



DEFENCE WEEK

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Rheinmetall MAN signs \$1.5bn vehicle contract

Tom Muir

Following its down selection in December 2011 as preferred tenderer for Land 121 Phase 3B Protected and Unprotected Medium and Heavy Vehicles and following lengthy negotiations, Rheinmetall MAN Military Vehicles Australia (RMMVA) has now been awarded a contract to supply some 2,500 protected and unprotected logistical vehicles in a contract worth \$1.58 billion.

The contract negotiations were also the first program to use the DMO's new specialised negotiation cell.

These vehicles will replace the ADF's current fleet of **Unimog**, **Mack** and **S-Liner** trucks. They include: medium and heavy recovery vehicles; medium and heavy tractors (equipment transporters); heavy integrated load handling vehicles (self-loading hook lift trucks); and medium-weight tray variants (with cranes and tippers).

According to RMMVA important new capabilities to be introduced to the Australian Army as part of this modern fleet are the integrated protected cabins for some 1,100 vehicles, the integrated load handling systems on some 550 vehicles, and the most modern vehicle technology currently available worldwide.

These new capabilities will provide a protected capability for wheeled logistical vehicles for the first time in the history of the ADF.





The Integrated Load Handling System will allow the ADF to move NATO standard containers and pallets independently from allied forces.

Australian companies will be benefiting from this contract by:

- designing, developing and manufacturing some 3000 modules;
- designing, developing and manufacturing some of the vehicle bodies, sub-systems and components;
- providing project management, engineering and system integration services; and
- conducting C4I integration services.

According to RMMVA the first vehicles under Land 121 Phase 3B are to be delivered starting in 2016, with the final delivery expected in 2020.

Under a separate contract **Haulmark Trailers** of Brisbane will supply 3,000 trailers under Land 121 Phase 3B. It is expected that the work to be undertaken in Australia by the successful vehicle and trailer contractors and their network of Australian sub-contractors will include

manufacture of the trailers, installation of locally-supplied modules and parts, vehicle integration and testing.

The maintenance and through-life support for the vehicles is also expected to be undertaken in Australia. Approximately 1,000 additional vehicles will eventually be acquired to complete the medium and heavy fleet under Land 121 Phase 5B.

In the December 2011 Defence Ministerial statement it was also announced that subject to contract negotiation and the options exercised by Defence, Phases 3B and 5B was expected to cost more than the original budget estimate from August 2007 and that the additional funds would come from surplus funds previously committed to Land 121 Phase 2A and 3A, **Land 17 Phase 1C Artillery Replacement** and **Land 112** (Australian Light Armoured Vehicle Enhancement) and **JP 2048 Phase 3** (Amphibious watercraft).





International and local success for Calytrix

Australian-based SME, Calytrix Technologies has been awarded a number of recent contracts, internationally and locally.

Calytrix was recently awarded a contract for the provision of services to the ADF's **Joint Combined Training Capability (JCTC)** based

in Canberra. Calytrix has been involved with the JCTC since its inception in 2006 and is the current prime contractor for the development and delivery of **Systems Support Services (SSS)** to the JCTC. In addition to SSS support, Calytrix has been recognised through a competitive tender process and awarded contracts for the provision of:

- The Manager Systems who will lead the technical team that operates, supports, maintains and delivers the JCTC simulation systems;
- Exercise Support Services team of seven experienced military planners to assist in the planning, conduct and evaluation of training exercises; and
- The Governance Team providing four personnel in support of JCTC finance, contract management, facilities and logistics management services.

Also, Calytrix, in partnership with **Bohemia Interactive Simulations (BISim)**, **SimCentric** and **Alelo**, has seen success internationally with a contract award for the US Army's first-person shooter training system known as **Games for Training (GFT)**.

