



DEFENCE WEEK

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DMMA: business model rather than cost

Julian Kerr

Request for Proposals (RFP) from the four remaining contenders for the Domestic Munitions Manufacturing Arrangements (DMMA) are due March 25, according to informed sources.

The RFP is understood to involve suggestions for a preferred business model rather than detailed costings. Shortlisting of two or possibly three of the contenders is expected to be announced in June or July prior to the issue of an RFT in August, with a preferred tenderer to be named late this year or early in 2014 and contract signature by mid-2014.

DMMA aims to deliver new commercial arrangements for the manufacture and supply of domestically produced munitions, propellants and explosives, replacing the Strategic Agreement for Munitions Supply (SAMS) and Mulwala Agreements, both of which expire in June 2015.

Contenders comprise **Alliant Techsystems** of the US teaming with **NIOA Nominees**, an Australian-based SME; **BAE Systems Australia** teaming with **Expal System** of Spain; **Rheinmetall Waffe Munitions** of Germany teaming with **Nitrochemie** of Germany and **RUAG Ammotec** of Switzerland; and **Thales Australia**, the current incumbent, teaming with **General Dynamics-OTS** of the US, and **NAMMO** of Norway.

BAE Systems Australia and EXPAL combined their individual bids in November. The Raytheon-led team of South Korea's **Poonsang Corp** and **Chemring Australia** withdrew early this year amid reports that Poonsang was unhappy with the risk demonstrated by the Commonwealth's abrupt decision last May not to proceed with the purchase of 155mm self-propelled howitzers from a **Raytheon-Samsung Techwin** team.





Strong defence industry to boost economy

The Newman Government has launched a new defence industries unit and appointed a defence envoy in a bid to grow the local defence sector and attract more investment to Queensland.

Queensland is the second-largest state for defence employment, home to a quarter of Australian Defence Force (ADF) military personnel and a 26 per cent share of national defence industry activity.

Premier **Campbell Newman** said the new **Defence Industries Queensland (DIQ)** unit would build on this and be a focal point for development of the sector in the state.

"The creation of DIQ demonstrates our long-term commitment to advancing Queensland's defence industries," Newman said. "DIQ's approach will be shaped by future defence strategies and long-term procurement needs, growing a globally competitive industry."

"To drive defence investment in the state's economy, we have appointed Queensland's first Defence Industries Envoy, **Lindsay Pears**."

Pears started his career with the Royal Australian Air Force, followed by more than 25 years with leading defence contractors **Ferranti**, **GEC Marconi** and **Boeing**, and more recently as president of **Saab Technologies Australia**.

Deputy Premier **Jeff Seeney** said establishing DIQ signalled the increasing importance of defence industries to Queensland.

"Defence industries are some of the highest value-adding sectors with significant growth potential in domestic and overseas markets," Seeney said. "This new unit will be part of the Industry Development division of the Department of State Development, Infrastructure and Planning."

"The unit's scope will extend from strategic assessments, to working with supplier groups to ensure local companies can take advantage of international project work."

"Key components of the Envoy's roles will be to provide expert advice to inform Queensland's strategic approach, identify specific market opportunities and assist industry development activities that support access to them."

In 2011/12 Queensland attracted the largest share of the ADF Major Capital Facilities Program funding, at more than \$441 million.

The Deputy Premier said Queensland needed a proactive approach to ensure it was well-placed to support Australia's own defence needs, while building an international perspective and a broad-based industry capability.

ADM Cyber Security Conference

Date: 12-13 June 2013, Hotel Realm, Canberra

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The Chief of Army's media launch for the "Women in the Army" recruitment campaign was held March 2013, at Victoria Barracks, Sydney NSW. [Defence]



Army launches new recruitment drive for women

Minister for Defence Science and Personnel Warren Snowdon joined the Chief of Army Lieutenant General David Morrison to launch the Australian Army's new recruitment of women campaign.

The "Women in the Army" recruitment campaign is part of an Army initiative to increase the number of women serving from 10 to 12 per cent by 2014.

Snowdon said the removal of gender restrictions would encourage talented, capable women to join the ADF.

"The removal of gender restrictions signals a key milestone in the significant cultural change we are seeing in Defence – and this will make a real difference in our ability

to attract women in to the Defence force and keep them there," Snowdon said.

LTGEN Morrison said for the first time Army has set specific targets for the recruitment of women.

"My major goal for Army is to substantially increase the number of women in the Australian Regular Army, from its current level of approximately 3,000 to 3,600 by mid-2014," LTGEN Morrison said.

"We have worked hard to remove barriers that women face when they consider a career in Army. In particular, we are trialling a 12-month Initial Minimum Period of Service for selected trades and we are working to offer a pre-enlistment training fitness program for women candidates to improve their chances of success."

