

# Capability News

Tenth Edition



## ICN Helps Queensland Suppliers Stay Upbeat about the Downturn

ICN Queensland's project opportunity seminars are proving to be invaluable for Queensland suppliers to gain market intelligence about upcoming projects and opportunities.

Under the current economic climate, every manufacturer is looking for ways to avoid any downturn in orders and increase revenue certainty. With the support of the Queensland Government, ICN Queensland is doing its part to assist local manufacturers and value-adding service providers identify supply chain opportunities through its state-wide Project Opportunity Seminars.

Eddo Roggeveen, ICN Queensland's Industrial Projects Coordinator and seminar presenter says "The purpose of these seminars is to inform as many suppliers, particularly in the regions, of major project supply chain opportunities in their local area that they otherwise may not have known about. It's also an opportunity for ICN to share knowledge on how suppliers can maximise their chances of getting work."

In an effort to illustrate the background and benefits available to local suppliers, the seminars also include information on the Queensland Local Industry Policy (LIP). Established in 1999, the objective of the policy is to give full, fair and reasonable opportunity for Queensland businesses to participate in major projects, and applies to all projects valued at over \$2.5 million and \$5 million in Regional Queensland and South East Queensland respectively. The implementation of the LIP not only benefits Queensland industry, but relies heavily on ICN to support major project proponents with services including developing a Local Industry Participation Plan (LIPP) and carrying out capability searches for Queensland manufacturers and service providers.

The first seminar road-show took place in November 2008 through Mackay, Townsville and Cairns, attracting over 250 Queensland suppliers. Major project proponents in the local area including Ports Corporation, Major Hospital Projects Office and Thiess were also involved in the seminars, outlining various projects status, future plans and contracting opportunities. Roggeveen says "the best thing Queensland manufacturers can do for themselves in tough times is to identify as many opportunities in their region as possible and this type of information is invaluable for companies that are experiencing slow or negative growth."

In partnership with Rockhampton Regional Development Limited (RRDL), ICN Queensland presented their most recent seminar in Rockhampton in February with project proponents from Gladstone Pacific Nickel and Wiggins Island Coal Terminal. Gary Kerr, CEO of RRDL says "The event was a great success with over 140 people registering. ICN not only provide industry with services in regards to supply chain opportunities, but

### IN THIS ISSUE:

- ICN helps Queensland Suppliers Stay Upbeat about the Downturn
- Export Opportunities in the Chinese Coal Sector
- Industry Capability Network (SA) Supports New Troop Transport
- Project Gateway Employed for Indigenous Housing Project
- Local Suppliers Make a Break in Prison Project
- Gunns Limited Tasmanian Pulp Mill
- Securing the ACT's Future Water Supply
- Shanghai World Expo Providing Opportunities for Australian Business
- Proactive Australian SME Looks Overseas for Local Opportunities
- Directory of Australian Oil & Gas Goods and Services Exporters
- Local Contractors Supply Tumut Kraftliner Mill
- ICN Assists Emerging Green Industry Get Pilot Go-Ahead

also assisted them with technical information on issues such environmental compliance and collaborative tenders, they do a great job at solidifying the link between industry and major projects."

Bruce McCleary, Commercial Manager at Gladstone Pacific Nickel said "At this particular seminar, ICN Queensland dealt with all projects around the Central Queensland region, which is a fantastic service for industry. From a project management point of view, our presentation illustrated to industry what benefits big projects offer, not only in terms of definitive requirements, but also the flow on effect major projects have on the local region and associated industries. It was a great opportunity for us to know what local suppliers are out there, so if we do require specialised services, we can come back to this type of forum to find them."

The Gold Coast region Seminar was held on the 18th of March. Suppliers can keep updated with seminars in their region by subscribing to the ICN Queensland Newsletter or viewing the events calendar at [www.icnqld.org.au](http://www.icnqld.org.au).

For more information about these seminars, please contact Eddo Roggeveen, Industry Capability Network (QLD) or email: [info-qld@icn.org.au](mailto:info-qld@icn.org.au)

# There's an aussie who can help

## Export Opportunities in the Chinese Coal Sector

Opportunities are currently available for Australian and NZ companies to supply equipment and services to the massive Chinese coal mining industry.

Supported by the Commonwealth Government's Supplier Access to Major Projects (SAMP) program, ICNNSW Hunter Manager Mr Ken Ford will lead several highly targeted trade missions to China over the next 2 years.