The **Program Executive Office for Simulation, Training and Instrumentation (PEO STRI)** awarded the contract to provide program management and delivery of a US Army-wide enterprise level license for a game-based training solution for up to five years. Both Calytrix and BISim played important roles in the successful delivery of the predecessor **Game after Ambush! (GAA)** program, and the award of GFT is a natural progression in delivering high quality game-based training to the US Army.

Calytrix Technologies, as the prime contractor, is responsible for delivering the required software, training and technical support.

For GFT, BISim will be fielding its new **Virtual Battlespace 3 (VBS3)** platform, providing a robust, flexible and extensible simulation capability tailored for use on a range of US Army simulation programs.

The complete software package being fielded for GFT includes BISim's VBS3 virtual training environment; SimCentrics' VBS Fusion, VBS Fires module and Crowd Ambience; and Calytrix's LVC Game HLA/DIS gateway, CNR Sim Pro, CNR Log, and CNR Effects communications software. The package reflects a comprehensive gaming system that will serve the US Army well over the next five years.

The contract enables the US Army to lease the Games for Training software for five years, after which a perpetual enterprise licence is granted. It is expected that VBS3 will be fielded in late 2013/early 2014.



Kelly would lead Defence under the ALP

In follow up to our recent piece on what the Defence portfolio would look like under a Coalition government, Prime Minister Kevin Rudd has confirmed that current Defence Materiel Minister Dr Mike Kelly would be his pick to lead Defence should they retain government later this year.

Current Defence Minister **Stephen Smith** is retiring at the election but has committed to stay in the role until then.

For Rudd to make good on his pledge, Kelly must also retain his marginal NSW seat of Eden-

Monaro. Traditionally whichever party holds this seat, holds government.

Rudd said Kelly had a strong military background and was the best person to fill the role if Labor won the election.

“My view, and I have said this privately to colleagues over a long period of time ... is the best person to do that, if the government is returned, is Mike Kelly,” he told radio station 3AW this week. “I think that it’s important that we have strong hands around that particular responsibility.”



Cyber warnings abound

Tom Muir

While ex-director of the CIA, Michael Haydon warns that we are moving to a world in which cyber is being used to deliberately create direct kinetic consequences such as effects on information, networks, and assets of value, with such security risks expanding over time,

here in Australia BAE Systems Detica has released ways on how businesses can protect supply chains from cyber attacks.



These include preparation of a cyber security plan, based on trophy information, cyber risk, compliance environment and internal cyber capability. Based on this, businesses can develop strategies and tactics to help address cyber attacks. Businesses should publish business rules for cyber security and create awareness of these among employees and supply chain, the company says.

Now hard on the heels of such warnings comes a new Pentagon report warning that espionage targeting US weapons and defence industry trade secrets is steadily rising, with spies in the Asia-Pacific region increasingly using cyber operations to steal electronics information and other methods to pilfer missile technology.

According to the **Defense Security Service** report, attempts by foreign collectors to obtain illegal or unauthorised access to sensitive or classified information and technology in the US industrial base rose by 60 per cent in fiscal year 2012 compared to the previous year, states the July 17 report.

FY-12 marked the first year that agents in a single region - East Asia and the Pacific - caused half of all reported incidents, up from 43 per cent in FY-11. The Near East was the second-most active collector region, followed by South and Central Asia, and Europe and Eurasia.

In the last year, there was a 245 per cent increase in cases of agents in East Asia and the Pacific using "suspicious network operations" to target US military technology and defence industry trade secrets, the report states. "Spear phishing" emails containing malicious files or suspicious links were used to deliver malware to US industry targets.

"East-Asia-and-the-Pacific cyber actors constitute a serious danger because of their relentless targeting and continual innovation," the report warns. "Their tactics have matured with each passing year, and they increasingly demonstrate an ability to combine sophisticated technical abilities with sound intelligence targeting practices. Their seasoned cyber tradecraft has led to multiple intrusions of unclassified networks in cleared industry, defeating some of the most advanced computer network defences in the world." -additional reporting from *Inside Defense*



RAAF acquires HARM missile training capability

The US Navy signed an agreement with the Australian Government on May 31 to provide its High Speed Anti-Radiation Missile (HARM) and Advanced Anti-Radiation Guided Missile (AARGM) training capability as part of the Royal Australian Air Force (RAAF) acquisition of the EA-18G Growler.