"We are also focussed on retaining women in Army and are working with the other Services and Groups to engage our service women to better understand their needs. The result has been the implementation of flexible working initiatives that better support families, such as increased carer's leave, shared leave between Service couples and the consideration of childcare options.

"We are also reviewing how career management supports the retention of women in Army, with a view to better accommodating career development and family responsibilities," Lieutenant General Morrison said.

Army is currently developing and implementing a number of recruiting and retention initiatives to increase the number of women in the Regular Army.

To support this strategy Defence Force Recruiting has developed a marketing campaign that focuses on the opportunities available in the Army to women, and highlights the normality, balanced lifestyle, benefits and rewards of an Army career.





Managing director of Saab Systems, Dean Rosenfield

New managing director for Saab in Australia

Dean Rosenfield has been appointed as the new managing director of Saab Systems.

Rosenfield has been with Saab since 2001; most recently in the role of general manager civil security where he has grown the business considerably with large contracts in Queensland and NZ.

He is a graduate of the Royal Military College, Duntroon and served 15 years in the Australian Army before moving to industry in 1999 as a management consultant to the Defence Acquisition Organisation.

Since joining Saab, he has held senior roles in systems engineering, project management and as a sales director on the defence side of the business.

Saab's previous managing director in Australia, **Richard Price**, has been promoted to manage the Security Management and Secure Communications business in Sweden.

Pointing the finger at Government for problems

The latest defence industry sentiment survey has confirmed the Labor Government is still regarded as the biggest drag on the strategic defence industry sector, with well over two thirds of respondents considering government decisions will negatively impact upon their business.

Shadow Minister for Defence Science, Technology and Personnel, **Stuart Robert**, said the results of the latest sentiment survey conducted by the **Australian Business Defence Industry Unit** (ABDIU) were cause for serious concern.

"The fact there has been no improvement in defence industry sentiment since late 2013 when the last survey was conducted points to one thing, and one thing only, the Government simply doesn't care about supporting Australia's defence industry sector," Robert said.

"Some 71.1 per cent of respondents concluded that Government decisions over the next six months will negatively impact on their business. That is on par with the previous 72.4 per cent and shows the Labor Government has not been listening to the concerns of Australia's vital strategic defence industry sector."

The latest ABDIU Australian Industry Sentiment Index surveyed 115 companies in February 2013 and established there has been little change in business sentiment since late last year.

Australia-Vietnam Defence Ministers' Meeting

This week Defence Minister Stephen Smith hosted Vietnam's Minister of National Defense, General Phung Quang Thanh, for the inaugural Australia-Vietnam Defence Ministers' meeting.



“During our discussions, Minister Thanh and I examined progress in our bilateral Defence relationship and agreed steps to further strengthen cooperation. We also discussed issues of mutual interest, including the promotion of security and prosperity in our region.

He said Australia will assist Vietnam as it prepares to deploy troops on United Nations peacekeeping missions for the first time. Australia will provide training to Vietnam People’s Army troops preparing to deploy on United Nations peacekeeping missions in the future. As well, Australia will offer more than 80 places to Vietnam People’s Army personnel this year and next year to take part in military and English language training in Australia.

This will include a further post-graduate scholarship position for the Vietnam People’s Army in 2014, in addition to an extra position already offered this year. This will bring the total number of post-graduate scholarship positions offered to Vietnam to 11 in 2013 and 12 in 2014.



APA selected as RR300 engine AMROC

Asia Pacific Aerospace (APA) has been selected by Rolls-Royce to become an Authorised Maintenance Repair and Overhaul Centre (AMROC) for the support of the RR 300 engine for the Australasia region.

The RR300 engine embodies new technology and advanced design methodology. The RR300, with take-off power and performance of 300 shp, was unveiled in 2007 and currently is in production for the R66 helicopter manufactured by **Robinson Helicopter Company** in Torrance, CA. The engine draws on the proven record of the Rolls-Royce M250 turbine engines to deliver a powerful and dependable engine at a competitive price.

As a Rolls-Royce M250 and RR300 AMROC, APA provides comprehensive in house maintenance services to support various operators across the world. APA is authorised to carry out specialised major and critical component repairs, a full range of aviation and non-aviation machining, welding and metal spraying as well as the repair, testing and overhaul of the Rolls-Royce M250 series engine fuel components.

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.

Making headlines this week, Airbus Military received full Type Certification for the **A400M** new generation airlifter, marking a critical step towards delivery of the first aircraft to the French Air Force.

Austal’s **Cape Class Patrol Boat** was officially named the Cape St George during a ceremony held at Austal’s Henderson shipyard in Western Australia.