Chinese coal production is to increase from 2.3 billion tonnes p.a. to 3.3 billion tonnes p.a. over the next few years. In comparison, the Australian coal mining industry produced approx 380 million tonnes in 2008.

Australian and NZ companies will be sought to realise opportunities in:

- Coal mine safety products and services (including training),
- Coal beneficiation plant,
- Coal seam methane power, and
- Ultra- clean coal technologies

Mr Ford is collaborating closely with China Australian Mining Development Alliance (CAMDA), and Australian Mining Services International (AMSI), to identify opportunities for Australian & New Zealand exporters, then introduce potential suppliers to the appropriate Chinese decision makers and supply chain partners with the aim of developing long term, mutually beneficial business relationships.

The program will involve presentations and discussions with Australian equipment and service producers, visits to Australia by leaders in Chinese coal mining, and trade missions to China.

Companies interested in opportunities from this program should contact Ken Ford, Industry Capability Network (NSW) or email: [Kford@icnnsw.org.au](mailto:Kford@icnnsw.org.au)



Picture: Australian equipment arrives at an Inner Mongolian coal mine site.

## Industry Capability Network (SA) Supports New Troop Transport

A South Australian-based consortium of manufacturers is seeking to win defence-industry support for a new way of transporting Australian Defence Force (ADF) personnel and assets in militarised zones.

Military Solutions Australia Pty Ltd (MSA) and its partners have created a prototype of their Configurable Protected Module (CPM) at Mannum in South Australia's Murraylands region.

Industry Capability Network (SA) has provided on-going support to the project, connecting MSA to local suppliers.

Created from toughened steel and ballistic glass, the CPM is an air-conditioned container that can be loaded onto trucks or into planes and is designed to comply with ISO shipping and transport configurations.

It has been designed as an adaptable and cost-effective method of moving ADF personnel and assets between locations. Although not intended for frontline use, it offers protection against kinetic, artillery and grenade and mine blast threats.

Specifications indicate the CPM will be able to accommodate as many as eight people or four stretchers and their inhabitants.

Mann Military Vehicles Australia placed the prototype on display at the Avalon Air Show in March 2009.



L to R; David Searles, AAR; Peter Sweeney, Horwood Bagshaw; Melanie Lacey, DMO; Mike Fulgrabe, Military Solutions Australia; Robert Smith, DMO.



INDUSTRY  
CAPABILITY  
NETWORK

Creating opportunity for Industry



MSA used the Avalon Air Show, with the assistance of Mann Military Vehicles Australia, to promote the concept with the aim of entering into negotiations with prospective sponsors to progress the development and testing of the CPM.

Industry Capability Network (SA) have worked closely with MSA in finding and facilitating local suppliers capable of supplying to the project. South Australian companies supplying and supporting the project include:

- Horwood Bagshaw, Mannum – fabrication
- Kadego, Westbourne Park – CAD and design assistance
- Hill Defence Products, Dry Creek – air conditioning
- Access Seating, Salisbury South – seating
- Austeknis, Lynton – LED Lighting (currently imported off the shelf items, but will investigate local assembly if production proceeds).

These companies have also outsourced some requirements to other Australian companies. Should the CPM go into production, they will need additional industry support from local contractors.

Feedback from Defence SA (the South Australian Government agency responsible for the defence industry in South Australia), and DTC (SA's lead defence industry association) had been positive. "They believe the CPM is a great initiative, able to offer defence and other customers cost-effective, portable armoured protection," said Mike Fullgrave, Director MSA.

For more information please contact Dermot Cussen, Industry Capability Network (SA) or email: [info-sa@icn.org.au](mailto:info-sa@icn.org.au)



## Project Gateway Employed for Indigenous Housing Project

The Northern Territory Industry Capability Network (NTICN) is utilising ICN's 'Project Gateway' to offer a professional, more streamline access for industry to engage with the \$672m Strategic Indigenous Housing and Infrastructure Program (SIHIP).



SIHIP is the joint Federal and Northern Territory project which will see new and refurbished housing in 73 remote and urban indigenous communities. It is part of the Federal Government's 'intervention' initiative.

SIHIP is being administered by the NT Government and uses the Alliance Contracting system. Three Alliance Partners have been selected following a lengthy tender process and each of these consortiums has committed to utilise the NTICN and Project Gateway to identify suitable business capability.

