

18 December 2015

TMD, REPRESENTING THE TASMANIAN GOVERNMENT

**NETWORKING TASMANIA III - INFRASTRUCTURE AS A SERVICE
(IAAS)**

RFT Number: TMD 2015-011

Tasmanian Industry Participation Plan



Tasmanian Industry Participation Plan

Procurement details

Procurement Reference No.	TMD 2015-011
Procurement title	Networking Tasmania III-Infrastructure as a Service (IaaS)
Name of Responsible Agency/Entity	TMD

Supplier details

Name of supplier	NEC Australia
Contact details for supplier	<p>Jacinta Brown Level 8, 720 Bourke St Docklands VIC 3008</p> <p>Email: Jacinta.brown@nec.com.au Phone: 03 9900 9471</p>

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?

NEC Australia is a division of NEC Corporation, a global IT company, and is headquartered in Melbourne. NEC Australia has offices in all mainland states, with over 1500 employees Australia-wide. Currently, NEC employs two staff based in Tasmania.

NEC is seeking to establish itself in Tasmania and views the opportunities available through a successful response to the Networking Tasmania III Infrastructure as a Service tender process as a means of facilitating this objective.

As an example of our commitment to servicing all regions of Australia, Figure 1 below shows our engagement with the Northern Territory, where we have provided a local presence for over a decade. Our relationship with the Northern Territory Government has

been an enduring one and is proof of our commitment to a small and remote region of Australia.

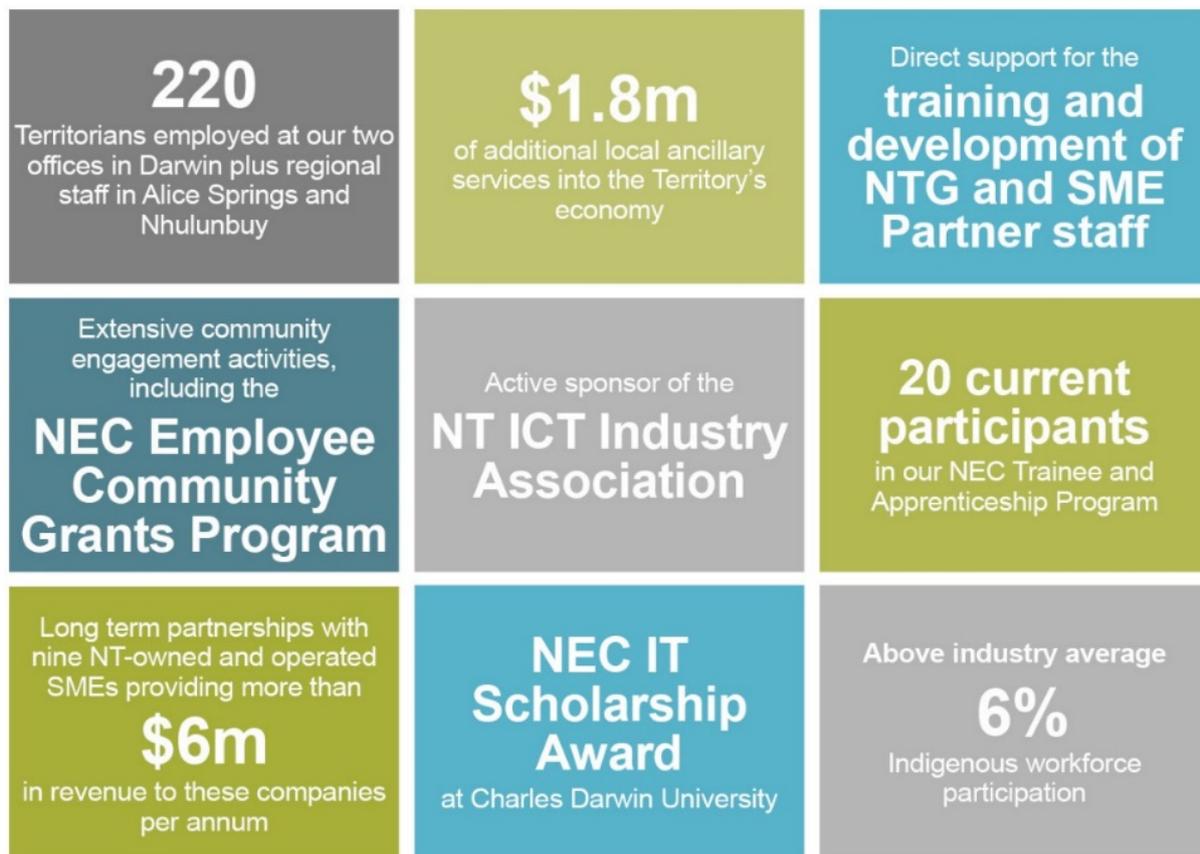


Figure 1: NEC has provided a local presence in the Northern Territory for over a decade.

