



Building your business in the defence industry

To develop your business in the defence industry you need to find the right fit for your products and services, and build your business capabilities to meet Defence's special requirements. The Centre for Defence Industry Capability (CDIC) can help you prepare and position your business.

The opportunity

The Australian Government is investing \$200 billion over the decade and beyond to modernise Australia's defence capability.

This investment means new opportunities for Australian businesses to develop their business in the defence industry.

Positioning your business

There's no single source of defence industry opportunities and no 'preferred supplier' list. Developing your business in the defence industry is partly about building and aligning your business capabilities to Defence needs, and partly about connecting with Defence and other businesses in the defence industry to identify and develop opportunities.

The CDIC can help you:

- understand Defence requirements
- build and align your business capabilities
- connect with Defence and defence supply chains.

Understanding Defence requirements

Defence is making its requirements clearer so that Australian businesses can understand what Defence needs and invest accordingly in their own capabilities.

A good place to start is our website, business.gov.au/cdic. You'll find links to key Defence websites and information about Defence requirements and preparing your business.



Our website has links to two key reads that will help you plan your business's development:

- The *Integrated investment program* outlines the areas of Defence capability investment. This is a good reference tool to plan for the future Defence program, covering all elements of the Defence investment.
- The *Defence industrial capability plan* brings together in one place the entry points and programs available to Australian businesses that can provide products or services to Defence. The plan also identifies the Sovereign Industrial Capability Priorities that are considered critical to Defence and should be maintained and supported in Australia.

Once you have an overall picture, talk to one of our business advisers. They have extensive knowledge of the industry and can help you work out how your business aligns with Defence requirements.



Building and aligning your business capability

You need to:

- **Be a good fit for the defence industry**
Assess the alignment between your business's capabilities and Defence procurement priorities. This will help you work out where to focus your business development effort.
- **Be defence-ready**
Generally you need a history of strong supply performance and an appropriate quality assurance program, among other things. You may need to improve your business capabilities in specific areas to meet Defence requirements.
- **Take a long-term view**
Developing the necessary service offerings, skilling, tooling, accreditations and partnerships will take time, planning and investment.

Our business advisers can help you improve your business's capabilities and take advantage of development opportunities in the defence industry. Our advisory and facilitation services include:

- Business improvement – identifying areas where your business can become a more competitive supplier to the defence industry and growth opportunities in defence and adjacent markets.
- Skills development – identifying the support needed to upskill your workforce to align with the capability requirements of Defence.

Grants

As part of an advisory or facilitation service, a CDIC business adviser may make business improvement recommendations that are eligible for a Capability Improvement Grant. This will reimburse you for up to half the cost of engaging a consultant or expert to help you with things like business strategies, quality assurance, risk management, mentoring and coaching, skilling, and training for your existing workers.

From 2018–19, the CDIC will also manage new grants for businesses that contribute to a Sovereign Industrial Capability Priority (these priorities are listed on our website) or are building their capability to compete internationally.

Connecting with Defence and defence supply chains

Some opportunities come directly from Defence, but most come through connections with the supply chains of major defence contractors and other businesses. Under the Australian Industry Capability Program, prime contractors competing for Defence tenders over \$20 million must identify Australian suppliers.

Our business advisers work closely with Defence, prime contractors and other government bodies, building a network of knowledge and relationships across the defence industry. They can help connect you with supply chains.

If your business is Defence-ready and you're looking to supply to major Defence projects, you can express your interest through our website. This gives us the information we need to potentially connect you with the supply chains of major defence projects, and to tailor our support services to your business.

Next steps

- **Visit us at business.gov.au/cdic**
Our website has a lot more information to help you understand the defence industry and decide whether it's right for your business.
- **Talk to one of our business advisers**
When you're ready to take things further, our specialists can advise on defence market opportunities and help connect you with supply chains. Call the CDIC on **13 28 46**.
- **Create a free AusTender account**
To receive notices of new opportunities, register at tenders.gov.au.
- **Get the Defence Industry and Innovation newsletter**
We email monthly updates on defence industry developments and events. Register through our website (business.gov.au/cdic).
- **Attend industry events**
Find out about upcoming events and register at business.gov.au/cdic.
- **Network with others in the defence industry**
Defence industry associations and the defence industry office in your state or territory are a good starting point. These are listed on our website.