Spaceport’s new director faces tough challenge

Task is to find more revenue streams to make tax-funded facility self-sufficient

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LAS CRUCES — Meet Dan Hicks, Spaceport America’s newest executive director.

A month into the job, the longtime civilian executive at White Sands Missile Range inherits an immense challenge: taking the $216.5 million taxpayer-funded facility near Truth or Consequences and turning it into the self-sustaining success many of its supporters hoped it would be by now.

It’s a task that must be accomplished under the pressures of a shrinking state budget, slower-than-expected progress by anchor tenant Virgin Galactic and a hyper-competitive commercial space environment — the pool from which Spaceport aims to draw customers.

Hicks told the Journal that after 34 years at WSMR he had hoped to one day lead Spaceport America, even before the job came up for grabs when former CEO Christine Anderson resigned after five years this past summer.

He plans to focus on business development, specifically in suborbital mission, payload-to-orbit and transportation capabilities, he said.

His vision, he said, is “having a commercial transport and launch capability here in southern New Mexico supporting the commercialization of space, not only for New Mexico but for the country and for the global environment.”

“The potential is there,” he said. “The technology is not there. We are really at the infancy of various transport and launch capabilities (in the commercial space industry). My focus will be on getting the spaceport the right foundation for these industries going forward.”

Hicks is a mechanical engineer and a graduate of New Mexico State University. At WSMR, a U.S. Army base near Las Cruces, he oversaw the developmental testing of the Patriot missile program. He served as division chief with responsibility for air and missile defense; tactical missiles and targets; and space divisions. Hicks also created a directorate of engineers and scientists responsible for planning, business development and marketing — an effort that culminated in the writing of

New Spaceport America Executive Director Dan Hicks was formerly a longtime civilian executive at White Sands Missile Range.

Spaceport America Stats

5
permanent aerospace tenants

5
horizontal launches

31
vertical launches, including 10 launches to space

20
staff, 30 contract personnel
a 30-year strategic plan.

Spaceport America has struggled to diversify its business model, which relied heavily on Virgin Galactic — by design the sole lessee of Spaceport's iconic terminal building. Faced with a shrinking state budget, Hicks may face pressure to quickly ramp up other revenue streams to make Spaceport self-sufficient.

Bolstered by Virgin Galactic's $1 million annual rent and vertical launches, and padding its bottom line with tourism, special events and spaceport-venue sales, Spaceport America said it would fund 71 percent of its $5.6 million budget with revenue in fiscal 2017, which began in July. The gap between operating costs and revenue has been bridged by the state's general appropriation, $444,000 this fiscal year, and a special additional appropriation of $1.2 million.

Brian Barnett — whose Santa Fe-based Solstar Space Co. wants to provide Internet access in space and has tested its technology at Spaceport — described Spaceport's business challenges this way: "You are creating a new market that hasn't been done yet. There are only so many rocket companies out there. They don't grow on trees, and the spaceport can't create them out of air."

Spaceport is expected to cover 92 percent of its budget in fiscal 2018 with revenue and cover 100 percent of its budget in 2019 — that is, if Virgin Galactic is flying by then.

Virgin Galactic aims to send paying passengers, at $200,000 to $250,000 a ticket, for a joy ride to the edge of space and back. But the company suffered a tragic setback in October 2014 when its spaceship broke up during a rocket-powered test flight, killing one pilot and injuring another.

The company has been working methodically to recover, according to executives, and has rebuilt its spaceship.

Last month at a space conference in Las Cruces, Virgin Galactic President Mike Moses told attendees that the company expects to begin "glide flight" testing before the end of the year — a precursor to the riskier rocket-powered testing that will see SpaceShipTwo push to reach space and return safely back to earth.

Virgin Galactic is executing its flight test program at its shop in Mojave, Calif.

Hicks sees future partnerships with WSMR and Kirtland Air Force Base, including its Operationally Responsive Space Office.

Spaceport is already supporting Boeing Co. in its NASA contract to develop a Crew Exploration Vehicle that could transport humans on space expeditions, one of the many examples of the government’s divestiture of space activities to the private sector. Boeing is testing some aspects of its design at Spaceport.

"It's that type of partnership that I see growing even more," Hicks said. "I think we have potential. There is that wonderful word — potential — again."