

## RESPONSE SCHEDULES

### **Response Schedule E – Tasmanian Industry Participation Plan**

#### **Tasmanian Industry Participation Plan (template/guide)**

The Tasmanian Government is committed to maximising opportunities for local SME<sup>1</sup> businesses to compete for and win Government procurements. Suppliers/proponents are requested to prepare a Tasmanian Industry Participation Plan:

- For all procurements with a value exceeding \$5 million;
- For nominated procurements (at the discretion of the procuring Government entity) greater than \$2 million and up to \$5 million; and
- For private sector projects valued at over \$5 million that receive support, including in-kind support, valued at or greater than \$500 000 from the Government.

This Plan is your opportunity to demonstrate how your submission will positively impact on the local industry/economy. You do not need to answer all of the questions below and your submission may not necessarily be limited to these issues (which are provided as prompts). You will need to ensure you can verify the information you submit and where possible should provide actual numbers of staff (full-time equivalent)/values of goods and/or services.

For procurements, the Tasmanian Industry Participation Plan is an essential part of your submission and will be used by the procuring entity to evaluate your submission. In these circumstances, the Plan will contribute a minimum of 10% of the procurement evaluation. Suppliers that fail to submit a Plan will receive a zero score in relation to this criterion.

#### ***Procurement details***

|  |   |
|--|---|
| <b>Procurement Reference No.</b>         | RFT: DHHS – 5689S                       |
| <b>Procurement title</b>                 | Supply of Prostheses                    |
| <b>Name of Responsible Agency/Entity</b> | Department of Health and Human Services |

<sup>1</sup> Local SME are Australian and New Zealand businesses employing less than 200 people.

## Supplier details

|                                     |  |
|-------------------------------------|--|
| <b>Name of supplier</b>             | Austofix   |
| <b>Contact details for supplier</b> | Mr Chris Henry<br>General Manager<br>Austofix<br>PO Box 736, Torrensville SA 5031<br>T: 08 8351 0644 |

## Local SME industry impact

What is the direct local impact of your business?

*Examples: Are you a local SME (how many people do you employ, where is your business located, what is the ownership)? How many people do you employ in Tasmania? Would any new SME jobs be created by the proposed contract - how many?*

Austofix is a South Australian based company operating since 1993 as a designer, manufacturer and distributor of world-class orthopaedic medical devices. It is a subsidiary of Austofix Group Limited, an unlisted public company based in South Australia. The company currently employs 17 FTE and has distributed to all major international and domestic markets. Austofix currently exports to markets in SE Asia, Middle East, China, South Africa and South America.

In the local market, we currently have established partnerships with a company that employs 2 local Tasmanian sales representatives. With the successful awarding of the Tasmanian tender we envisage this will have a positive impact on increasing the number of positions in Tasmania to 3 FTE with the establishment of a Tasmanian Distribution Office. A successful award to supply in Tasmania will establish Austofix as Australia's only orthopaedic trauma manufacturer with a local presence in 5 States, with all profits remaining in Australia, and a proportion in Tasmania.

The resulting opportunities available to Tasmanian SME companies and organisations include high-value research and technology development in the medical device industry. This industry relies on biomedical engineering, industrial design technologies and advanced manufacturing amongst other domains. Austofix will be in a position to collaborate with Tasmanian Universities and Research Institutions and other local organisations to further develop and innovate our product range. Our current R&D strategy involves partnering with SA Universities and Research Institutions in applying for grants and undertaking research projects with this option available to Tasmanian tertiary institutions.

Austofix contributes to the development and growth of high-value industries by ensuring all components of the business are conducted in Australia. This also extends to the development of emerging professionals through our mentoring and internship programs of university graduates. Tasmanian university graduates will have an opportunity to participate in research conducted in partnership with Austofix and Tasmanian tertiary research institutions.

This tender will also provide for opportunities for international collaboration through our annual Austofix Orthopaedic Education and Cultural Exchange Program. Tasmanian surgeons and local health services can be included in this Program which showcases Australia's healthcare and orthopaedic surgical practices to an international audience. Previous tours have included hospitals in NSW, VIC and SA, with surgeons and associates from countries including China and SE Asia. The success of this Program is due to the promotion of Australia's world-class health system, collaborations with international clinical leaders and associated industries including education, tourism, export, and hospitality. The inclusion of Tasmanian businesses and organisations in this Program will have a positive impact on the diverse local economy both directly and the reporting and sharing of experiences by these High Net-Worth Individuals (HNWI) in their home countries.

**Goods and services to be utilised in the contract**

Identify the goods and/or services you expect to purchase in order to complete the contract and provide the requested information in relation to same, where known.