This FMS agreement for an AARGM marks the first FMS sale involving the weapon.

The AARGM is the US Navy's medium-range air-to-ground missile for suppression and destruction of enemy air defences.

"The RAAF's procurement of an AARGM training capability is another step in the



direction of achieving commonality between RAAF and US Navy aircraft, mission planning and maintenance capabilities in order to maximize interoperability in a coalition environment," Captain **Brian Corey**, Direct and Time Sensitive Strike program manager, said.

AARGM addresses current capability gaps in areas where the USN deploys and operates its existing Air-to-Ground Missile, the High Speed Anti-Radiation Missile. Specifically, AARGM defeats multiple countermeasures that have been developed by US adversaries since HARM was deployed in the 1980s.

The weapon will be carried on the US **F/A-18C/D**, **F/A-18E/F**, **EA-18G** and Italian Air Force **Tornado Electronic Countermeasures/Reconnaissance (ECR)** aircraft. Currently, Navy and Marine Corps **F/A-18 squadrons** are operating with AARGM.

Quickstep completes LM C-130J production readiness tests



Quickstep has completed all qualification tasks required by Lockheed Martin's materials and process technical engineering testing program. This confirms Quickstep's readiness to manufacture composite parts for the Lockheed Martin C-130J 'Hercules' aircraft.

The qualification test results include the successful fabrication of destructive test articles using Lockheed Martin's approved production processes.

"The successful completion of qualification tests is a milestone which confirms that Quickstep is able to meet the exact manufacturing needs of our C-130J contract," Quickstep managing director, **Philippe Odouard** said. "This is an important step as we prepare to manufacture and deliver composite carbon-fibre wing flaps for Lockheed Martin."

Quickstep has already started to manufacture the wing flaps at its Bankstown Airport facility, and deliveries are expected to begin during the 2013/14 financial year as planned in the contract.

The company's overall agreement with Lockheed Martin is expected to generate revenues of \$US75-\$US100 million for Quickstep over five years.





Counter IED post Afghanistan

Tom Muir

While a report in Australian Defence Magazine's current (July) issue states that the ADF's Counter IED Task Force will continue to support deployed forces and continue its quest to develop advanced CIED capabilities, the US Joint IED Defeat Organisation is concerned that the Counter-IED fight is slipping as Afghans take the lead.

"JIEDDO is seeing its data fidelity continuing to decline because the [Afghan National Security Forces] are not reporting IED incidents the same as Coalition forces did," a spokesman for the organisation, **David Small**, wrote in an email distributed to reporters.

Responding to follow-up questions, Small said Afghan forces typically report IED events, but omit information about whether the bomb actually exploded, or whether it was detected and cleared. Also

missing is information about the type and size of the explosive, how it was emplaced, how many bombs were involved and whether it was found by Afghan foot patrols or troops moving about in vehicles, according to the spokesman.

Such data have played a crucial role in the US DOD's decade-old fight against roadside bombs, with analysts poring over every detail to devise countermeasures and predict attacks. -TM/Inside Defense

2nd annual ADM Defence Support Services Summit

Date: 19 September 2013, Hyatt Hotel, Canberra

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Arming the RQ-7 Shadow

Tom Muir

The US Department of Defense (DoD) has established a new standard for weapons interfaces onboard unmanned aerial vehicles (UAVs) as a result of ongoing US Army UAV weapons testing, according to army officials.

The newest addition to the army's UAV weapons testing schedule is the upcoming launch of **Alliant Techsystems' Hammer** weapon from the **AAI RQ-7B Shadow UAV**, army officials told *IHS Jane's* in early July.