It is quite a complex project for any number of reasons, but a high priority is placed on engaging and training indigenous business and individuals. The 'engine room' behind Project Gateway allows for flexibility in obtaining pertinent information to particular projects. To assist the Alliance Partners, several new fields have been established which have the ability to:

- Identify company profiles that are 'Indigenous owned'
- Identify companies who Employ indigenous workers'
- Analyse the previous experience of 'remote' communities companies a sensitive potential cultural issue

Project Gateway will be the Alliance Partner's point of communication when they release workpackages. NTICN will 'publish' them through their relevant portal for industry to register their interest. NTICN will also utilise these portals as the main communication tool for each alliance to send project updates and media releases as they become available.

NTICN, along with the Alliance Partners will also be conducting industry information sessions throughout the Northern Territory to introduce and 'launch' Project Gateway and to inform regional and remote companies how they can access opportunities in major projects like SIHIP, and on the importance of being registered with the ICN and keeping their company details current through the new 'online access' system.

For more information, please contact Kevin Peters, Industry Capability Network (NT) [info-nt@nticn.com.au](mailto:info-nt@nticn.com.au)

# There's an aussie who can help

## Local Suppliers Make a Break in Prison Project

### The companies

Totalfab began life in 2001 as Thuringowa Sheetmetal and Steel Fabrication, with a 100m<sup>2</sup> workshop set up at the North Queensland Small Business Development Centre. With rapid growth and demand for products and services, the business changed its name to Totalfab in 2002, and relocated to a 2000m<sup>2</sup> site with 600m<sup>2</sup> of workshop space by 2005.

The company is a major player in the supply of engineering, fabrication and resource solutions to the mining and construction industries. Totalfab Engineering Services has approximately 20 staff members while its sister company Totalfab Shared Resources has approximately 1000 people on its books.

CMC Metal Roofing Pty Ltd (CMC) was formed in 1992 as a contracting company providing all types of roofing systems to service government projects and the commercial, industrial and heavy industrial sectors of the building industry. Since then, CMC has grown to be a leader in highly specialised areas of roofing systems. With the head office based in Townsville, CMC has provided roofing products and services for different industries including seaport shipping facilities, mining sites, highrise developments, factories, warehouses, schools, aircraft hangers, prisons, metal refineries and commercial developments.

They are also the preferred contractor to Queensland Bulk Sugar Terminals from Bundaberg to Cairns for new works and yearly maintenance. CMC is one of a small amount of contractors Australia wide and north of Brisbane that run a Quality Assurance System both in the office and on-site. This contributes to the correct installation and high standard of CMC's finished product and assists with keeping contracts on schedule and budget.

### The opportunity

Townsville Correctional Centre, the oldest operating correctional facility in the State, is undergoing a \$270 million refurbishment and expansion. The project includes a \$142.5 million refurbishment and expansion of Townsville Correctional Centre (TCC), which will become the new Townsville Men's Correctional Centre (TMCC) and the design and construction of a new \$130 million Townsville Women's Correctional Centre (TWCC). Construction and engineering company Baulderstone Hornibrook is overseeing the two projects.

Administrator for TMCC Melanie McKellar said "this is one of Baulderstone's first regional projects for some years, so knowledge of the local region and suppliers is crucial. This is where ICN's technical knowledge and expertise of the region and suppliers made it a lot easier for us to liaise with local industry. From a project management point of view, having a list of local/regional suppliers with capability assessments at our fingertips makes our job somewhat easier. ICN did a lot of the leg work with assessing the capabilities and capacity of local companies and bought them up to speed with the project, so when we contacted them they were aware of our needs. Their process is simple and quite flexible, and I'll definitely make use of their services again."

Construction of the TWCC commenced in late 2006, and the civil works component of the TMCC soon after in February 2007. Overall, an estimated \$100 million worth of contracts were given to local and regional suppliers. "ICN were heavily involved with the women's centre, and since its construction was a few months ahead of the men's centre, we were able to use a lot of the same suppliers which was really helpful."

### The benefits

Totalfab won the contract to supply, deliver and install steel fabrication and galvanised steel for the handrails and balustrades at the men's centre. Totalfab Operations Manager





Greg Bellinger said “this project has been a very big part of our business for the last 12 months, and we’ve been able to pick up further contracts from Baulderstone Hornibrook since.”

