

*Make one for this only*

THE WHITE HOUSE  
WASHINGTON

CABINET AFFAIRS STAFFING MEMORANDUM

DATE: July 25, 1983 NUMBER: 073513CA DUE BY: --  
 SUBJECT: Space Commercialization Meetings

	ACTION	FYI		ACTION	FYI
ALL CABINET MEMBERS	<input type="checkbox"/>	<input type="checkbox"/>	→	Baker	<input checked="" type="checkbox"/> <input type="checkbox"/>
Vice President	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Deaver	<input checked="" type="checkbox"/> <input type="checkbox"/>
State	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Clark	<input checked="" type="checkbox"/> <input type="checkbox"/>
Treasury	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Darman ( <i>For WH Staffing</i> )	<input checked="" type="checkbox"/> <input type="checkbox"/>
Defense	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Harper	<input checked="" type="checkbox"/> <input type="checkbox"/>
Attorney General	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Jenkins	<input type="checkbox"/> <input type="checkbox"/>
Interior	<input checked="" type="checkbox"/>	<input type="checkbox"/>		Gergen	<input checked="" type="checkbox"/> <input type="checkbox"/>
Agriculture	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
Commerce	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
Labor	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
HHS	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
HUD	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
Energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
Education	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
Counsellor	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
OMB	<input checked="" type="checkbox"/>	<input type="checkbox"/>		_____	<input type="checkbox"/> <input type="checkbox"/>
CLIA	<input checked="" type="checkbox"/>	<input type="checkbox"/>			
UN	<input type="checkbox"/>	<input type="checkbox"/>			
USTR	<input type="checkbox"/>	<input type="checkbox"/>			
<hr/>					
CEA	<input type="checkbox"/>	<input type="checkbox"/>		CCCT/Gunn	<input type="checkbox"/> <input type="checkbox"/>
CEQ	<input type="checkbox"/>	<input type="checkbox"/>		CCEA/Porter	<input type="checkbox"/> <input type="checkbox"/>
OSTP	<input type="checkbox"/>	<input type="checkbox"/>		CCFA/Boggs	<input type="checkbox"/> <input type="checkbox"/>
NASA	<input checked="" type="checkbox"/>	<input type="checkbox"/>		CCHR/Carleson	<input type="checkbox"/> <input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>		CCLP/Uhlmann	<input type="checkbox"/> <input type="checkbox"/>
_____	<input type="checkbox"/>	<input type="checkbox"/>		CCMA/Bledsoe	<input type="checkbox"/> <input type="checkbox"/>
				CCNRE/Boggs	<input type="checkbox"/> <input type="checkbox"/>

REMARKS:

- See attached: 1) Memo  
 2) Issues outline  
 3) Participants list

RETURN TO:

Craig L. Fuller  
 Assistant to the President  
 for Cabinet Affairs  
 456-2823

Becky Norton Dunlop  
 Director, Office of  
 Cabinet Affairs  
 456-2800

THE WHITE HOUSE

WASHINGTON

July 25, 1983

MEMORANDUM FOR DISTRIBUTION LIST

FROM: CRAIG L. FULLER *CS*

SUBJECT: Space Commercialization Meeting

On August 3, 1983 we will hold a meeting to discuss commercial activities and opportunities in space. This meeting is being held as part of the effort to develop a National Space Strategy Report.

You are invited to join the meetings during the day as your time allows. It is envisioned that we will begin at 9:30 a.m. and work until about 11:30 a.m. The President will join the group for lunch at 12 noon.

Attached is an outline of the issues we are asking the outside guests to discuss. A preliminary meeting is being scheduled with representatives from the outside organizations invited to participate in the meeting. The preliminary meeting will be held at 3:00 p.m. on July 28th. You are invited to send a representative to this meeting if you wish.

Please let my office know if you will be able to attend the meeting and/or lunch on August 3rd. Also, let us know if you wish to be represented at the July 28th meeting.

need framework :  
① Def of space commercializ  
② Enabling activities: STS, space sta  
③ environment

a key issue =  
whether or not to  
proceed w/ manned  
space sta. prog.

## SPACE COMMERCIALIZATION ISSUES

What nat.  
int. served by  
this?

1. Should private sector space endeavors be encouraged by the Government?

-- Can the economic benefits/costs of encouraging (or not encouraging) space commercialization be estimated?

-- What are the potential technological and societal benefits?

-- What are the international implications?

-- Is the necessary space infrastructure in place to accommodate and enhance commercial activity?

2. What are the most efficient and effective means for providing encouragement for private sector investment in space commercialization ventures?

### Institutional Risks:

-- How can the Administration reduce uncertainty with respect to space policy and assure the private sector that government policy will be consistent?

-- Do anti-trust problems exist?

-- What incentives would encourage space commercialization ventures?

3. Technical Risks:

-- Should additional basic research and development to support commercialization be sponsored by the government? If so, what are the priorities?

-- Is there adequate assurance of timely flight schedules?

-- Should space labs and associated equipment (analogous to wind tunnels for airplane development) be made available to private firms? What types of cost reimbursement should be utilized?

Financial Risks:

- Can provisions be made for expanding space transportation of high-technology, high pay-off commercialization products at reduced rates?
  - Should the government guarantee some portion of a space product market?
  - Should the government cap insurance exposure?
3. What types of support are necessary to encourage space commercialization? What should the U.S. Government consider?
- Philosophical support?
  - High-level access for and general encouragement of firms that make space commercialization commitments?
  - Access to government information and technology expertise?
  - Legislation to decrease risks and increase opportunities?
  - Indirect government support short of direct subsidies, such as:
    - (a) Use of government facilities:
      - On cost reimbursable basis?
      - Free, on an as available basis?
      - Free, on a scheduled basis?
    - (b) Assistance with development of integration equipment necessary for space flight?
    - (c) Guarantee of a portion of the market needed for a successful space commercialization venture?
    - (d) Provision for exclusivity for some period of time?
  - Direct government subsidies?
4. What kind of an awareness program is appropriate for informing interested organizations about space commercialization opportunities?

THE WHITE HOUSE

WASHINGTON

MEETING WITH THE PRESIDENT

Space Commercialization

August 3, 1983

Participants

Mr. John F. Yardley  
President, McDonnell Douglas Astronautics

Mr. Maxime A. Faget  
President, Space Industries, Inc.

Mr. Ed Uhl  
Chairman, Fairchild Industries

Mr. Robert A. Hanson  
Chief Executive Officer and President  
Deere & Company

Dr. George E. Solomon  
Executive Vice President  
and General Manager, TRW

Mr. Frederick W. Smith  
Chairman and Chief Executive Officer  
Federal Express Corporation

Mr. George Jeffs  
President of North American  
Space Operations, Rockwell International

Mr. George Skurla  
Chairman and President  
Grumman Aerospace Corporation

Mr. C. F. Fetterolf  
President, ALCOA

Mr. David Thompson  
President, Orbital Systems Corporation  
Mr. David Hannah  
President, Space Services Incorporated

Mr. David S. Lewis  
Chairman and Chief Executive Officer  
General Dynamics Corporation

Dr. Klaus Heiss

Mr. James Burke  
Chairman, Johnson & Johnson, Inc.

Mr. John Latshaw  
Executive Vice President  
and Managing Director  
E.F. Hutton & Company, Inc.