ATK's lightweight precision guided munition is compact and light enough to be carried by the dozens or even hundreds by unmanned aerial aircraft.

The new glide weapon is packed into a

conformal container launcher carried under the wing of the Shadow, fitted on top of the strut root.

Upon release the weapon's fins are extracted and three airfoils pop into place, as the weapon glides on its path to the ground. As the three laser detectors are activated, they seek laser signals reflected from the designated target. Once the laser spot is detected, the weapon's flight control processor computes the necessary corrections and activates the tail fins to point the weapon on the course homing in on the spot, hitting the target with high precision.

ATK says that persistence and immediate response close air support based on such weapons has the potential to transform combined air/ground operations, as UAVs loitering above a ground combat element could continuously support ground forces through sustained combat engagements, without the logistical and operational burden when rotating through rearmament or replenishment cycles.

Brigades could rely on their own Small UAVs assets like the Shadow, each carrying four weapons in addition to the standard ISR and radio relay payloads. Both **Lockheed Martin** and **Raytheon** have developed miniature munitions for Shadow sized UAVs.

We suspect that the ADF has no plans to arm their fleet of 18 \ RQ-7 Shadow 200 systems, which is scheduled to achieve full operating capability by the end of 2013. It is understood that the Army has completed 90 per cent modification work on the UAS. Remaining upgrade work includes software and some component modernisation, with the aircraft engine the most regularly required replaceable item as it operates at higher altitudes and strenuous conditions in Afghanistan.



Defence diplomats forum

The Australian Military Sales Office (AMSO) Forum for Foreign Defence Attachés, was held this week at the Australian Industry Group offices in Canberra, ACT. AMSO was established in 2012 to bring government-to-government sales, defence industry export facilitation, and surplus materiel disposals functions into the same organisation.

AMSO incorporates the **Global Supply Chain (GSC) Program, International Materiel Cooperation, Defence major assets disposals** and the former **Defence Export Unit**. It also undertakes government-to-government sales on behalf of Australian defence industry and the ADF. AMSO works closely with other parts of Defence, industry and foreign governments to increase Australia's defence-related exports.

The forum was attended by a number of foreign defence diplomats, including representatives from some of Australia's long-time allies, including the US, UK, France, and New Zealand. Representatives from Australia's regional partners, as well as new and emerging markets for the Australian defence industry also attended.

AMSO has already achieved a number of successes in the disposals, trade mission and GSC programs, including \$35 million generated in export sales from trade events in the past few months.



E-Resource for small business

The Australian Government has launched a new version of its E-resource kit for small businesses at the Small Business Forum in Brisbane.

The Small Business Resource Kit is a USB flash drive containing useful information and resources designed to help small business owners and start-ups get down to business.

Minister for Small Business **Gary Gray** said the flash drive had found its way to more than 40,000 small business owners since it was launched just over two years ago.

"The upgraded information in the kits includes revised versions of the useful Starting your Business and Growing your Business checklists," Gray said.

The USB kit also includes information on legal issues, independent contractors, and key contact information for small businesses.

The Australian Government also launched the new **Building Success** website which contains useful information and success stories about the impact of Australian Government programs designed to help small businesses.

You can obtain a resource kit by visiting www.business.gov.au/resourcekit.



ADM Online: Weekly Summary

A summary of the latest news and views in the defence industry, locally and overseas. Check out our webpage

for daily news updates on the *ADM* home page and make sure you bookmark/RSS this for a regular visit.

This week, Quickstep delivered its 100th manufactured carbon-fibre composite part for its **F-35 Lightning II Joint Strike Fighter** contract with global aerospace company Northrop Grumman Corporation.

The US Navy awarded Northrop Grumman Corporation a \$113.7 million advance acquisition contract for long lead materials and related support for five full-rate production **Lot 2 E-2D Advanced Hawkeye** aircraft.

And, Boeing delivered the Indian Air Force's second **C-17 Globemaster III**, a month after India's first C-17 arrived in the country and immediately began supporting IAF operations.