The contract was worth approximately \$300K to Totalfab for supplying over 500m of steel for handrails and balustrades. Bellinger said “an additional \$155K worth of work stemmed from the original contract and we currently have our installation crew finishing off some small jobs at the TMCC. We rely on ICN’s services for major project work, and from a communications perspective, having ICN promote our services, especially in the current economic climate, is very beneficial for our business.” CMC Metal Roofing was awarded the contract to supply various roofing products and services for both the TMCC and TWCC, including corrugated roof and wall sheets, corrugated soffit sheets, walkway roof sheets, box gutters and insulation.

CMC’s Project Manager/Estimator Matthew Rehbein said “this project is the largest single contract sum to date for CMC. The men’s and women’s prison contracts were worth \$3.5 million and \$3.2 million respectively with minor variations.

After completing the women’s centre contract, CMC commenced work on the men’s centre with a different project team. “We had had no prior dealings with Baulderstone Hornibrook before the commencement of this project, they’re very professional and we’re grateful for the help that ICN provided us to win this contract. ICN’s service is great for local industry because it provides us with the opportunity to table tenders to large companies we’ve not had working relationships with before.

For example, we’ve had enquiries from Bundaberg for roofing to be completed over a 24 month period, and without ICN, this opportunity would never have appeared on our tender table. Giving builders a proven track record of sub-contractors allows them to award contracts based on more than price alone, which is great for local companies that provide comprehensive products and services” said Rehbein.

According to the Manufacturing Sector Impacts Report 2007, compiled by ICN and Australian Economic Consultants Group, every \$1 million of manufacturing business retained in Australia or freshly generated by Australian companies creates 12 full-time jobs. Every \$1 million of manufacturing business retained or generated by Australian manufacturers also generates \$394,000 in taxes and charges, which benefits Australians as the government can re-inject it into the economy.

For more information please contact Philip Glazebrook, Industry Capability Network (QLD) or email: [info-qld@icn.org.au](mailto:info-qld@icn.org.au)

## **Gunns Limited Tasmanian Pulp Mill**

The Industry Capability Network is assisting a number of offshore and Australian companies preparing registration of interest or tender submissions for the proposed Tasmanian Pulp Mill Project. To date, approximately 1400 International, Australian and new Zealand companies have expressed an interest in the project.

While the project has not secured financial close, a number of Australian manufacturers have attained preferred supplier status if the Gunns Limited Board approves the project to proceed.

The Industry Capability Network is providing pulping technology provider, Andretz, with ongoing assistance, including the identification of capable Australian and New Zealand companies that have the capacity to manufacture a range of key components that can be competitively manufactured locally.

The industry Capability Network has assisted the proponent to secure EPBS Status for this project.

For more information please contact Tony Hite, Industry Capability Network (TAS) or email: [Tony.Hite@icntas.org.au](mailto:Tony.Hite@icntas.org.au)



## Shanghai World Expo Providing Opportunities for Australian Business

The Shanghai World Expo, which takes place 1st May to 31st October 2010, will be the largest in history with over 70 million visitors anticipated. Over 220 countries and organisations are expected to take part. Australia is investing \$83M in a striking national pavilion that is designed to showcase the country's rich culture, strong economy, innovation and world-class facilities. In addition to the many international business opportunities expected to arise from Australia's participation in the Expo, the pavilion is providing local businesses with some exciting opportunities to become involved in the areas of design, construction and operations. ICN Victoria is working with the Department of Foreign Affairs and Trade to identify capable Australian suppliers of the products and services required and is currently collecting registrations of interest.

The Federal Government intends to take full advantage of this platform to raise Australia's profile, showcase Australian capability and to support Australia's commercial interests in the China market. Commissioner General for Australia, Peter Tesch says:

*"There are many areas in which Australian companies could become involved, ranging from building and construction, lighting and sound to operations and staffing. The Department of Foreign Affairs and Trade (DFAT) Shanghai World Expo 2010 Unit has worked with ICN, which has obtained national funding through the Supplier Access to Major Projects Program, to develop a program to maximise participation by Australian industry."*

