

Galileo financing: Europe's Galileo plan worth pursuing

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<http://www.ngs.noaa.gov/CORS/Newsletter/052807.doc>

28 May 2007
Europolitics

The need to find additional public funds for Galileo, the European satellite radio navigation programme, has sparked – and will continue to spark – criticism within the EU institutions. The latest comment comes from MEP Karl von Wogau (EPP-ED, Germany), chairman of the Subcommittee on Security and Defence, who has explicitly warned of the danger that the current discussion about financing Galileo from the budget of the European Space Agency (ESA) will lead to further delays of the programme.

Deliberations to provide new funds from the ESA budget by contributions of the member states would, however, mean additional bidding procedures, new participants and expensive coordination processes. As a consequence, this would lead to a further slowing down of the project and to a further loss of future competition ability. Therefore, financing the project from the Community budget would be the best solution, Karl von Wogau concludes.

During a debate in the Strasbourg plenary session of the European Parliament on 22 May, his colleague, Gilles Savary (PES, France), expressed his wish to "make as few inroads as possible into the elements of the financial perspectives linked to the Trans-European Transport Network".

EUROPE'S GPS PLAN WORTH PURSUING
28 May 2007
Irish Times

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Galileo, the European Union's putative rival to the US Global Positioning System, is in a spot of bother. A plan for 27 governments to cough up a further ?2.4 billion to propel 30 satellites into space was undermined last week by Günter Verheugen, the industry commissioner, who said it was "a stupid system because it can only do one thing: it can help you to navigate, nothing else".

I can see why Verheugen is sceptical. The consortium of defence and space contractors that is supposed to construct Galileo has got cold feet because the commercial rationale is hazy. Charging for Galileo is a non-starter since the US defence department allows anyone to tune in free to the GPS signal and use it to locate his position within two or three metres (on a clear day).

And if you are a grouchy middle-aged guy, living on a continent where few people have GPS chips embedded in their mobile phones, it is hard to imagine what use Galileo is going to be. But I must disagree with Verheugen: I think navigation, and the software and services it allows, is not stupid.

Actually, it is one of the most intriguing technologies to come along since the internet.

Indeed, there is a parallel with the internet, a global network conceived by the US defence department during the cold war, which has become an open platform on which thousands of commercial services run. I dread to think what Verheugen would have had to say about the internet if he had been asked to judge before its usefulness became clear. People worry about Galileo becoming a successor to Airbus, a prestige project hobbled by every EU country and its defence contractor, having to be given a slice of public money. That is a fair concern. But the US has done well out of public institutions that interact with private ones, not only in Silicon Valley but in biotechnology and aerospace.

Then there is the argument from the US defence department that its Nato allies ought to be happy with GPS. Meanwhile, Russia is building its own Glosnas system. Forgive me, but I would prefer not to give the Russian government my exact co-ordinates and experience suggests we should probably do the opposite of anything advocated by the Pentagon.

So what is the point of Galileo? Here, it helps to examine the US and Asian markets because, for reasons I do not understand, CDMA-network mobile phones – prevalent in the US, Japan and Korea – have been able to use the GPS signal more easily than European GSM phones. A 1999 law requiring US operators to be able to find callers has also spurred them to put GPS chips in phones.

Sitting where Verheugen does, GPS may appear merely a useful tool to get to the right place in your car, or fighter jet. GPS (and Galileo if

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it is built) tells the navigation device in your car where it is by triangulating signals from several satellites. This is plotted on a map by services such as TomTom and Mapquest, and a voice tells you to turn right or left.

I think that is cool in itself, and as the price of GPS chips has fallen, GPS navigation devices have become commonplace. It also has obvious commercial applications: a computer can dispatch the closest taxi and tell a customer when it is about to arrive more efficiently than a human being, for example.

But the most interesting consumer services, combining the internet, social networking and GPS navigation, are only just starting to emerge. Once you have a GPS chip in your mobile phone, that opens up a whole world of software applications and services based on you and other people – in particular your friends and family – being able to pinpoint where you are.

That is Orwellian if it is not done securely, but there are circumstances – for example if someone gets lost on a cross-country trek, or even abducted – when it can save lives.

Disney was one of the first companies to spot the potential of GPS last year when it launched a mobile phone that lets parents track their children's whereabouts through their phones.

Less ominously, GPS will also make social networking and other internet-based services come to life. IAC, the internet company run by Barry Diller, has just produced a software application for use with GPS-enabled Sprint phones that combines its Ask.com search engine, Citysearch listing of local businesses and Evite party and meeting invitation service.

This makes it easy to find a nearby pizzeria, Starbucks or bookstore and get walking directions to it. You can also let friends know where you are and give them directions to the location, or check who else is on the way to a party. For the Facebook, MySpace and Google Maps generation, that kind of thing could easily become addictive.

Maybe it is just a figure plucked out of the air, so to speak, but ABI Research estimates that the number of subscriptions to GPS services globally will jump from 12 million last year to 315 million by 2011. It would be further helped by Galileo because chips that could pick up both Galileo and GPS signals would more easily be able to locate people in crowded places, or even inside houses.

Europeans have an unfortunate tendency to let the US gain an unassailable lead in various areas of technology and then moan about its hegemony. That often occurs because the US is prepared to take a financial punt that something will prove valuable even if this is not immediately obvious. Unlike Verheugen, I would wager that Galileo falls

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into this category.