



U.S. Department of  
Transportation

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REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION  
ELIZABETH HANFORD DOLE  
AT THE WHITE HOUSE PRESS BRIEFING ON AMERICA'S FUTURE IN SPACE  
WASHINGTON, D.C.  
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I am delighted to join NASA's Administrator Jim Beggs and others here today to discuss America's future in space. The Department of Transportation, which I head, recently became a "space agency" as well, in addition to our other responsibilities on land, sea and in the air.

Recognizing the potential for private sector opportunities in space, the President has asked us to serve as the lead federal agency for the commercialization of expendable launch vehicles --ELVs.

The commercialization of space is an infant transportation industry. DOT will work to remove regulatory barriers and to provide a climate for this industry to grow and develop. The Department, I believe, is both well-qualified and ideally situated to include space in our transportation activities. Most of the issues to be addressed in the start-up of commercial ELVs are similar to those that occurred in the early stages of other forms of transportation. Three of our agencies -- the U.S. Coast Guard, Federal Aviation Administration and Materials Transportation Bureau --are involved in the approval process for ELV launches. We have expertise in deregulation. We have deregulated transportation industries inside the atmosphere, and the challenges of space transportation are similar.

I have created the Office of Commercial Space Transportation, within my own Office. We do not intend to duplicate functions already entrusted to NASA. Our job is to ensure the commercial ELV industry every opportunity to establish itself in a free competitive market -- to see, in other words, that private industry has access to space and its market prospects. Our responsibilities are threefold. If we are to turn our dreams into reality, if we are to maintain America's competitive edge, we must do more to introduce American industry to the possibilities of space.

Our first responsibility is to help create a climate conducive to private investment in space. In 1903, the President of the Michigan Savings Bank advised



Henry Ford's lawyers not to invest in the Ford Motor Company saying, "The horse is here to stay, but the automobile is only a novelty -- a fad." Mr. Ford's lawyer disregarded his banker's advice and bought \$5,000 worth of stock. Several years later he sold his shares for \$12.5 million.

Crucial to the success of our program is the use of launch ranges. Range regulations will be based on accepted launch and range safety concepts. But they must recognize the differences between government and private sector roles.

Some companies have already expressed an interest in establishing their own launch ranges. We are now developing the concepts and criteria for commercial launch site selection, range design, range and vehicle safety, flight safety corridors, and flight termination systems. We are meeting with the government's range safety leaders, and with companies' launch operations officials to determine how we can best meet the requirements of both the public and private sectors.

Most commercial launches will use the government's national ranges. Firms such as General Dynamics and Transpace Carriers, Inc., depend on the launch facilities and resource support at Vandenberg Air Force Base or Cape Canaveral.

Although NASA and the Air Force are prepared to support commercial activities, their rules, regulations, and procedures are designed to accommodate government, not commercial operations. Our job is to review current rules and procedures to ensure that commercial firms have ready access to government ranges. We're hard at work at this challenge.

Let me give you one example. In recent months, we have worked closely with Air Force personnel to review existing policies affecting the cost and commercial use of national ranges. Together, we have made significant progress in eliminating barriers to commercial space operations.

In particular, we are opening these facilities to the established launch vehicles, but we are bringing in first-time users as well, setting precedents for other firms in years to come. As the President remarked, the commercial space business should see blue sky ahead, not red tape.

Our second major responsibility is providing a single point of contact for companies wanting to launch their own ELVs. Our efforts have covered actual prototype launch activities; radio frequency assignments; transfer of launch licensing authority; the regulation of commercial and government ranges, including pricing of facilities, safety and range use requirements; and insurance.

We are working to establish a streamlined licensing procedure. We are circulating among our sister agencies a draft list of launch license information requirements to be published in the Federal Register in the near future. The data will be informative, not regulatory in nature. It will enable launch companies to refer to a single document describing, in lay person's terms, each regulatory agency's authority and the information the company will be expected to provide.

Finally, as a third responsibility, DOT assists the Department of Commerce in promoting the use of commercial ELVs in the United States and abroad. Making American space facilities, equipment and services available to the industry at a fair and reasonable price is a major step in this regard.



As you know, international competition within this industry is building. Arianespace, which proudly calls itself, "the first commercial space carrier," made its commercial debut May 22, 1984, with the successful launch of an American communications satellite on a French built, Ariane rocket. The Japanese and others are eager to pursue similar opportunities.

"Private enterprise made America great," President Reagan has said, "and if our efforts in space are to show the same energy, imagination and daring as those in our country, we must involve private enterprise in the fullest." That is a challenge we welcome. Since taking on the lead agency responsibility, I have met with a number of space company representatives, toured production facilities and talked to a wide cross-section of industry leaders. I've shared with them the government's commitment to support their efforts to further develop the U.S. commercial space industry.

To bring representatives of the public and private sector together, I am determined that we should have an Industry Advisory Committee. This group will work with the Office of Commercial Space Transportation in reviewing the impact of government policies that affect commercial space ventures. We will work with the Committee to encourage free market competition and assure investors that private sector space programs will not be impeded by unnecessary regulations or regulatory delays.

The Committee includes representatives of major aerospace manufacturers, large and small launch firms, satellite manufacturers, communications companies, investment firms, the space law community, insurance brokers and underwriters, the research and academic communities, and other experts in the space field. We plan to convene the first Committee meeting in October.

We expect the traditional partnership between American free enterprise and the U.S. government to produce a stronger space launch capability. It will lay the foundations for a major new industry, contribute to the American economy, and help maintain our space leadership.

It is not merely important to keep the United States out in front in world space activities, it is imperative. Pursuing these opportunities in the space frontier, as in any frontier, involves risk. Yet if there is a single thread running through the American tapestry, it is the willingness of pioneers to take a chance, often in the face of skepticism and always against the odds. It's almost a fact of life that you have to risk failure to achieve success. At the same time, we would do a disservice to those at the frontier if we did not try to reduce economic risk to a reasonable level. If not to pave the way, at least to point the way.

Transportation historically has given Americans access to new territories, new opportunities, new rewards. Transportation has discovered, developed and civilized one frontier after another. We now face the challenge, and have the privilege, of putting motion to work to carry the values of American free enterprise into the space age. I appreciate your interest and I welcome your support as we make the journey together.

Thank you very much.

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