

Google, Fidelity fuel Elon Musk's SpaceX with \$1B investment

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In this May 29, 2014 file photo, Elon Musk, CEO and CTO of SpaceX, introduces the SpaceX Dragon V2 spaceship at the SpaceX headquarters in Hawthorne, Calif. SpaceX said it has raised \$1 billion and added Google Inc. and Fidelity as investors. (AP Photo/Jae C. Hong, File)

SpaceX has raised \$1 billion from Google and Fidelity in a deal that values the spaceship manufacturer at about \$10 billion.

The infusion announced Tuesday will give Google Inc. and Fidelity

Investments a nearly 10 percent stake in SpaceX, a Hawthorne, California, company that employs more than 3,000 people.

Although privately held SpaceX didn't reveal any concrete plans, the money could help founder Elon Musk realize his hopes to fly people to Mars within the next 12 years and eventually build a city on the planet.

Musk, 43, also has publicly talked about using satellites to provide Internet access to remote parts of the Earth, a mission that Google also has embraced in a separate project that relies on high-altitude balloons. As the owner of the largest Internet search engine and digital ad network, Google stands to make more money if more people can get online.

"Space-based applications, like imaging satellites, can help people more easily access important information, so we're excited to support SpaceX's growth as it develops new launch technologies," Google said in a statement.

Donald Harrison, who oversees Google's corporate development team, will be joining SpaceX's board of directors as part of the company's investment.

SpaceX, which stands for Space Exploration Technologies, has previously raised money from the Founders Fund, Draper Fisher Jurvetson, Valor Equity Partners and Capricorn since its 2002 inception. The Founders Fund was started by Peter Thiel, who teamed up with Musk in the late 1990s to create the online payment service PayPal.

Musk also is CEO of electric car maker Tesla Motors and has made headlines for his vision of a high-speed transportation system that would shoot passengers through elevated tubes from San Francisco to Los Angeles.

SpaceX's spacecraft has been used to deliver goods to the International Space Station.

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