

## Re: Could Falcon 9 compete with the Stick?

---

*Source:* <http://sci.tech--archive.net/Archive/sci.space.policy/2005-09/msg00604.html>

---

- *From:* [lou@xxxxxxxxxxxx](mailto:lou@xxxxxxxxxxxx)
  - *Date:* 18 Sep 2005 13:03:53 -0700
- 

Ed Kyle wrote:

> lou@xxxxxxxxxxxx wrote:

>> Ed Kyle wrote:

>>

>>> Please then, Rand, explain to me how the inventors

>>> and investors from the same land that created and

>>> made billions off of the [PC, uP, ...],

>>> the Sport Utility Vehicle,

>>> the Big Mac, etc and etc, could not after almost 50 years have

>>> figured out how to launch stuff into low earth orbit

>>> for Less Than the Going Rate.

>>>

>>> What I want to know why no one \*has\* done it in all

>>> this time – the same time span during which all of

>>> the above ideas \*have\* been exploited.

>>>

>>

>> The SUV as mentioned above is an interesting case. There is an SUV,

>> built to government specs, and sold to the government. It's called a

>> Hummer, and has a list price of about \$115K. According to AutoByTel,

>> "The 2004 HUMMER H1 is a 4-door, 4-passenger sport-utility, available

>> in two trims, the Open Top 4 Door and the Wagon 4 Door. The 2004 HUMMER

>> H1's competitors include the Chevrolet Tahoe, the Infiniti QX56, and

>> the Volkswagen Touareg." The Chevy Tahoe has a list price of about

>> \$35K, the Toureg about \$37K, and the QX56 about \$50K.

>

> Unlike the HMMVW, the H1 cannot ford 60 inch deep

> water. It also lacks a 24 volt electrical system,

> ballistic protection, a turret with a machine gun

> mount, an M16 rifle mount, a black out lighting

> mode, a chemical agent resistant coating, etc.

>

Exactly! I'm sure each of these was mandated in the Hummer spec.

However, the percentage of SUV purchasers who need resistance to

chemical agents is quite limited, and Chevrolet decided not to to

include this option, instead reducing the cost. One of the main

commercial flexibilities is trading off features against potential

market size. (There is the old proverb about the first 90% of the

features drive the first 90% of the cost, and the last 10% of features

## Re: Could Falcon 9 compete with the Stick?

drive the second 90% of the cost.) To pursue this approach, you would need to ignore all government business (except maybe DARPA). However, up to the present and into the near future, at least, there is not enough non-government business to try this. Hence you get stuck in the "what's the lowest cost way to meet the mandated requirements", as opposed to looking for the sweet spot in the cost-capability curve. All the companies you listed as having "seriously tried" still needed the government as a customer to survive, and hence were not free to use their own judgement as to feature set/cost. This is what I mean when I said "not seriously tried".

Lou Scheffer

---

### • **References:**

- ◆ **Could Falcon 9 compete with the Stick?**  
◇ From: Chris Hall
  - ◆ **Re: Could Falcon 9 compete with the Stick?**  
◇ From: Ed Kyle
  - ◆ **Re: Could Falcon 9 compete with the Stick?**  
◇ From: Rand Simberg
  - ◆ **Re: Could Falcon 9 compete with the Stick?**  
◇ From: Ed Kyle
  - ◆ **Re: Could Falcon 9 compete with the Stick?**  
◇ From: Rand Simberg
  - ◆ **Re: Could Falcon 9 compete with the Stick?**  
◇ From: Ed Kyle
  - ◆ **Re: Could Falcon 9 compete with the Stick?**  
◇ From: lou
  - ◆ **Re: Could Falcon 9 compete with the Stick?**  
◇ From: Ed Kyle
- Prev by Date: **Re: Someone to defend the Stick?**
  - Next by Date: **Re: Do We Have The Political Will To Support Bush's Moon/Mars Exploration Program?**
  - Previous by thread: **Re: Could Falcon 9 compete with the Stick?**
  - Next by thread: **Re: Could Falcon 9 compete with the Stick?**
  - Index(es):
    - ◆ **Date**
    - ◆ **Thread**