International



US Foreign Military Sale to France

The Defense Security Cooperation Agency has notified Congress of a possible Foreign Military Sale to France of 16 MQ-9 Reaper Remotely Piloted Aircraft and associated equipment, parts, training and logistical support for an estimated cost of \$US1.5 billion.

The Government of France has requested a possible sale of:

- 16 MQ-9 Reaper Remotely Piloted Aircraft
- 8 Mobile Ground Control Stations (GCS)
- 48 Honeywell TPE331-10T Turboprop Engines (16 installed and 32 spares)
- 24 Satellite Earth Terminal Substations
- 40 Ku Band Link-Airborne Communication Systems
- 40 General Atomics Lynx (exportable) Synthetic Aperture Radar/Ground Moving Target Indicator (SAR/GMTI) Systems
- 40 AN/DAS-1 Multi-Spectral Targeting Systems (MTS)-B
- 40 Ground Data Terminals
- 40 ARC-210 Radio Systems
- 40 Embedded Global Positioning System/Inertial Navigation Systems
- 48 AN/APX-119 and KIV-119 Identify Friend or Foe (IFF) Systems

The principal contractor will be **General Atomics Aeronautical Systems**. There are no known offset agreements proposed in connection with this potential sale.



NGC delivers Fuselage for Italy's F-35 Lightning II



Northrop Grumman Corporation delivered the centre fuselage for Italy's first F-35 Lightning II to the newly commissioned Final Assembly and Check Out (FACO) facility at Italy's Cameri Air Base July 12.

This on-time delivery to **Lockheed Martin** enables the first assembly of an F-35 aircraft at the FACO facility and increases international participation on the F-35 program.

The centre fuselage, **AL-1**, will be integrated into a conventional take-off and landing variant of the F-35, and represents the first of 90 centre fuselage sections that will be delivered to the Italian FACO facility for Italian aircraft.

The IAL maximizes robotics and automation, providing additional assembly capability while meeting engineering tolerances that are not easily achieved using manual methods. The IAL is central in producing the F-35's centre fuselage as well as increasing the program's affordability, quality and efficiency. Currently, there are 35 centre fuselages in flow on the IAL, including some for Australia and additional ones for Italy; deliveries have already been made to Ft Worth for final assembly and delivery to the Netherlands and the UK.

Set on 101 acres in Italy's Piedmont region, the FACO facility at Cameri will be one of a kind in Europe. With 22 buildings, more than a million square feet of covered work space, 11 final assembly workstations – including four outfitted for electronic mate and assembly – and five maintenance, repair, overhaul and upgrade bays, the FACO at Cameri is positioned to serve as a new hub for the Italian aerospace industry.

Rafael establishes two new divisions

Rafael Advanced Defense Systems has made a series of organisational changes and re-structuring.

These changes include the establishment of a **Land and Naval Division**. This division will also be responsible for the **Systems Integrated Security (SIS)** solutions



for Critical Asset and Infrastructure on land and at sea.

Rafael's substantial investment in R&D is being bolstered with the establishment of an R&D and Engineering Division. The new division will amalgamate Rafael's entire R&D activity.

Rafael has established a new Sector, called **Air and C4ISR Systems Sector**. This new sector will include Air-To-Ground Systems (SPICE), Electro-Optical Systems (Litening, Reccelite, etc.), Communications and Intelligence.

Also, Rafael's Air Defense Directorate has been transformed into Air superiority Systems Sector, and will be responsible for Air and Missiles Defense systems along with the Air- to-Air product line.



First upgraded MQ-8C Fire Scout delivered to US Navy

The US Navy got its first look at the upgraded MQ-8 Fire Scout unmanned system when Northrop

Grumman Corporation delivered its first MQ-8C system this month.

The company delivered the first MQ-8C aircraft to the Navy in early July in preparation for ground and flight testing.

