

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 SME¹ 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

| | |
|--|--------------------------|
| Procurement Reference No. | DHHS-5689S |
| Procurement title | Supply of Prostheses |
| Name of Responsible Agency/Entity | Tasmanian Health Service |

¹ Local SME are Australian and New Zealand businesses employing less than 200 people.

Supplier details

| | |
|-------------------------------------|---|
| Name of supplier | Stryker Australia Pty Ltd |
| Contact details for supplier | Shireen Lenormand Senior Contracts Specialist PH: 02 9467 1191 shireen.lenormand@stryker.com |

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?

Stryker is one of the world's leading medical technology companies and together with our customers, we are driven to make healthcare better. The Company offers a diverse array of innovative products and services in Orthopaedics, Medical and Surgical, and Neurotechnology and Spine, which help improve patient and hospital outcomes. Stryker is active in over 100 countries around the world and employs over 27,000 people worldwide.

In Australia, Stryker products are represented by a direct subsidiary of Stryker Corporation trading as Stryker Australia Pty Ltd. Management and staff are responsible for sales and service in the Australian health care market. Presently, Stryker Australia employs in excess of 340 staff and is represented in every mainland capital city of Australia. Stryker has warehouses in Victoria, New South Wales, Queensland, South Australia & Western Australia.

Stryker is committed to supporting the local Tasmanian economy. Our Branch office in Victoria supports Tasmania, and ensures our people have a professional, stable and safe workplace to enable them to continue to support Tasmanians achieve the highest quality of healthcare.

Stryker currently employs 87 highly qualified and committed team members across Victoria and Tasmania. This includes several key Regional Managers and staff across multiple functions ranging from clinical sales, customer service and operations, kit room and courier personnel.

Stryker anticipates that all current roles in Victoria and Tasmania will be retained office over the next 12-24 months and during the life of the panel contract. Additional roles may be created depending on the number of categories that Stryker is awarded for this tender.

The opportunities with the Tasmanian Department of Health and Human Services may also drive workforce development initiatives through Training and Education programs, clinical research opportunities, etc.

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.

Stryker acknowledges that our current presence in Tasmania has scope for growth. Depending on the number of categories Stryker is awarded, we may look at increasing our stock holding capabilities in Tasmania, and purchasing associated forklifts and RFID tunnels. Investment in these areas will depend significantly on the value of increased business as a result of this tender award.

| Identified goods or services | Total estimated value | Name of supplier anticipated to be used (if already determined through existing supply chain arrangements) | Location of supplier (where already determined through existing supply chain arrangements) | If supplier not yet determined, is there a local SME market for same? (Yes/No) |
|-------------------------------------|---|---|---|---|
| Couriers | This figure will depend on categories awarded | TOLL Priority | Tasmania | No |
| Nursing staff | This figure will depend on categories awarded | To be selected if required | Tasmania | Unknown |

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?

As mentioned above, Stryker currently employs the services of local couriers (TOLL Priority) who are based in Tasmania. Stryker staff will also often travel between Victoria and Tasmania to see customers and/or provide clinical support.

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.

Stryker does not typically subcontract or provide material supply arrangements. This is to ensure the quality of our equipment and after sales service, and provides our customers with one point of contact to resolve any issues that may arise. Areas where we may employ the services of a subcontractor include couriers and on-call nursing staff. Stryker has a rigorous Supplier Management process in place which ensures that our sub-contractors and suppliers hold themselves to the same high quality standards that Stryker is known for. Our process includes identifying and engaging with potential subcontractors and may include the following supplier assessments and checks:

- Quality checks
- Risk assessments
- Onsite quality audits
- Verification of relevant certification(s)
- Verification of training programs

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).

As mentioned above, Stryker needs to ensure that our suppliers hold themselves to the same high quality standards that Stryker is known for. Stryker is a member of the Medical Technology Association of Australia (MTAA), which represents member companies in the medical device industry, and seeks to ensure the supply of medical technologies is conducted in an ethical, responsible, and reliable manner. We have procedures in place at Stryker to ensure that we consistently act in accordance with the MTAA Code of Practice, as well as all other applicable laws and regulations. This confirms the standard of care our customers when dealing with Stryker, knowing we act honestly, fairly and always in the best interest of the patient.

Our Supplier Management process does not disadvantage SMEs; however the quality of a supplier would take precedence over its size and location.

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.

The medical supplies industry is expected to grow by 5.3% in the 2017 financial year and 3.3 over the next five years. This is driven by increases in government funding and general health expenditure. Furthermore, growth across new product segments and additional market opportunities are expected to contribute to revenue, profit, establishment and employment growth over the next five years.

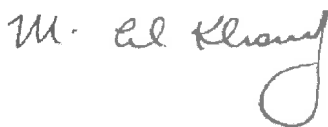
Stryker is committed to ensure the Tasmanian Department of Health and Human Services capitalises on the economic growth projected to make healthcare better. This includes but is not limited to:

- Adding value to the local Tasmanian economy by investing in the training and support of local clinicians through the education programs mentioned in our tender response
- Potentially increasing the value of business done with local subcontractors such as couriers and on-call nursing staff
- Potentially increasing investment into the Tasmanian economy through looking to increase our stock holding capabilities in Tasmania, and purchasing associated forklifts and RFID tunnels.
- Offering a diverse range of innovative and world leading products and services
- Investing in the local Tasmanian Economy through direct employment and the utilisation of local business in rendering our services

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)

Maroun El Khoury, Director Commercial
(Name and position – print)



(Signature)

25/01/2017
(Date)