| <b>Identified goods or services</b> | <b>Total estimated value</b><br><br>%value per item supplied | <b>Name of supplier anticipated to be used (if already determined through existing supply chain arrangements)</b> | <b>Location of supplier (where already determined through existing supply chain arrangements)</b> | <b>If supplier not yet determined, is there a local SME market for same?</b><br><br>(Yes/No) |
|-------------------------------------|--|---|---|--|
| Raw Material & Machining            | 90%  | Hackett Engineering   | South Australia   | Opportunity for SME to provide.  |
| Logistics                           | 2%   | Smartways   | Service provided Australia wide   | Yes, local SME operator to be used   |
| Sterilising                         | 1%   | Steritech   | Victoria  | Opportunity for SME to provide.  |
| Printing & Packaging                | 1%   | Finsbury Green  | South Australia   | Opportunity for SME to provide.  |
| Packaging Consumables               | 1%   | Sabre   | New South Wales   | Opportunity for SME to provide.  |
| Laboratories                        | 1%   | AMS Laboratories  | Victoria  | Opportunity for SME to provide.  |
| Laser Marking                       | 1%   | Plastico  | South Australia   | Opportunity for SME to provide.  |
| Anodising                           | 1%   | Phantom Precision Engineering   | South Australia   | Opportunity for SME to provide.  |
| Proposed Distribution Office        | 2%   | Various   | Tasmania  | Yes  |

### Opportunity for local SME involvement

Will you source components of your offer from other local SME companies/sub-contractors or is there new work to be undertaken locally as a result of you fulfilling the contract or workers travelling to the local area to undertake the work? How much?

With the successful awarding of this Tender, Austofix will have the opportunity to engage local SME companies to deliver specific contract requirements including product development, packaging and marketing products. With the growth and expansion forecasted through this Tender, Austofix will be in a position to offer further opportunities to local SME companies and sub-contractors including, manufacturers, distributors, logistics support and other supply chain suppliers.

Tasmanian tertiary institutions and researchers will also be provided with the opportunity to engage with Austofix to further develop and innovate our product range to ensure our world-class medical devices utilise current research findings.

Local companies involved in the Advanced Manufacturing Industry will be provided with opportunities as this Industry is a vital component of our business strategy. Austofix is keen to continue partnering with local, Australian companies to ensure we continue to produce world-class, innovative products.

With the establishment of the local Distribution Office, employment opportunities and associated administrative goods and services will be sourced from the local economy where possible.

Detail how you intend to identify and engage with sub-contractors and/or other SMEs in relation to the delivery of the contract including your supply chain ie use of existing supply chains, advertising of sub-contracting or supply opportunities, liaison with industry groups, etc.

The Tender will provide an opportunity to engage local SME which have been identified through liaising with local industry groups and investigations through our supply chains. The development of new and innovative products will require partnerships and suitable research institutions and universities will be approached to investigate collaborative arrangements. Local businesses and organisations currently involved in industries supporting the medical device industry will be identified and provided with opportunities to engage with Austofix to further develop our product range.

Local SMEs will be identified through industry groups and through our contacts with local health care providers for opportunities in the distribution and other logistical aspects of the contract. The local Distribution Office will require various support services and these will be sourced from the local community.

Detail the process that you are to undertake to ensure that local SMEs are not to be disadvantaged where competing with other suppliers in the provision of goods or services to be used as part of this contract (ie unpacking of procurements into smaller components so that local SMEs can compete more effectively etc).

Austofix actively prioritises Australian companies when selecting supply partners. This will continue with the Tender and Tasmanian companies will be invited to engage with Austofix to ensure local companies are represented. Local business environment challenges can be acknowledged to ensure a fair and appropriate evaluation is conducted with the selection of suppliers. Austofix is keen to partner with local Australian companies that are prepared to develop and supply world-class products with a workforce based on quality and efficiency.

### **Broader economic opportunities**

Are there any other impacts that your business and/or this specific supply will provide to the local/regional economy?

*Examples: Your supply may lead to: new skills being developed locally; trainees/apprentices being appointed; cross transfer skills to a local SME partner/sub-contractor; your company (if you are not a local SME) setting up an office/employing local staff; scale for you to take your products/services interstate/overseas; local community sponsorship etc.*

Austofix will have the opportunity to contribute positively to the local Tasmanian employment and industry sectors with a successful Tender. These industries include advanced manufacturing, technology and innovation, higher education and tourism.

Austofix design, manufacture and market medical devices throughout Australia and the world. Through a successful Tender, Tasmanian companies, SMEs and Research Institutions have the opportunity to partner with Austofix and be involved in the medical device industry. This industry requires expertise from technology, innovation, research and advanced manufacturing. These sectors are represented in Tasmania and Austofix is keen to engage, foster and partner with these industries.

This tender will also provide for opportunities for international collaboration through our annual Austofix Orthopaedic Education and Cultural Exchange Program. As a supplier to the DHHS, Tasmanian surgeons and local health services have an opportunity to showcase Tasmania's healthcare and orthopaedic surgical practices to an international audience. Previous tours have included hospitals in NSW, VIC and SA with surgeons and associates from China and SE Asia. This program impacts on the broader local economy as it promotes the healthcare industry as well as local tourism, hospitality and education.

By including Tasmanian surgeons and services in the Orthopaedic Education and Cultural Exchange Program, Austofix will be exposing a high-wealth professional class of international visitors to the local Tasmanian economy and tourism industry. These HNWIs will report, share on their experience in the Program as well on the broader tourism, hospitality and education aspects of Tasmania in their home countries. The opportunity to promote diverse industries and collaborate with international organisations will have a direct and positive impact on the local and regional economy of Tasmania.

**Note:** Where determined appropriate by the procuring entity, the supplier's obligations under this Plan are to be captured in the contract and monitored as part of the contract performance.

**Completed and endorsed (Supplier)**

**Chris Henry – General Manager**

(Name and position – print)

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(Signature)

25/01/2017

(Date)

