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Rheinmetall MAN Military Vehicles  
(Australia)



# Public Australian Industry Capability Plan

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LAND 121 Ph3B Medium and Heavy Capability  
(MHC)

REVISION:	3.0
DATE:	17th February, 2017

## 1. COMPANY DETAILS

Company Name: Rheinmetall MAN Military Vehicles Australia Pty Ltd  
Company Location: 15/575 Bourke St, Melbourne, Victoria, 3000.  
Website Address: [www.rheinmetall-defence.com](http://www.rheinmetall-defence.com)

## 2. EXECUTIVE SUMMARY

Rheinmetall MAN Military Vehicles Australia (RMMVA) has been contracted by the Commonwealth of Australia to supply and support Mission Systems for a medium heavy capability (MHC) consisting of approximately 2,500 vehicle systems and approximately 3,000 modules under LAND 121 Ph3B. The current estimated value of the Acquisition Contract is over \$1.58bn AUD with Australian industry representing over \$475m AUD of work.

Under the Acquisition Contract (Contract No DMO/LSD/00210/2013), RMMVA is engaging Australian industry regarding many of the products required within Land 121 Ph3B MHC. RMMVA is committed to ensuring Australian industry has the opportunity to compete on merit for all items identified for potential procurement in Australia. The Acquisition Contract involves the design, development and production of specific hardware such as modules, some vehicle bodies, sub-systems and components; project management; integration; systems integration; and developmental, test and evaluation work between mid-2013 through to mid-2020. The Mission System delivery is scheduled to start in 2016 with final delivery expected in 2020. The Public AIC Plan will remain in place and current for the duration of the LAND 121 Ph3B Contract.

## 3. KEY OFFERINGS FOR AUSTRALIAN INDUSTRY

RMMVA has examined possible opportunities for Australian companies. RMMVA anticipates the following major areas of activities to contribute significantly to RMMVA's AIC requirements:

- The design, development and production of specific hardware such as modules, sub-systems and components.
- The detailed project management of in-country and overseas activities.
- The establishment of an integration facility that, during the Acquisition Phase, will bring together the discrete elements to ensure that an appropriately commissioned and inspected vehicle system is delivered to the Commonwealth of Australia after which the integration facility may evolve into the Through Life Centre of Excellence.

- The provision of a Through Life Support management system including a spares supply and management network together with possibly a spares holding and heavy grade repair capability.
- Systems integration work specific to the Australian scope of supply in order to satisfy unique operational or legislative requirements leading to subsequent design and development activity.
- Systems integration work that needs to comply with specific Australian security regulations or US ITAR regulations.
- Developmental, test and evaluation work leading to the appropriate validation and verification activities to ensure that the vehicle systems satisfy the requirements of the COA.
- The provision of a full suite of Integrated Logistic Support documentation and equipment together with User and Maintainer training; both training support material and physical training.

RMMVA will supply the following products and services under LAND 121 Ph3B through the engagement of Australian companies. The selected or shortlisted Australian companies are shown in the table below:

Product/Service	Key Australian Subcontractor / Strategic Partner	Status Selected/shortlisted	Location
Provision of: <ul style="list-style-type: none"> <li>• medium weight stores modules,</li> <li>• medium weight stores combat engineers section modules,</li> <li>• heavy stores module, and</li> <li>• medium weight maintenance modules</li> </ul> and all associated project management, design, verification and production activities.	Varley	Contracted	Tomago, NSW

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<p>Provision of:</p> <ul style="list-style-type: none"> <li>• Heavy Bulk Fuel Storage Modules</li> <li>• Heavy Bulk Fuel Pump and Storage Modules</li> <li>• Heavy Bulk Water Storage Modules</li> <li>• Heavy Bulk Water Pump and Storage Modules</li> </ul> <p>and elements of project management, design, verification and production activities.</p>	<p>Holmwood Highgate</p>	<p>Contracted</p>	<p>Loganholme Qld</p>
<p>Provision of:</p> <ul style="list-style-type: none"> <li>• Heavy Flatrack ISO-1C</li> </ul> <p>and portions of project management, design, verification and production activities.</p>	<p>Sea Box International</p>	<p>Contracted</p>	<p>Fyshwick, ACT</p>
<p>Provision of:</p> <ul style="list-style-type: none"> <li>• Floating Support Bridge, Bridge Erection Propulsion Boat Interface</li> </ul> <p>and portions of project management, design, verification and production activities.</p>	<p>RPC Technologies</p>	<p>Contracted</p>	<p>Seven Hills, NSW</p>
<p>Provision of:</p> <ul style="list-style-type: none"> <li>• C4I System Design</li> <li>• Crew Intercom System (CIS)</li> </ul> <p>Including project management, design, verification and production activities.</p>	<p>Thales, and; Various subcontractors including;</p> <ul style="list-style-type: none"> <li>•Milspec Manufacturing</li> <li>•Huber + Suhner</li> <li>•Oricom</li> <li>•Nova Systems</li> <li>•Cablex</li> </ul>	<p>Contracted</p>	<p>Rydalmere, NSW,  Albury, NSW,  Sydney, NSW, Sydney, NSW, Canberra, ACT, and; Melbourne, VIC</p>

