

# Starlink Is Riding Down the Wright's Law Cost Curve

Elon Musk is using his billions to relentlessly discover new knowledge.

GALE POOLEY

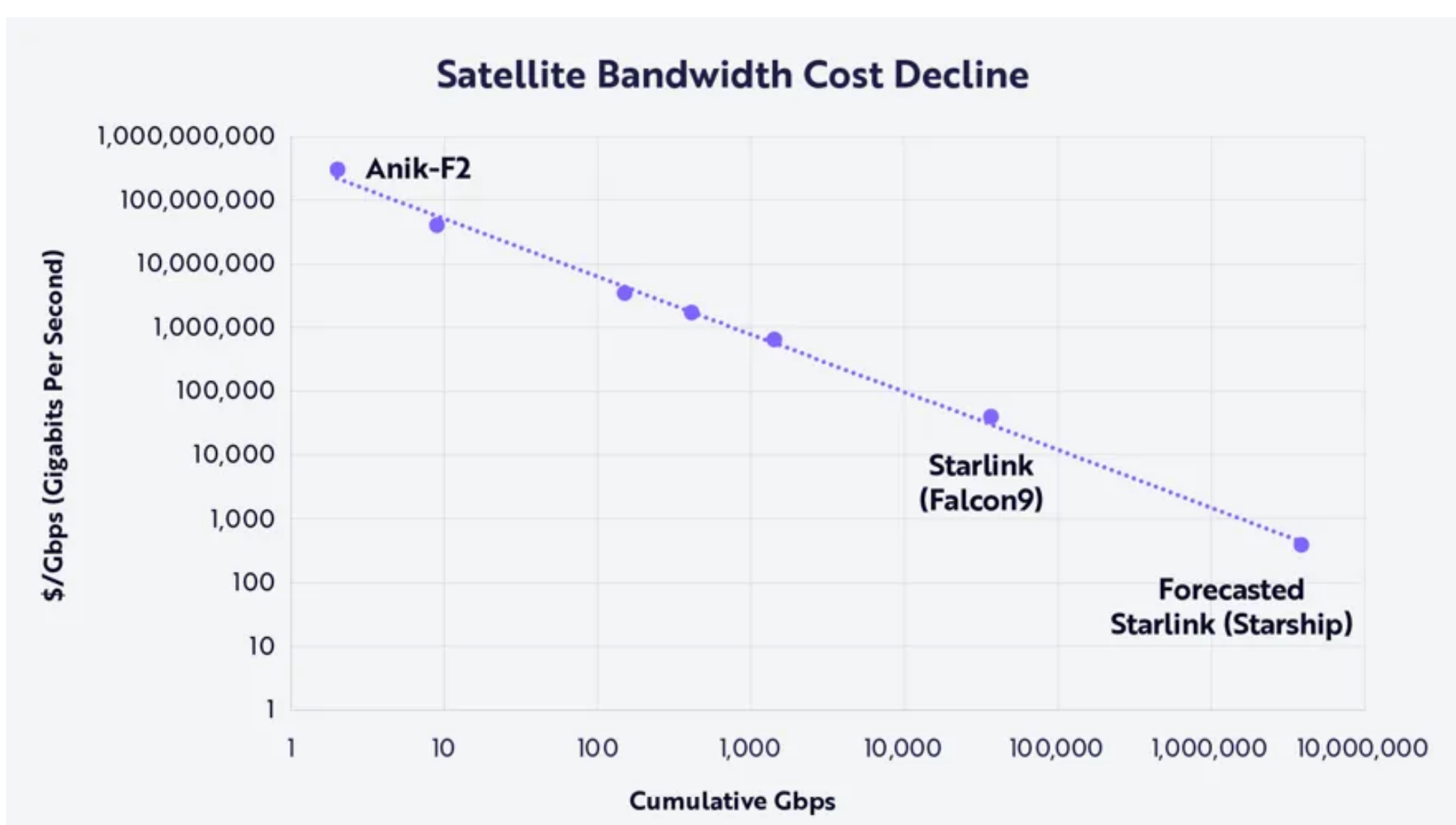
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In contrast to [Moore's Law](#), which is based on time, Wright's Law predicts that with every doubling of cumulative product output, costs per unit will decrease 20 to 30 percent. SpaceX continues to ride down the Wright's Law cost curve for satellite bandwidth capacity. [ARK Invest](#) estimates a 45 percent decline for every cumulative doubling in gigabits per second in orbit. They report:

Since 2004, the cost of satellite bandwidth has dropped 7,500-fold, from \$300,000,000 to \$40,000/Gigabits per second (Gbps). Thanks to Starship, costs could fall another 40-fold to ~\$1,000/Gbps by 2028. Because 1Gbps can serve 200 customers at a capital cost of ~\$1,000/Gbps, SpaceX could recoup its Starship investment with a one-time charge of \$5 per customer.

SpaceX's Starlink V3 program delivers 1 terabit per second (Tbps) of downlink speed, 10 times that of V2 Minis. A Starship V3 launch should add 60 Tbps to the network, over 20 times a V2 Mini launch.

As of September 2024, [Starlink had reported](#) four million customers globally, up from a million subscribers in December 2022. This means Starlink is growing by 100 percent each year. At this rate, everyone on the planet will be using Starlink in 14 years.

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Today, [Starlink Residential](#) costs around \$400 for the hardware and \$50 a month for unlimited data service. If you're a typical blue-collar worker, you're earning \$37 an hour in wages and benefits. The monthly time price is 1.35 hours ( $\$50 \div \$37$ ), or around 2.7 minutes a day. For this time, you get access to a multitrillion-dollar communication-information system. Nice.