

Russia Gains New Satellite Launch Capability from Boeing

Written by Nick Sanders

Monday, 08 November 2010 08:16



In 1995, [Sea Launch](#) was created. According to [this Wikipedia article](#), Sea Launch “is a spacecraft launch service that uses a mobile sea platform for equatorial launches of commercial payloads on specialized Zenit 3SL rockets.” The article explains, “The sea-based launch system means the rockets can be fired from the optimum position on Earth’s surface, considerably increasing payload capacity and reducing launch costs compared to land-based systems.”

Originally, Sea Launch was a consortium comprised of Energia Overseas Ltd., a subsidiary of the Russian aerospace “giant” Energia (25% ownership), a Boeing subsidiary (40% ownership), Norwegian company Aker ASA (20% stake) and Ukraine’s SDO Yuzhnoye/PO Yuzhmash (15% ownership). Boeing managed the consortium. Since 1999, Sea Launch has had 27 of 30 successful satellite launches. But the financial seas of the commercial satellite launch business were rough and the consortium ran into problems. As one report explained—

One of the chief uncertainties before Sea Launch’s mid-2009 filing for Chapter 11 bankruptcy protection was the Ukrainian Zenit rocket supply chain. According to court filings, the global financial crisis, a catastrophic launch mishap in 2007, and late equipment deliveries and cash

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payments triggered several serious delays.

In June, 2009, the company announced it was filing for Chapter 11 bankruptcy protection. In July 2010, Energia subsidiary Energia Overseas Limited (EOL) acquired a controlling 85% ownership stake in Sea Launch by a bankruptcy court ruling. The Committee on Foreign Investment in the United States ([CFIUS](#)) cleared the new ownership on September 8, 2010.

Effective October 27, 2010, Sea Launch emerged from Chapter 11 reorganization “debt-free” and “under majority Russian ownership”—according to [this article](#) at SpaceFlightNow.com. The company plans to resume satellite launches in 2011. The reorganized company will have more Russian involvement. For example, “an Energia affiliate in Moscow will oversee the supply chain in Russia and Ukraine,” and “Energia Logistics Ltd., a U.S. corporation, is taking over management of rocket and satellite operations in Long Beach.” Moreover, land launches “are managed by Space International Services Ltd. of Moscow.”

In prior articles, we noted that Russia was “[resurgent](#)” and playing a larger role on the world’s aerospace and defense stage. Although its [bid](#) to build the next generation USAF aerial tanker was lost through a series of missteps, Russian management of Sea Launch indicates that it is a player, and should be taken seriously.