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**“Space & Private Enterprise: Is the
Environment Ripe for Expansion?”**

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Differentiation, Innovation & the Market Cycle

Peter Elson

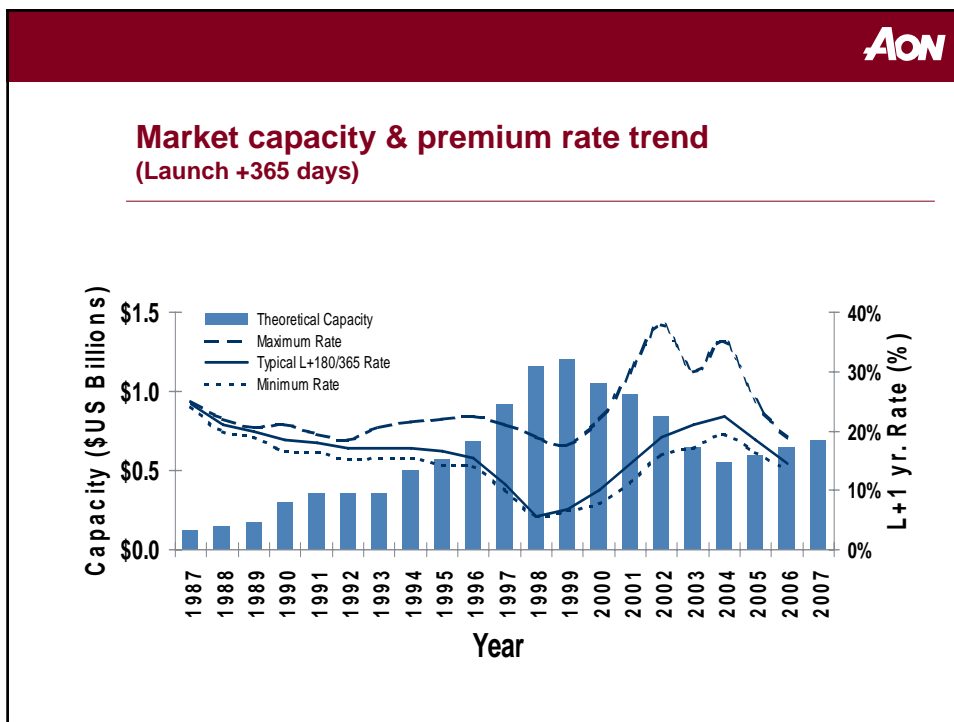
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Why differentiate, why innovate?

Importance of recognising unique technology & business

Challenge of volatility, narrow spread, high impact losses

Stability of expanding customer base



How does the market innovate & differentiate?

- Price, profit & loss sharing
- Policy conditions, duration
- Loss formulae, margins, deductibles, exclusions
- Fleet cover, in-orbit & ground spares
- Business approach, first loss, excess of loss
- Specific coverage (terrorism, political risk, contract frustration ...)



What other options exist?

Recognise quality operators & risks

- real return on investment in reliability
- long term partnerships

Address industry challenges

- financing, cash flow, planning, exclusions

Encourage progress

- links with manufacturers & agencies
- facilitate flight of new technologies

Downstream benefits for clients & the market ...



Is the environment ripe for expansion?

Operator consolidation, new orders, new applications

Governmental, inter-governmental, military

- environment (atmospheric analysis, earth observation)
- disaster monitoring
- tele-medicine
- space science

Space tourism

Market capacity abundant, great time to explore opportunities ...