

MEDIA RELEASE

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IKAD TO ESTABLISH HENDERSON ALLIANCE FOR DEFENCE SMEs

Concerned local business IKAD Engineering is seeking to establish a commercial alliance of SMEs in the Henderson area to assist small business participation in emerging defence industry contracts.

“Many overseas prime contractors short-listed for the \$90b programs for new frigates, submarines and offshore patrol boats are major European firms who might prefer not to deal with multiple small local businesses – so we may need to aggregate our capabilities to manage larger work packages,” said IKAD Managing Director Ivan Donjerkovich.

“There are many small Henderson businesses which already provide quality products and services but probably lack capability in aspects such as international business development, supply chain management, documentation, marketing and advertising,” he said.

“By working together we can bring the right skills together and deliver project management and risk-proofing in the commercial scale the prime contractors are seeking.

“The potential danger is the overseas firms only select major Australian partners and Henderson SMEs will struggle for a fair share of the work - this would be the worst possible outcome for the WA economy.

“It will be a real danger for this State if local content is simply defined by the total number of jobs created, instead of the actual number of SMEs engaged,” he said.

The group will have a commercial focus but also responsibly promote the policies and views of the Henderson Alliance to government and key industry bodies such as the CCIWA Defence Industry Council and the Australian Industry and Defence Network (AIDN).

“As an example of our local content commitment, we have tendered for a large defence industry contract in Exmouth. While IKAD has the capacity to go it alone, our bid now involves other members of the Henderson Alliance along with some SMEs in Exmouth as well. We saw this as an excellent platform to launch our cooperative approach,” he said.

“We certainly want to get things moving quickly so we will start as a loose affiliation coordinated by IKAD to develop the participation base and decide the optimal way to operate.

“When it comes to these major new defence contracts, partnerships are the only way to go and my door is always open,” Mr Donjerkovich said.

IKAD Engineering is a Henderson-based engineering firm with over 100 employees which undertakes refurbishment, maintenance and refit work on ANZAC frigates as well as a wide range of significant activities across industrial, energy, mining, oil and gas sectors.

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