

Tuesday, 22 April 2008

DEFENCE BOOM LURES ANOTHER AMERICAN FIRM

Deputy Premier Kevin Foley today welcomed the arrival of another international defence procurement company, the US-based aerospace and defence multinational *AAR*, which has announced it is to establish an office at Technology Park at Mawson Lakes.

AAR Defense Systems & Logistics division will use its new office to bid for work with the Federal Defence Materiel Organisation - specifically in the aerospace and land sectors.

“South Australia has won about \$12 billion of defence contracts so far, so it is not surprising that our State is firmly on the radar of some of the world’s biggest defence corporations,” Mr Foley says.

“We have secured contracts for the Air Warfare Destroyer build program, the Collins Class Submarine maintenance program and the Coastwatch Airborne Surveillance program.

“We are also creating a vital defence industry hub at Techport Australia at Osborne, Technology Park at Mawson Lakes and the Edinburgh Defence Precinct.

“It is understandable that companies such as *AAR* want to invest in our State, employ Australian workers and be part of the action,” Mr Foley says.

Vice President and General Manager of *AAR Defense Systems & Logistics*, David Perri, says it was South Australia’s assistance and professional approach during and after last year’s Defence Industry Conference in Adelaide that influenced the decision to set up an Australian operation in Adelaide.

“We were very impressed with the South Australian presentation and the attitude of the State Government,” he says.

AAR’s primary role is to provide a service to Prime System Integrators (PSIs), companies that have won major defence contracts, like BAE (Tenix) and General Dynamics.

“We bring local sub-contractors to these PSIs, small-to-medium business enterprises that, on their own, don’t have the financial horsepower or expertise to climb the sub-contracting ladder,” Mr Perri says.

As part of its strategy *AAR* plans to employ only Australians, as well as sponsor apprenticeship schemes and hold professional skills development courses.

It has already sent an advanced party to recruit a senior management team for the new Australian business.