

OVER THE HORIZON RADAR SUPPORT SERVICES CONTRACT PUBLIC AIC PLAN

Company Details

Company Name:	BAE Systems Australia
Location:	Taranaki Road, Edinburgh Parks Edinburgh SA 5111
Website Address:	www.baesystems.com

Executive Summary

The Commonwealth has contracted out the maintenance and upgrade of the OTHR capability to both Lockheed Martin Australia Electronic Systems and BAE Systems for 7 years of Support Services under two separate contracts.

The current estimated contract value for BAE Systems' OTHR Support Services contract is in excess of \$167M AUD as at June 2015 (excluding Survey and Quote Services), with Australian industry representing greater than \$141M AUD of work. Further details are provided in Table 13 below:

Table 13: Activities performed by Australian Prime Contractor

AUSTRALIAN COMPANY	ACTIVITY DESCRIPTION	LOCATION
BAE Systems Australia	Support Services Management	Edinburgh SA, Mount Everard NT, Harts Range NT and North Ryde NSW
BAE Systems Australia	Engineering Support	Edinburgh SA, Mount Everard NT and Harts Range NT
BAE Systems Australia	Maintenance Support	Edinburgh SA, Mount Everard NT, Harts Range NT and North Ryde NSW
BAE Systems Australia	Supply Support	Edinburgh SA, Mount Everard NT, Harts Range NT and North Ryde NSW
BAE Systems Australia	Training Support	Edinburgh SA, Mount Everard NT and Harts Range NT
BAE Systems Australia	Support Resources	Mount Everard NT and Harts Range NT
BAE Systems Australia	Quality Management	Edinburgh SA, Mount Everard NT, Harts Range NT and North Ryde NSW

Scope of Work Opportunities

The OTHR Support Services contract is the latest in a series of contracts to provide ongoing in-service support to the OTHR systems. Given the supply chain is mature (i.e. skills, knowledge and suppliers are already embedded within the solution), there is limited opportunities for increased Australian industry involvement.

BAE Systems will continue to use existing suppliers/SMEs on the basis of their experience, commitment to quality, cost and schedule adherence and importantly their knowledge of the relevant requirements. However, BAE Systems may test the market for other suppliers when the current arrangements come to a conclusion, new scope is added or in the case of poor performance.

Where there is a change of supplier/SME proposed for Commonwealth approval; BAE Systems will conduct a needs analysis study and subsequently prepare a statement of requirement that considers all relevant fields and activities. This will be conducted by subject matter experts knowledgeable on current industry developments in their area of expertise. BAE Systems' formal tender processes and strategy assessment will ensure that the benchmarking is realistic and achievable. The activities detailed above will allow assessment of all suppliers in regards to:

- a. capacity within Australia to meet the capability required;
- b. quality system;
- c. design and production certification; and
- d. capability and capacity for improvement.

Future opportunities for Australian industry may arise in the following areas and locations:

- a. Specialist engineering services (Secret Cleared) – Edinburgh SA;
- b. Security guarding services (Secret Cleared) – Mount Everard NT and Harts Range NT;
- c. Computer support and maintenance services – Edinburgh SA, Mount Everard NT and Harts Range NT;
- d. Radar antenna maintenance services – Mount Everard NT and Harts Range NT;
- e. Equipment calibration services – Edinburgh SA, Mount Everard NT, Harts Range NT and North Ryde NSW;
- f. Component supply - Edinburgh SA, Mount Everard NT, Harts Range NT and North Ryde NSW:
 - i. Commercial Off The Shelf Items: Electronic Components, Fasteners, High Powered RF Components, Optical Fibre Transceivers, Computer & Network Equipment, Test & Measurement Equipment, Precision Tools & Equipment (Electronic Maintenance);
 - ii. Manufactured Items: Sheet Metal Fabrications, Machined Components (Plastic & Metal), Multilayer PCB's (Manufacture and Loading), Cables (Network, RF & Fibre); and

(Note: BAE Systems currently has preferred supplier agreements in place for the above components)
- g. Labour services (Secret Cleared) – Edinburgh SA, Mount Everard NT and Harts Range NT.

Attachment A – Public AIC Plan

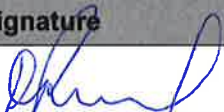
Industry Engagement

Australian industry may register their interest in future opportunities by contacting the BAE Systems' representative for the OTHR Support Contract.

BAE Systems representative contact details:

Contact Name:	Mr Santosh Nathan
Address:	Building 171, Labs Area, DSTG Edinburgh SA 5111
Phone:	08 7389 3327
Email Address:	santosh.nathan@baesystems.com
Website Address:	www.baesystems.com

BAE Systems will endeavour to respond to all expressions of interest made by Australian industry. As a result of the expression of interest, suppliers/SMEs may be asked to demonstrate their capabilities in order to be added to the BAE Systems Approved Suppliers List; enabling future consideration as opportunities arise.

Authorised on Behalf of BAE Systems Australia Limited			
Name	Signature	Title	Date
A. Schaeffer		OTHR Contract Manager	18 May 2016