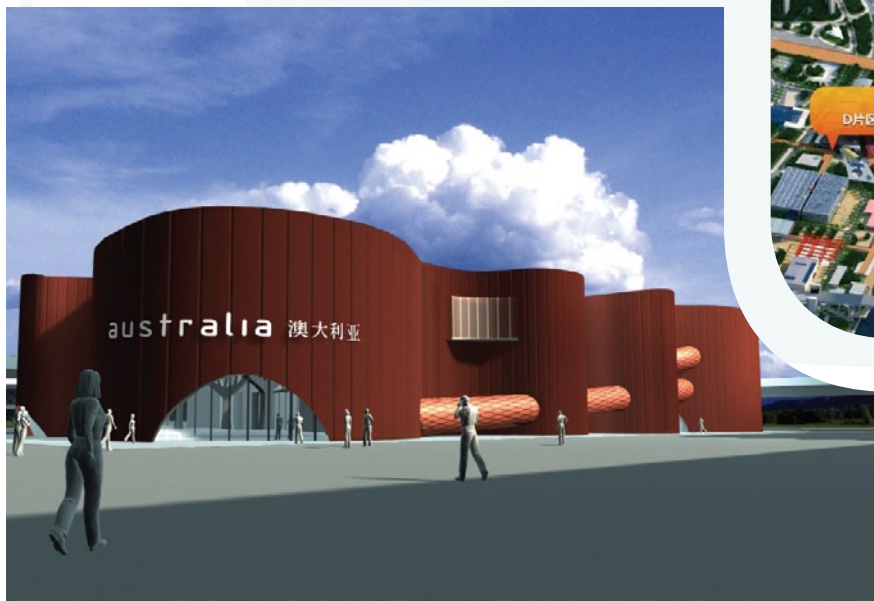
There are opportunities for business in all states and territories to become involved in supplying both goods and services to the Australian pavilion. Australian companies have already

been awarded major contracts in the initial stages of the project and ICN has identified a broad range of opportunities for Australian industry involvement in the construction and operations of the pavilion.

Two Sydney-based companies have secured major contracts: Parker & Partners for the pavilion's communications and public affairs services; and George P Johnson to deliver the pavilion cultural program. Victorian companies that have won major contracts include Melbourne-based design company Think!OTS, which was chosen to develop the concept for the pavilion; and architects Wood Marsh, who designed the pavilion. International Venue Group (IVG), another Melbourne-based company, will provide the pavilion's staffing, retail and operations services. ICN Victoria Executive Director Peter Yates encourages local businesses to register with ICN and take advantage of this valuable opportunity:

*"As well as the identified opportunities with the Australian pavilion, we anticipate this involvement will provide companies with access to further opportunities, for example with the organising committee and other nations involved in the Expo as well as in the broader Chinese market. I encourage all those who are interested to visit ICN's website – [www.icn.org.au](http://www.icn.org.au) – and register their capability."*

To register your business visit [www.icn.org.au](http://www.icn.org.au) and follow the links or contact Michael Fairbairn, Industry Capability Network (Vic) on (03) 9864 6744 or email: [info-vic@icn.org.au](mailto:info-vic@icn.org.au) For information on the Australian Pavilion visit [www.expo2010.com.au](http://www.expo2010.com.au).



Artistic rendition of the Expo Site

Artistic rendition of the Expo Australian Pavilion

# There's an aussie who can help

## Proactive Australian SME Looks Overseas for Local Opportunities

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 box 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 – General Manager East 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. H.I.Fraser's enthusiasm as it drew on its strengths, coupled with sound guidance from ICN, led to the company successfully forming partnerships with 12 major European and US 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.



Lloyd Morgan and Chris Williams sign an agency agreement

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 LHD suppliers well positioned to play a strong role in the supply chain for these ships.

H.I.Fraser recognises the potential AWD 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 assisting 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 grant under the Federal Government's 'Skillling Australia's Defence Industry' (SADI) initiative. This was attained with the support of H.I.Fraser's SADI Case Managers, Sunita Kandola and Alison Petchell.

H.I.Fraser's involvement in the amphibious ships project has opened the possibilities for many further opportunities in new markets. Relationships formed with the NSW Department of Sustainability and Regional Development has opened doors for potential export opportunities into Korea and the Philippines. The activity has

also lead to a significant increase in support from Australia's Defence Material Organisation (DMO)'s Defence Export Unit, providing 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 General Manager East 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.

For more information please contact Jim Barraza, Industry Capability Network (Vic) or email: [info-vic@icn.org.au](mailto:info-vic@icn.org.au)



