

The EO Services Industry in 2020

I think we are all breathing a sigh of relief that the difficult year 2020 is over and look forward to a better 2021. As the Covid pandemic broke last March, many companies found themselves faced with stringent lockdown measures and the need to rapidly reorganise their production as staff were forced to work from home. At EARSC, we believe that we adapted quite well despite early fears and were fortunate to have a number of long term contracts from ESA and the EC which gave us stability.

Overall, as a sector, we were let-off relatively lightly – at least so far. Unlike retail or even worse entertainment sectors, companies in the EO services sector were mostly able to adapt to a regime of home working relatively smoothly. Most business is done through fixed duration contracts which meant that the initial impact was more on the staff than the business. Some companies even told us about increased business linked to customers seeking a better understanding of the Covid situation.

Now, 9 months on, we hope that the business situation is still relatively benign. A number of companies have expressed concern that their commercial business will dry up, but this will be very sector dependent if it happens. We hope to find out more through our next industry survey which has just been launched. Initially, we updated the analysis of the sector performance every 2 years but, we were asked by ESA if we could provide annual figures and, the survey results published last June were the first of the annual releases.

If you are running a company offering EO services and based in a European country, then it is likely you have a request mail from us to fill it in. If you, or a colleague, have not received the invitation please let us know as well shall be delighted to add you into our list. Currently, we have around 700 companies in our database each of which should have received the mail. This is already quite a steep increase from last year and it looks as though there have been many new companies formed or entering the sector.

This latter point is a trend that I have particularly noticed. I have come across quite a number of new companies which offer services unrelated to satellite data, but which have started to include satellite-derived products in their offers. This is great news and certainly represents a maturing of the sector. In recognition, we have tweaked our survey a little to distinguish these companies from those whose core business is offering services based on the analysis of EO data. Hopefully, we shall be able to extract that information from the survey results.

The survey is extremely important for the European institutional stakeholders. It is by far the most comprehensive survey carried out in the sector and provides valuable information for policy makers. It helps us as a trade association to formulate the views of the industry and to seek to maximise the opportunities for the sector. Our goal is always to seek to help you win new business and develop your company.

Our last survey, published in the summer, has been used by both ESA and the EC to help shape their new programmes; ESA through the ministerial and the EC for the new financial budget period 2021 to 2027. Further activities are planned under Copernicus, linked to GEO and to support SME's to build their business in Europe.

This year, the survey is divided into two. The first part is classical and is directed at all companies with a maturity of 5 years or more. As well as the core questions on your employees, your revenues and the nature of the market in which you are working, we have also a number of questions linked to Copernicus, and your views on its development.

The second survey is being sent to all newer companies which are 5 years old or less. We wish to build a picture of how you have been formed and grown so, as well as the same core questions, there are others more directed at your origins and issues that you have faced to get going. The answers will help us shape future support activities like those we have been running under the PARSEC accelerator scheme. We have also been able to bring some new industrial partners into the e-shape project and have more schemes like these in prospect.

Please do take the time to respond and do not hesitate to contact us if you have not received an invitation to complete the survey or you have any questions.