

15.965 Technology Strategy (Spring 2009)

Professor Michael A M Davies

Case # 3: Iridium

Please note that you are *not* required to submit a write-up. However, writing down your thoughts may help you during class discussion.

In the first couple of classes, we've looked at the basics of evaluating a technology and assessing technological innovation: characterizing it in terms of key parameters; assessing competitive technologies; considering the requirements of potential applications; thinking about the overall system; taking into account timing, the innovation trajectory and risk.

In this class we will be looking at a very large scale venture that was a technical success but a commercial failure, and focusing on why it was not successful, As you read and review the case, please consider carefully the following questions:

1. who is responsible for Iridium's failure?
2. at what point could you have predicted out that there was a significant risk that Iridium would fail?
3. what is your impact of Iridium's overall system design?
4. what impact did the choices that were made have on the subsequent economics of the venture?
5. what impact did Iridium's organization design have on the outcome, and in particular who were the key stakeholders and what was their motivations?
6. what alternative technical or commercial strategies could or should Iridium have pursued?

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