car to make a single journey. Reusable cars allow mass transportation on the ground; reusable rockets allow mass transportation in space.

It is also establishing its satellite constellation for global internet connection, called Starlink, which is rebuilding the internet in outer space. We are therefore excited by the long-term potential of mass space logistics, satellite connectivity, and space manufacturing.

Why do we invest?

Space travel used to be the preserve of governments, with limited innovation and astronomical cost of launches. With its mission to bring people to Mars, SpaceX has inspired a generation of engineers to break through old paradigms and radically reduce launch cost. The company has established dominance in launch cost that helps it to expand to other markets such as Starlink – the satellite communication network.

SpaceX's competitive advantages are leadership in reusability, vertical integration, and a broad growth strategy. The company's vertical integration allows superior cost and schedule control. The development of the Starship rocket, with larger capacity and increased reusability will help them extend their lead over competition.

Its Starlink project has tens of thousands of satellites and millions of subscribers. SpaceX's low launch cost is enabling the company to outpace rival satellite constellations. It has grown by serving individual and business customers, including in remote areas and for aviation and maritime sectors. Its fast satellite deployment has made it a disruptor in the telecoms and internet services, surpassing competitors with its lower latency, improved user experience, and attractive economics. Their latest generation of satellites can connect directly to mobile phones, paving the way for increased direct competition with terrestrial networks.

SpaceX's growth will come from advancements in launch capabilities, particularly with the Starship rocket, which can radically enhance orbit capacity. It has potential for substantial annual growth in launch mass, such as satellites. Growth is also about broader implications for the space industry's supply chain. The development of next-generation rockets can support more ambitious missions, including space manufacturing, logistics and infrastructure deployment for lunar and Mars missions.

Who is key?

Elon Musk, the driving force behind SpaceX, is complemented by Gwynne Shotwell, who ensures the company remains on its ambitious path. She plays a critical role in Starlink's finance, customer management, and government affairs. Appointed as president and COO in 2008, Shotwell has proven to be an invaluable partner. Her assertive yet easy-going nature allows her to effectively communicate with Musk, balancing his ideas with practicality. This dynamic partnership has been instrumental in SpaceX's continued success and innovation, demonstrating the power of effective leadership and collaboration in achieving ground-breaking advancements in space exploration.

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