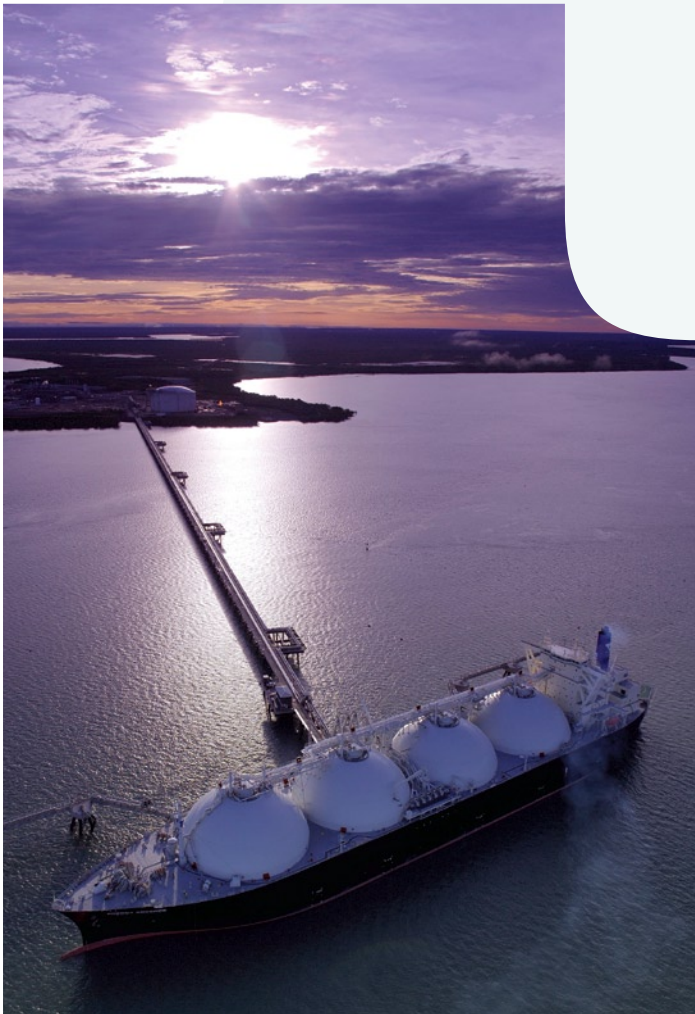


## Directory of Australian Oil & Gas Goods and Services Exporters

The Industry Capability Network of WA (ICNWA) has launched a new scheme to help Australian companies win supply contracts with major Asian oil and gas contractors.

The ICN, which has managed similar programs over the past five (5) years, has gained \$250,382 of federal government funding for the new two (2) year Supplier Access to Major Projects (SAMP) scheme. SAMP is an Australian government program funded through the Department of Innovation, Industry, Science and Research. It is administered by Industry Capability Network Limited (ICNL).

ICNWA has recruited former Austrade and Ernst & Young executive Craig Banks to run the scheme. Mr Banks said the scheme's goal is to connect Australian export suppliers of goods and services into the supply chains of major Asian oil and gas module contractors and Asian procurement hubs of engineering companies.



The offsite modular form of construction for new projects worldwide is replacing the traditional "stick built" construction. Asian module contractors are winning global project tenders leading to increased procurement activity to support this work. Procurement for big oil and gas projects is generally the task of global engineering contractors such as FosterWheeler, KBR, Bechtel, WorleyParsons and Technip. These companies have Asian procurement hubs which undertake project work globally.

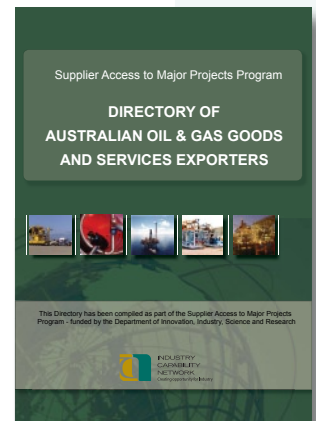
The new scheme will seek to leverage ICN relationships formed with project owners of oil and gas projects in Australia with introductions to their known contractors in Asia. ICNWA's director, Linus O'Brien, said the scheme was aimed at helping Australian export suppliers win work on projects globally, not just those in Australia. ICNWA's SAMP project will assist the principal, consultant and contractor in several ways through the whole process from design to tender evaluation.

Activities will include:

- Identifying competitive Australian capability against specification at any stage
- Assistance to Global Procurement Teams in pre-qualifying Australian suppliers to minimise the time, money and risk associated in expanding their global supply chains to engage Australian suppliers
- Provision of research and written advice to Global Procurement Teams on Australian capability to meet a buyer's requirement against a specified pre-qualification requirement
- Identify and facilitate Australian companies with potential to become involved in technology transfer, licensing and partnering opportunities

ICNWA is building its knowledge base on Australian export suppliers of goods and services in the oil and gas sector through its publication "Directory of Australian Oil & Gas Goods and Services Exporters".