The upcoming tests will be used to validate and mature the upgraded MQ-8 system for operational use. Initial ground testing will ensure that the systems work properly and communicate with the ground control station prior to conducting first flight. The MQ-8 system with the upgraded MQ-8C aircraft will share proven software, avionics, payloads and ship ancillary equipment with the MQ-8B aircraft.

The upgraded Fire Scout responds to an urgent need to provide the Navy with increased endurance, range and payload. Using a modified commercially available airframe, the upgraded MQ-8 system can provide commanders with three times the payload and double the endurance at extended ranges compared to the current MQ-8B variant.

The MQ-8B aircraft currently operates on Navy frigates and in Afghanistan, where it provides intelligence, surveillance and reconnaissance capabilities to maritime and ground commanders.

The first deployment of the upgraded MQ-8 system with the MQ-8C Fire Scout aircraft will be in 2014.

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FORTHCOMING EVENTS

For a full list of defence and industry events, head to **ADM's** online events page at www.australiandefence.com.au

DSEI

DATE: 10-13 September, 2013, ExCel, London

ENQUIRIES: Web: www.dsei.co.uk

DSEI is the largest fully integrated defence and security show in the world, featuring Air, Naval, Land and Security show content. Based in ExCel, London every two years, the event provides unrivalled access to key markets across the globe.



SimTecT

DATE: 16 - 19 September, 2013, Brisbane Convention and Exhibition Centre, Queensland

ENQUIRIES: Web: www.simtect.com.au

SimTecT is the annual Simulation Technology and Training Conference held by Simulation Australia.



2nd annual ADM Defence Support Services Summit

DATE: 19 September, 2013, Hyatt Hotel, Canberra

ENQUIRIES: ADM Events - Jamie Burrage, Ph: 02 9080 4321;

Email: Jamie.burrage@informa.com.au

Web: www.admevents.com.au

A must-attend for any organisation currently doing business with Defence, or for those wanting to gain a foothold in the service delivery of defence support.



Pacific 2013

DATE: 07 - 09 October, 2013, Sydney Convention & Exhibition Centre, Darling Harbour

ENQUIRIES: Web: www.pacific2013imc.com

Pacific 2013 IMC provides a unique opportunity for people involved in maritime and naval affairs around the world to discuss the latest maritime developments in design, naval architecture, engineering,



2013 Maritime Environment Working Group Conference

DATE: 10 October, 2013, Sydney

ENQUIRIES: Web: www.govdex.gov.au

This meeting will provide another opportunity for defence and industry representatives to discuss the latest updates with regard to DCP projects. RSVP no later than 30 September 2013 on the MEWG Govdex site.

SIA 2nd Submarine science, technology and engineering conference

DATE: 15 - 17 October, 2013, Adelaide

ENQUIRIES: Web: www.submarineinstitute.com/sia-conferences/

The peak event in Australia for engineering of what is one of the most complex Defence assets - conventional submarines. In addition the conference covers the full range of underwater technologies, many of which are relevant and in use for under-sea resources exploration and exploitation.

ADM will
be in
attendance

Safeskies

DATE: 16 - 17 October, 2013, Hotel Realm Canberra

ENQUIRIES: Web: www.safeskiesaustralia.org

Safeskies Conferences is an Australian based not-for-profit organisation which holds a biennial aviation safety conference in Canberra. The 2013 conference has as its theme 'People and Technology', and speakers will probe some of the issues surrounding this theme.

ADM Northern Australia Defence Summit

DATE: 29 Oct - 30 October, 2013, Darwin Convention Centre

ENQUIRIES: ADM Events - Jamie Burrage, Ph: 02 9080 4321;

Email: Jamie.burrage@informa.com.au

Web: www.admevents.com.au

Bringing together key figures from the NT Government, senior military figures, and senior industry representatives, this conference is all about the continuing development and support of Defence in the Top End. Hear about the current and new initiatives offered by Government and what industry can bring to support Defence's strategic objectives..

ADM will
be in
attendance