The Australian Government made a multimillion dollar investment to develop future defence technology, under the **Capability and Technology Demonstrator Program**.



International



F-35 program 'on firmer footing' - GAO

According to the US Government Accountability Office (GAO), the F-35 program achieved 7 of 10 key management objectives for 2012 and made substantial progress on one other. Two objectives on aircraft deliveries and a corrective management plan were not

met. Also in 2012, the program conducted more developmental flight tests than planned and made considerable progress in addressing critical technical risks, such as the helmet-mounted display.

With about one-third of development flight-testing completed, much testing remains to demonstrate and verify F-35 performance. Software management practices are improved, but with significant challenges ahead as software integration and testing continue to lag behind plans.

Manufacturing and supply processes are also improving—indicators such as factory throughput, labour efficiency, and quality measures are all positive. While initial F-35 production overran target costs and delivered aircraft late, the latest data shows labour hours decreasing and deliveries accelerating. The program is working through the continuing effects from its concurrent acquisition strategy that overlapped testing and manufacturing activities. For example, the program is continuing to incur substantial costs for rework to fix deficiencies discovered in testing, but the amount of rework needed on each aircraft is dropping.

Going forward, ensuring affordability—the ability to acquire aircraft in quantity and to sustain them over the life cycle—is of paramount concern. With more austere budgets looming, F-35 acquisition funding requirements average \$12.6 billion annually through 2037 (see below). The new F-35 acquisition baseline

incorporates the Department of Defense's (DOD) positive restructuring actions taken since 2010, including more time and funding for development and deferred procurement of more than 400 aircraft to future years. These actions place the F-35 program on firmer footing, although aircraft will cost more and deliveries to warfighters will take longer. The program continues to incur financial risk from its plan to procure 289 aircraft for \$US57.8 billion before completing development flight-testing. Meanwhile, the services are spending about \$US8 billion to extend the life of existing aircraft and to buy new ones to mitigate shortfalls due to F-35 delay.



More work for Austal USA

The US Department of Defense has awarded Austal USA in Mobile an additional \$US19.987 million in a modification



to a previously awarded Littoral Combat Ship contract, the shipbuilder said today in a press release. The modification exercises options for class service efforts and special studies, analyses and reviews for the LCS program, according to the company's release.

With the award, Austal will assess engineering and production challenges and evaluate the cost and schedule risks of the LCS. Work is expected to be completed by March 2014.

"This award is important as it aligns with Austal's strategy of expanding the level of support services we provide, in particular for the US Navy's LCS and Joint High-Speed Vessel platforms for which we are prime contractor," Andrew Bellamy, Austal's CEO, said in a statement.

Earlier this month, the US Navy awarded Austal \$US682 million to construct two additional LCS. The contract options fund construction of the LCS 14 and LCS 16, the fifth and sixth ships in the 10-ship block buy award given to Austal in December 2010. The two additional LCS puts Austal under contract for a total of eight 127-meter Independence-variant LCS class ships - including USS *Independence*, delivered to the Navy in 2009 - six of which are a part of a 10-ship, \$US3.5 billion contract.

Elbit Systems lands \$115 million EW contract

Elbit Systems EW and SIGINT – Elisra Ltd has been awarded an approximately \$115 million contract to supply an Asian customer with Electronic Warfare (EW) systems for multi-purpose land missions. The contract will be performed over two years.

"We are very proud of this award, achieved due to our technological advancements in the EW field," **Edgar Maimon**, general manager of Elisra, commented. "This award further attests to our position and recognition as a world leading supplier of EW systems."



Non Aegis comms for SM-3

Raytheon Missile Systems has successfully completed a milestone test of a dual-band (X and S-band) missile datalink designed to enable the integration of its Standard Missile-3 (SM-3) ballistic missile defence (BMD) interceptor into non-Aegis ships.

Jointly funded by Raytheon and Thales Nederland, the captive trial March 5 at the Royal Netherlands Navy's (RNLN's) shore-based combat systems centre at Fort Erfprins, Den Helder, validated the ability of the dual-band datalink to communicate with the Thales active phased array radar (APAR) X-band radar-*IHS Janes*





BAES' Artisan 3D radar 'most sophisticated'

It is reported that the British fleet's new radar can detect a supersonic tennis ball at 25 km. The new radar, developed for the Royal Navy's Type 23 Duke-class frigates, is designed to

simultaneously detect 900 targets smaller than a bird, against background noise equivalent to 10,000 mobile phone signals at ranges from 200 meters (656 ft) to 200 kilometres (124 mi).