For more information please contact Craig Banks, Industry Capability Network (WA) via email [craigbanks.icn@cciwa.com](mailto:craigbanks.icn@cciwa.com).



# There's an aussie who can help

## Local Contractors Supply Tumut Kraftliner Mill

Australian contractors – many of them small businesses – are playing a major part in a substantial expansion of Visy Pulp and Paper's Kraftliner mill near Tumut in southern New South Wales.

The expansion will duplicate the existing facility and more than double the current production of 3,000,000 tonnes of Kraftliner a year.

Kraftliner is used for cardboard boxes, and the Tumut expansion will mean Visy no longer needs to import the product from overseas. Wood makes up 80% of Kraftliner (the remaining 20% consists of waste paper) and this wood is needed during general paper recycling to maintain paper strength.

While the major machinery needed for the Tumut expansion is only available overseas, Visy is accessing the Australian Government's Enhanced Project Bylaw Scheme, which provides duty free entry on eligible goods. In return Visy is using local suppliers wherever practicable.

For example, local engineering company, DME Construction, has been subcontracted by Andritz Oy – of Finland – to erect the building and install equipment for the new \$70 million black liquor recovery boiler. Similarly two local electrical engineering firms, PHE Pty Ltd and O'Donnell Griffin, have been subcontracted to carry out the electrification, automation and instrumentation installation works. Regional engineering firm, Macarthur Engineering, has been engaged to install the paper machine supplied by OVER Meccanica SpA of Italy. Other local suppliers have so far won about \$45 million in work, including concreting, roofing, plumbing, earthworks.

Visy applied for the EPBS after building a successful relationship with the local Industry Capability Network representative when the Tumut mill was built in 1999-2001.

ICN set up a website for Visy which allowed the company to record around 300 expressions of interest from businesses interested in taking part in the expansion.

*"We were very fortunate to have this assistance because it meant we could identify all sorts of businesses, from one-man contractors virtually working out of their backyard, to much larger companies,"* said Lex Kingma, General Manager of





Visy Pulp and Paper, Tumut. *“Since building the Tumut mill in 1999-2001 we have maintained close contact with the ICN, and this was a good grounding for our current expansion, which will effectively duplicate the current mill.”* *“Our experiences with using local contractors when the initial mill was built proved that local businesses were able to do high-quality work, and were reliable and easy to work with”*

*“They also had to build up their capability in terms of industrial relations and occupational health and safety, the first time around, and thus they are in a good position for more work now, as they have all the processes in place”*

*“We are also using relatively new small businesses that were not around eight years ago when we built the initial mill”*

While Europe, particularly, Finland, is the source of the major components for the machinery, Visy was able to direct the major equipment providers towards smaller local businesses for installing the equipment.

*“Often contractors from overseas will bring their own supervisors and construction companies, but this time around we directed them to a short-list of Australian businesses,”* Lex said.

Australian Government funding from the Supplier Access to Major Projects program, helped fund the ICN’s work with Visy to identify capable suppliers.

For more information please contact Klaus Baumgartel, Industry Capability Network (NSW) or email: [info-nsw@icn.org.au](mailto:info-nsw@icn.org.au)

## ICN Assists Emerging Green Industry Get Pilot Go-Ahead

As scrutiny over sustainable energy production becomes more prevalent, the use of woody biomass to produce electricity through gasification has the potential to emerge as an increasingly popular and practical onsite option. ‘Farm Trees for Energy’ is a regional community group in north-east Victoria that is dedicated to demonstrating gasification’s potential for the on-farm conversion of biomass from plantations to power.

Faced with the challenge of locating a suitable project partner to supply the necessary gasification equipment, the group approached ICN. Melbourne-based Gasification Australia was successfully nominated. Gasification Australia is one of only two companies providing gasification devices in Australia and is dedicated to sustainable energy production and promoting fossil fuel alternatives.

Gasification Australia’s expertise and commitment to inciting the practical uptake of sustainable biomass gasification systems made it the perfect technology provider for the Farm Trees for Energy group. The group’s members, include representatives from the FFORNE Hardwood Cooperative Ltd, the Victorian Department of Primary Industries, carbon trading company Treemart and now Gasification Australia, are working on a trial gasification project; for which a \$78,000 Federal Government grant was provided to the FFORNE Hardwood Cooperative Ltd under the ‘Caring for our Country’ initiative.