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Prime Contract Management Activities	Rheinmetall MAN Military Vehicles Australia Pty Ltd & Various Tier 1 subcontractors including; <ul style="list-style-type: none"> <li>• Customs Agency Services</li> <li>• Gallagher Broking and/or ANZ Banking Corporation</li> <li>• Corporate Traveller</li> <li>• Kinetic Recruitment and/or Bayside Recruitment</li> </ul>	Various Supply Agreements and Purchase Orders	Melbourne, VIC,  Adelaide, SA,  Adelaide, SA, Canberra, ACT, and; Sydney, NSW / Melbourne, VIC
Prime Contract Engineering associated activities.	Rheinmetall MAN Military Vehicles Australia	N/A	Melbourne
Prime Contract Integration related activities.	Rheinmetall MAN Military Vehicles, and; <ul style="list-style-type: none"> <li>• Penske Commercial Vehicles</li> <li>• Milspec Manufacturing</li> <li>• Hilton Manufacturing</li> <li>• Thomas Warburton</li> <li>• C.E. Bartlett</li> <li>• Hide Away Safe</li> </ul>	Contracted	South East Queensland Wacol, QLD, Albury, NSW, Dandenong, VIC, Dandenong, VIC, Ballarat, VIC, and; Wangaratta, VIC
RMMVA Project Management Overhead Recovery and Margin	Rheinmetall MAN Military Vehicles Australia	N/A	Melbourne, VIC
Provision of: <ul style="list-style-type: none"> <li>• Truck Dedicated Fuel</li> </ul> Including project management, design, verification and production activities.	Holmwood Highgate	Contracted	Loganholme QLD

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Provision of: <ul style="list-style-type: none"> <li>• Truck Dedicated Tipper</li> <li>• Truck, Medium Weight Tipper</li> </ul> Including project management, design, verification and production activities.	Tidd Ross Todd (Australia)	Contracted	Brisbane, QLD and Hamilton NZ
Provision of Integrated Logistic Support Services	Logistic Solutions Australasia	Contracted	Melbourne, VIC
Provision of Vehicle System Paint	Axalta	Contracted	Sydney, NSW
Provision and delivery of Vehicle Complete Equipment Schedule (CES) items.	Thomas Warburton	Contracted	Melbourne, VIC and Brisbane, QLD
Provision of Introduction into service (ISS) training development and training	RMMVA, and, SMA (Maintainer Training) and MRT (Operator Training)	Contracted	Melbourne VIC, Melbourne, VIC, and; Brisbane, QLD
Provision of transport and distribution services for Mission Systems	CASPL	Contracted	Adelaide, SA
Provision of vehicle testing facilities	Australian Automotive Research Centre	Contracted	Anglesea

## 4. SCOPE OF FUTURE WORK OPPORTUNITIES

RMMVA is well advanced in the process of finalising arrangements with key subcontractors and strategic partners for the remaining work packages noted under section 3 of this Public AIC Plan.

RMMVA will continue to use the subcontractors and suppliers identified in the Public AIC Plan based on their experience, commitment to quality, value for money, schedule, adherence and their knowledge and understanding of the relevant requirements.

RMMVA will engage with Australian industry and test the market as opportunities arise in the work activities outlined in section 3 of this Public AIC Plan. Specific details for this process are outlined below. RMMVA may test the market for other suppliers when current arrangements come to a conclusion, new scope is added or they perform poorly.

## 5. INDUSTRY ENGAGEMENT AND MARKET TESTING

RMMVA will undertake a structured approach to future industry engagement and market testing using similar processes that were used to select the Australian companies listed in Section 3. The process described below reflects RMMVA's procurement procedures for major acquisitions already contracted and provides Australian industry with an insight into RMMVA's procurement processes and key decision making criteria.

RMMVA conducted an 'Initial Registration of Interest' followed by an evaluation to ascertain Australian industry interest and capabilities for LAND 121 Ph3B MHC. The initial approach to industry provided an open opportunity for the total range of bodies and modules in which companies could participate.

RMMVA down selected a number of candidate companies based on a range of options. Local content with Australian production was a key high value selection criterion. Some organisations offered an off-shore or foreign content option as well as a local option.

RMMVA issued a RFP to an initial group of down selected local companies who had exhibited desirable attributes. The primary attributes sought by RMMVA included the following areas:

- Military Off the Shelf (MOTS) Products,
- Local Australian company,
- IP Ownership or licence, and
- Manufacturing capability and capacity.

RMMVA received a wide variety of responses from selected respondents. Of particular interest were the following attributes:

- Unit Cost,
- Non-Recurring Cost, and
- Claimed Australian Industry Content.

All assessments are undertaken in accordance with industry best practice and reviewed by senior management within RMMVA and RMMV as appropriate. The key discriminators are technical compliance, cost, capabilities and AIC.

The Land 121 Ph3B Procurement Manager is responsible for appropriate market testing to ensure that all procurement activities are done on an equal opportunity basis and subsequently managed to ensure that best value for money outcomes are achieved.

RMMVA will continue to engage with relevant State Government Departments and industry associations to provide relevant Australian companies with project related future business opportunities concerning LAND 121 Ph3B when future opportunities arise.

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## 6. POINT OF CONTACT

The Procurement Manager L121 Ph3B MHC is the point of contact for Australian industry for opportunities specific to these contracts. Suppliers should contact:

Procurement Manager Land 121 Ph3B

P: +61 3 8630 3400

E: [procurement@rheinmetall.com.au](mailto:procurement@rheinmetall.com.au)

15/575 Bourke Street, Melbourne, VIC, 3000

## 7. AUTHORISATION

Signature: (Deemed Signed Electronically)

Name: Brett Trigger

Position: Procurement Manager

Date: 27.09.2017