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Study: Big Isle spaceport won't blast off in profits

□ No financial gains are possible until at least 2000

By Rod Thompson

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HILO — A commercial spaceport on the Big Island would not be profitable until the turn of the century, a state financial study says.

There is conflicting opinion on whether it would be profitable after that.

The spaceport can make money if there are at least 15 launches per year, according to the study, but even the most optimistic projection shows that number won't be reached until six years after the spaceport is built.

Some factors indicate a downturn in the number of launches while others indicate an upturn.

"Due to these uncertainties, DBEDT (the state Department of Business, Economic Development and Tourism) has not based its spaceport feasibility studies solely on market analysis," the study said.

Big Island spaceport critic Jay Hanson, whose insistence led to the release of the study after state Office of Space Industry officials initially refused to make it public, said that statement is only half true.

The reality is that the state's action is not based on a market analysis of the Kau site at all, he said.

"There has never been a study that shows a market need for a spaceport in Kau," he said. "They left the market out of this thing. It's like building a car no one wants to buy."

In response, the state agency released a 1991 federal market study that projected a worldwide average of 44 commercial launches per year to the end of the century and then 55 per year for the next five years.

That study projected significantly higher numbers of launches than other studies, but justified the number by including potential markets as well as existing markets. The state agency also pointed to a contract between Lockheed Missiles and Space Co. and Motorola to build 125 satellites for Motorola's planned global communication system.

Lockheed is the front-runner to develop the spaceport, which would be built with \$420 million in private money and supported by \$10 million in taxpayer-financed improvements.

"Although Motorola's launch schedule may preclude Hawaii from launching the initial constellation (of satellites), a Hawaii launch facility would be well positioned for future replacement launches," the state agency said.