

## CASE STUDY

### **ICN Assists Australian SME Find Local Opportunities Overseas**

Resources, viability and risk management are crucial factors that can inevitably drive tenders overseas. However, opportunities still exist for innovative Australian companies who are prepared to think outside the square and rise to the challenge. H.I.Fraser, a Sydney-based engineering SME, was one such company whose pro-active approach was well rewarded when ICN assisted in identifying lucrative opportunities associated with the Australian Department of Defence's amphibious ship build project.

The tender for the design and construction of the two Landing Helicopter Dock (LHD) ships was awarded to Tenix – now BAE Systems Australia – and partner Navantia, the Spanish shipbuilder. In the interest of supporting Australian involvement, ICN's Jim Barraza was seconded to BAE Systems Australia, who part funded the arrangement and provided much assistance in maximising the opportunities for local industry.

Recognising the opportunities with Navantia's supply chain, Jim contacted Chris Williams – Major Projects Manager at H.I.Fraser. The relatively small, grassroots engineering company was keen to expand its business and on the lookout for opportunities to grow and diversify. Its enthusiasm as it drew on its strengths, coupled with sound guidance from ICN, led to the company successfully forming partnerships with 12 major European suppliers. H.I.Fraser has established itself as a 'through-life-support' agent; representing the European equipment-manufacturers in Australia and taking responsibility for maintaining the Original Equipment Manufacturer (OEM) equipment once the ships are operational. This activity, to be undertaken in Australia, will create significant business for H.I.Fraser and generate numerous jobs.

Navantia was also commissioned to design the Navy's Air Warfare Destroyers (AWDs), leaving the Spanish company's suppliers well positioned to play a strong role in the supply chain for these ships. H.I.Fraser recognises the potential opportunities and plans to take full advantage, transferring the knowledge and experience gained from the LHD project.

In addition to H.I.Fraser's anticipated business in helping maintain the ships locally, the transfer of technology and knowledge to Australia is extremely valuable. H.I.Fraser currently has a program underway aimed at 'up-skilling' employees, facilitated by a \$2.2M 'Skilling Australia's Defence Industry'

(SADI) grant, which H.I.Fraser's supportive SADI Case Managers, Sunita Kandola and Alison Petchell, helped attain.

H.I.Fraser's involvement in the amphibious ships project has unleashed the possibilities for many further opportunities in new markets. Relationships formed with the NSW Department of Sustainability and Regional Development have opened doors for potential export opportunities into Korea and the Philippines; while the activity has also led to a significant increase in support from the Defence Material Organisation (DMO)'s Defence Export Unit with an opportunity to support the Vietnamese Peoples Navy.

In an effort to continue advancing the business, H.I.Fraser recently took advantage of the Federal Government's Enterprise Connect program - an initiative that aims to assist SMEs grow and diversify – engaging a consultant who reviewed the company and completed a benchmarking study. Chris Williams H.I.Fraser's Major Projects Manager described the feedback as “extremely valuable” as it has “helped identify areas of the business which could be improved, along with the best strategies for moving forward.”

This inspiring Australian success story demonstrates how an innovative and ambitious local SME can identify an opportunity, strategically draw on its strengths and align itself in order to take full advantage of Australian projects. It represents precisely what ICN aims to assist local companies achieve, and the organisation is proud to have played a part in H.I.Fraser's success. Collaboration between interstate ICN offices was vital in bringing about such a positive outcome, and the benefits will spread beyond H.I.Fraser's base in Sydney.