The process of gasification involves the high-temperature conversion of combustible solids, such as wood, into a gas which can be used to drive a generator and produce electricity. Gasification uses raw materials, such as woody biomass, making it a renewable energy source. Importantly, biomass gasification also has the potential to be carbon neutral, as the production of biomass removes carbon dioxide from the atmosphere. The bi-products of biomass gasification are limited to a small amount of carbon residue, ash and water.

Gasification has been around for over 100 years but is being re-examined today for its potential as an on-demand, on-site source of renewable energy. In anticipation of the trial project’s success and the potential for increasing the viability of gasification by returning power to the grid, ICN organised a meeting between the group and gas and electricity network provider, SP AusNet. ICN also introduced the FFORNE Hardwood Cooperative-lead group to a contact within the Seymour Alternative Farming Expo. Arrangements were subsequently made for a demonstration of the gasification technology at the Expo, which was held over three days from 20-22 February 2009.

ICN Victoria Hume Regional Manager, Tammy Atkins, who is involved with the group said: “Gasification has the potential to significantly benefit those in rural and isolated communities as an inexpensive, practical and sustainable alternative power source”. ICN Victoria will continue to work with the FFORNE group, assisting wherever possible to see this emerging industry prosper in Victoria.

For more information please contact Tammy Atkins, Industry Capability Network (Vic) or email [info-vic@icn.org.au](mailto:info-vic@icn.org.au)

# There's an aussie who can help

## Project Managers

"we can find what you need"

[www.icn.org.au](http://www.icn.org.au)

Register your interest online, or contact your local ICN Office

Non-profit, Government-sponsored

## Suppliers & Manufacturers

"let us recommend your business"



## Industry Capability Network Objective

The objective of the ICN is to locate and promote competitive local sources of supply, so helping to create additional employment and wealth in the community. Readers are invited to contact the ICN offices regarding the capabilities of local companies to produce goods and services which can substitute for imports.

## Offices everywhere you need service

### Australian Capital Territory

Tel: 1800 244 650  
[info-act@icn.org.au](mailto:info-act@icn.org.au)  
[www.business.act.gov.au](http://www.business.act.gov.au)

### New South Wales

Tel: 02 9025 3150  
[info-nsw@icn.org.au](mailto:info-nsw@icn.org.au)  
[www.icnsw.org.au](http://www.icnsw.org.au)

### Illawarra Region

Tel: 02 4225 9559

### Hunter Region

Tel: 02 4908 7390

### Murray/Riverina Region

Tel: 02 6041 5226

### Central West

Tel: 02 6360 8422

### Northern NSW Region

Tel: 02 6658 5000

### South East Region

Tel: 02 4821 8000

### Northern Territory

Tel: 08 8922 9422  
[info-nt@nticn.com.au](mailto:info-nt@nticn.com.au)  
[www.nticn.com.au](http://www.nticn.com.au)

### Queensland

Tel: 07 3364 0670  
[info-qld@icn.org.au](mailto:info-qld@icn.org.au)

### Townsville

Tel: 07 4771 2045

### South Australia

Tel: 1300 553 309  
[info-sa@icn.org.au](mailto:info-sa@icn.org.au)  
[www.icnsa.org.au](http://www.icnsa.org.au)

### Tasmania

Tel: 03 6233 5550  
[info-tas@icn.org.au](mailto:info-tas@icn.org.au)  
[www.icntas.org.au](http://www.icntas.org.au)

### North Region

Tel: 03 6336 2838

### North West Region

Tel: 03 6434 6276

### Victoria

Tel: 03 9866 6155  
[info-vic@icn.org.au](mailto:info-vic@icn.org.au)  
[www.icnvic.org.au](http://www.icnvic.org.au)

### Ballarat

Tel: 03 5320 5962

### Bendigo

Tel: 03 5441 8611

### Geelong

Tel: 03 5222 6137

### Gippsland

Tel: 03 5176 1901

### Hume

Tel: 03 5722 4620

### Western Australia

Tel: 08 9365 7623  
[info-wa@icn.org.au](mailto:info-wa@icn.org.au)  
[www.icnwa.org.au](http://www.icnwa.org.au)

### New Zealand

Tel: +64 4816 8398  
[Info-nz@icn.org.au](mailto:Info-nz@icn.org.au)  
[www.icn.govt.nz](http://www.icn.govt.nz)

### Industry Capability Network Ltd

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[www.icn.org.au](http://www.icn.org.au)



INDUSTRY  
CAPABILITY  
NETWORK

Creating opportunity for Industry