Alaska Aerospace Touts Financial Benefit to State

Thursday, 24 March 2011

{audio}/images/stories/mp3/110324.alaska_aerospace_study.mp3{/audio}

Jacob Resneck/KMXT

The Alaska Aerospace Corporation says its business could generate $250 million in annual revenue by 2018. That's according to an economic report it commissioned from an Anchorage-based firm. The 28-page report paints a rosy picture projecting cumulative direct and indirect economic impacts of the corporation's successful expansion into the areas of missile defense, larger and more frequent rocket launches and the operation of unmanned drones on behalf of state agencies.

Aerospace Corporation CEO Dale Nash says other states have seen the value in investing in their own spaceports.

-- aerospace 1 :36 "We contracted with ... aerospace market in Alaska."

The report comes at a time that the state-owned corporation admits to a $10 million shortfall in operating funds. Governor Sean Parnell has earmarked $4 million in his capital budget for the corporation. And a request for another $4 million has been put to state lawmakers. Chief Operating Officer Craig Campbell says he's optimistic the state would come through with $8 million this year.

-- aerospace 2 :20 "Right now it looks ... favorably looking at it."

The corporation is also seeking a multi-million investment from the state to invest in larger, medium-lift rockets. Earlier estimates had put the price tag at about $80 million but right now Campbell says the corporation is focused on operating funds.

-- aerospace 3 :40 "That would be an additional ... request for a facility."

The corporation has been suffering shortfalls since its lucrative Missile Defense Agency contract expired last year. Campbell says federal funding is expected though the current impasse in Congress has added to the corporation's difficulties. Campbell says state funding is now a necessary stop-gap while he and others lobby Congress.

-- aerospace 4 :24 "We think this is ... federal money back online."

The last launch at the Kodiak Launch Complex was a $170 million joint mission last November involving the U.S. Air Force and NASA. Another Air Force military satellite is scheduled in May though the precise date depends on the timing of a similar mission on the East Coast, says Campbell.

-- aerospace 5 :37 "The one out of ... the first part of April."

The economic report largely operates on the assumption of expanding the Kodiak Launch Complex to offer larger, medium-lift rockets and moving into ground-based missile defense. The corporation has already submitted a bid with private partner Lockheed Martin for a $5 billion Missile Defense Agency ground-based defense contract at For Greely. The contract is expected to be awarded in coming months. ###