According to **BAE Systems**, the Artisan is the most sophisticated radar system ever developed. The first unit has been installed aboard HMS Iron Duke (F234) as part of her five-yearly refit before re-entering service next year. The company said that the advantage of Artisan is not only its capabilities, but also its light weight of only 700 kilograms. A single team can install it in only three weeks.

The current consensus is that the Royal Navy's Daring class frigates have the most advanced radar systems. These use a combination of an S1850M and a SAMPSON radar. These multi-function radars are fully automatic and between them can track 1000 targets at a range of 400 kilometres as well as stealth craft and objects at the outer atmosphere while providing control for the ship's Sea Viper defence system and its **Aster** missiles.

The Artisan radar is currently being fitted to Type 23 frigates as part of a £100 million (US\$1.5 million) program, but the system will also be used in amphibious ships and the Queen Elizabeth Class aircraft carriers currently under construction. It may also be used in the new Type 26 frigates that will come into service in 2020-*David Szondy/Gizmag*.



Skylark 2 UAV soon for operational service

The Israel Defense Forces (IDF) ground troops are planning to bring the Skylark Generation 2 unmanned aerial vehicle (UAV) into operational service in the next few months. Currently undergoing

final testing stages, the UAV is scheduled to be operated by the IDF Ground Forces' infantry battalions for intelligence missions in the battlefield.

Weighing seven kilograms, the system has been jointly developed by the Technology and Logistics Branch and the Ground Forces weapons department, and is being supplied by **Elbit Systems**. Equipped with advanced cameras, the Skylark II UAV is designed to provide battalion soldiers with visual intelligence of the operational area, and also expected to offer several technological operational advantages in the battlefield.

Powered by a single electrical motor, the Skylark is based on Elbit Systems' Skylark I UAV, and can conduct real-time intelligence, surveillance, target acquisition and reconnaissance (ISTAR) missions over a 60 km range in the battlefield. ▶▶▶

Deployed using **high-mobility multipurpose wheeled vehicles** (HMMWV), the hand-launched, close-range tactical UAV has a flight endurance of six hours, and can be operated by a two person crew from a ground control station (GCS) in both medium and low altitudes. The UAV is equipped with a built-in launcher, GPS, night camera, and electro-optical/infrared multi-sensor, as well as a thermal imager for capturing high-resolution images during night or low-visibility conditions.

GD to produce mission computers for USN's F/A-18 aircraft



General Dynamics (GD) Advanced Information Systems has received a contract from the US Navy to produce and deliver Type-3 advanced mission computers (AMC) in support of the F/A-18E/F Super Hornet and EA-18G Growler aircraft.

Under the \$US19.3 million contract, GD will deliver 76 forward fit Type-3 AMCs, which will serve as nerve centre of the aircraft to provide situational awareness and combat systems control to the flight crew.

General Dynamics Advanced Information Systems president **Lou Von Thær** said that the company had already achieved a milestone with the delivery of the 1,500th advanced mission computer in 2012 in support of the Super Hornet program.

The Type-3 AMC is a ruggedised, high-performance, high-reliability mission and display-processing system, designed to process data flows at a greater speed from the advanced sensor technologies. Capable of performing general purpose, input/output, video, voice and graphics processing, the system can also operate in the extreme environmental conditions while supporting high-performance fighter aircraft missions.

Scheduled to be complete in December 2014, work under the contract will be carried out at the company's facility in Bloomington, Minnesota as well as in Albuquerque, New Mexico, US. The US Naval Air Systems Command will serve as the contracting activity.

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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

SEWG

DATE: 17 April 2013, Russell Offices, Canberra

ENQUIRIES: Lori Catelli, Ph: 02 6265 7108; Email: lori.catelli@defence.gov.au

The sixth meeting of the SEWG will take place from 10.00am to 1.00pm. Respond by email by Thursday 28 March with the names and email addresses of those attending the SEWG meeting.

International Maritime Security Conference

DATE: 14-16 May 2013, Changi, Singapore

ENQUIRIES: More details to be released closer to the date.

IMDEX Asia Web: <http://www.imdexasia.com/index.aspx>

IMSC 2013 will bring together Navy Chiefs, Coast Guard Directors-General and academia around the world to discuss threats to maritime security and safety, as well as develop frameworks and solutions to deal with the security challenges that threaten and disrupt sea lines of communication.

ADM Cyber Security Conference

DATE: 12-13 June, 2013, Hotel Realm, Canberra

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

Email: Jamie.burrage@informa.com.au **Web:** www.admevents.com.au

ADM's 3rd Cyber Security Summit will see stakeholders from Australia's Defence and National Security agencies address the current and emerging cyber threats to Australia's security. More details to be released closer to the date.

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 Sep - 19 Sep, 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. Since its inception in 1996, SimTecT has grown to become Australasia's premier simulation conference for industry, government and academia.