



When Will Mitsubishi Restart The SpaceJet Program?

by **Pranjal Pande** · May 11, 2021 ·  15 shares ·  2 minute read

It's been nearly seven months since Mitsubishi formally paused the SpaceJet program. However, as travel demand picks up once again, the Japanese manufacturer is reassessing the program's future. So when could Mitsubishi restart the SpaceJet program?

Coronavirus-Mitsubishi-Spacejet

Could the Mitsubishi SpaceJet program resume work and achieve certification in the coming years? Photo: Getty Images

Considering

According to [Air Insight Group](#), Mitsubishi is reassessing its plans for the Spacejet project and restarting operations in the fiscal year 2021. This news came as a part of the company's FY20 results presentation yesterday and could decide the program's future.

The SpaceJet program has been [formally paused since October](#), although [major cuts were made in May 2020](#). The development of the new aircraft has been a huge loss-maker for Mitsubishi Heavy Industries, driving the conglomerate into its [first loss in over 20 years](#).

M90 Paris Air Show



The SpaceJet has set back Mitsubishi billions in development, impairment charges, and delays. Photo: Getty Images

Considering the multi-billion dollar losses and low demand for new aircraft in the short term, Mitsubishi paused the program and reduced budgets. This has meant the group axing 1,500 jobs, shuffling or departing top brass, and closing overseas plants to consolidate in Nagoya.

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Demand

The growing demand for regional jets might be putting the SpaceJet program back on the map. While yesterday's announcement remains unclear, it does open the door for Mitsubishi to invest in the project once again. This would be a break from last year's announcements, which could have meant the end of the regional jet lineup.

However, many questions remain before the conglomerate once again goes [down the SpaceJet rabbit hole](#). Restarting the program would require millions in investments to hire staff, produce test units, and certify the aircraft for service. Seeing the \$1.07bn loss in FY20 for the regional aircraft, this would be a costly exercise.

SpaceJet



While the market for the SpaceJet might be opening up again, is it worth the cost? Photo: Getty Images

Mitsubishi expects airlines to reach pre-pandemic traffic levels by 2023, an optimistic timeline. This would coincide well with a [possible first delivery](#) of the larger M90 variant to launch customer ANA and many others.

At odds

Air Insight notes that restarting the SpaceJet program would be at odds with Mitsubishi's goal of reducing fixed costs. Indeed, testing and certifying a new aircraft type is a lengthy and expensive task, requiring years of extensive scrutiny. With the overall aircraft business also suffering heavily due to slowing deliveries at Boeing, the investment is a difficult choice.

However, it is undoubtable that there is a market for regional jets globally, especially in SpaceJet's home market of Asia. Putting over a decade of work and labor into action could open up several doors for the new regional jet.

Mitsubishi SpaceJet



Mitsubishi has some difficult choices to make about the future of its regional jet offerings in the next few months. Photo: [Matti Blume via Wikimedia Commons](#)

The conglomerate has given itself this fiscal year, until March 2022, to make a final determination about the jet lineup. This will likely provide more clarity about the global aviation recovery and traffic rebound, helping make a final determination.

What do you think about Mitsubishi's assessment of the SpaceJet? Do you think it should continue development? Let us know in the comments!

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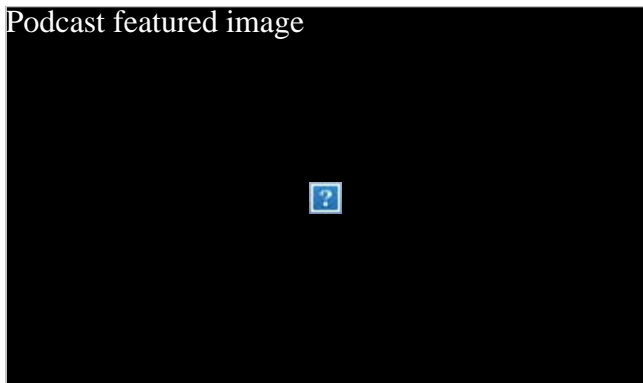
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