

Case Title: SpaceX

Unique ID: MHE-FTR-048-1259927628

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Abstract: The case begins with Elon Musk, SpaceX CEO, reflecting on how to lower the costs of colonizing Mars. While it may seem fanciful, physicist Stephen Hawking has given humanity only 100 years to populate another planet to survive as a species. Elon Musk founded SpaceX in 2002 with proceeds from selling PayPal to eBay after researching and finding the costs of a rocket were roughly three percent the cost of a space launch. To lower costs, SpaceX is focused on designing reusable rocket and capsule space launch components. As SpaceX achieved multiple milestones, it gained U.S. government space launch contracts to cover costs and push technology development. However, existing technology does not make colonizing Mars feasible. While new technology is needed, the cost of space launch needs to be drastically reduced. Elon Musk plans to reduce current projected costs of populating Mars from \$10 billion per person to under \$200,000. However, the path to achieve that is unclear and SpaceX faces multiple competitors and technological hurdles. Elon Musk looks at the stars and wonders: How can we get there?

Concepts: External Analysis, Competition, Internal Analysis, Vision and Mission, Strategic Leadership, Strategic Positioning, Innovation, Technology, Core competencies, Strategic Alliances, Mergers & Acquisitions, Entry barriers, and Implementation of Strategic Initiatives.

Context:

- Ticker Symbol: N/A
- Protagonist: Elon Musk, CEO
- Country: USA
- Industry: Space Launch
- Company Employee Count: 6,000 (2017)
- Company Revenue: Unknown
- Event Year Begin: 2017
- Event Year End: 2017

Teaching Note: Available