

News release

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Contact: John Powell

Tel: (916) 858-0185

Email: jpowell@jpaerospace.com

web: www.jpaerospace.com



NASA to Compete with Small Businesses

A bill to be introduced by California Congressman Ken Calvert will have NASA enter the advertising business. Congressman Calvert recently announced that he wants to make "NASA space assets available for commercial advertising and marketing opportunities." Currently, NASA is not allowed to provide advertising space.

This announcement has triggered alarm bells with several small space companies. By offering such taxpayer-supported services, they will be unfairly undercutting the competition.

Advertising using the Earth as a background is a growing business. The small California company JP Aerospace, along with a handful of other companies, is in the business of selling high altitude ads. The new NASA initiative threatens to stomp out these small companies.

"What would Chevrolet and Ford say if NASA started selling cars?" says John Powell, President of JP Aerospace.

Small companies would have no chance to compete with a tax supported government program. Putting advertisement on vehicles is clearly a commercial business activity. Large organizations like NASCAR and the NFL, as well as smaller companies, have engaged in this business for decades. NASA's mandate for pushing the technological boundaries for the exploration of space doesn't square with this clearly commercial activity. NASA entering this market would virtually end this opportunity. Just announcing their participation is likely to make it very difficult for the small companies to raise capital.

"We're worried about an immediate impact," says Powell. "A customer could decide to wait and see what NASA has to offer."

The ads at the edge of space on JP Aerospace vehicles benefit its high altitude research and its PongSat student science program. Rep. Calvert asks how can we "make space compelling to the American people and future generations." JP Aerospace's PongSat program is going strong, having flown nearly 3000 student experiments to the edge of space.

"At least we're ahead of NASA," says Powell. "We're flying another ad mission in June, while NASA is a few years away."

PongSat is a registered trademark of JP Aerospace.