In Tasmania, NEC has a small number of contracts for services already established with TasNetworks and TasmaNet. These services are for the delivery of wireless networks. Both these agreements facilitate these organisations delivering valuable services to their end user customers and support other ICT activities in Tasmania with access to alternative network solutions that extend reach and range of data networks in the State.

NEC has engaged a Business Development Manager in Tasmania to assist in the management of these agreements and to develop further opportunities in Tasmania.

NEC also has one on-island employee responsible for the architecture and delivery of managed call centre services nationally. This person provides support for specialist NEC agreements Australia-wide.

If NEC was to be successful in this tender, we would deliver the following during the transition phase with the anchor customer:

1. A dedicated NEC office located in Hobart
2. Increase in the number of FTE staff in Tasmania to support service delivery and program management roles on-island
3. Secure orders with NTIII DCaaS providers (TasNetworks and TasmaNet) for data centre and networking services

4. Establishment of agreements with 3rd party local IT suppliers to support local hardware and other associated facilities to support activities in the data centres
5. Training of local support staff as either NEC staff on-island or source additional support from NEC accredited suppliers in Tasmania. Note - NEC would initially deliver services to meet the requirements of this tender with the use of experienced NEC staff from interstate; however, a key requirement of their role would be to train local staff.

At the successful conclusion of the transition phase, NEC would work collaboratively with the Tasmanian Government in the manner proposed in the contract governance structure. The aim is to extend the number of on-island FTEs and create opportunities for local ICT companies to support NEC activities in Tasmania using local industry partners.

NEC sees the most effective way it can support local industry development and increase presence in Tasmania is through our development of local partners who support the delivery of our ICT services in Tasmania. By extending the model used in other states we deliberately seek partners that are locally owned and operated so that we can develop long term relationships and better support their development, ultimately ensuring the high level of services provided by NEC can be delivered locally.

Goods and services to be used 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.

Table 1: NEC will provide the following goods and services in the contract.

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)
Data centre services	TBD	TasmaNet	NTIII supplier	NA
Data centre and network services	TBD	TasNetworks	NTIII supplier	NA
IaaS Hardware and software	TBD	Cisco and NetApp	All OEM equipment is manufactured overseas;	NA

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)
			however, installation, commissioning on site by local labour and support will be by local labour.	
IaaS design and support	TBD	NEC	NEC dedicated staff Australia-wide	NA

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 indicated above, NEC has two existing FTEs to support activities during the transition phase of this tender. It is estimated that a further two FTE's would be engaged for the period of transition.

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 i.e. use of existing supply chains, advertising of sub-contracting or supply opportunities, liaison with industry groups and ICN etc.

During the transition phase, NEC would seek details of potential sub-contractors using the local TASICT database and ICN support locally as well as using other NEC established partnerships with representation in Tasmania. This approach would potentially provide NEC with both NEC dedicated staff in Tasmania as well as additional support as required to support the ongoing transition of new customers and growth of other existing customers over the term of the agreement.

NEC today manages in excess of 800 local subcontractors, suppliers and product vendors within Australia. NEC has a policy to use Australian based labour to provide services to its customers. Throughout the contract, NEC will maintain detailed information of

subcontractor, suppliers and product vendors used to deliver services. This information will be reviewed and shared through established governance with the customer.

In the event NEC determines a requirement to make a change in arrangements with local subcontractors, suppliers or product vendors, NEC will consult directly with local industry groups such as TASICT and ICN prior to undertaking the change.

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 (i.e. unpacking of procurements into smaller components so that local SMEs can compete more effectively etc.).

NEC has an extensive supply management team that is responsible for selection and management of local subcontractors, suppliers and product vendors. The team runs an open and ethical practice when selecting local subcontractors, suppliers and product vendors.

Determining which companies are used is based upon available public information, intermediaries such as Gartner, TPI and Frost and Sullivan, and previous experience with third parties.

NEC also appreciates that local suppliers, while meeting many of the NEC prerequisites as a local partner, may not have the necessary specific skills required. In these cases, NEC would provide specific training to those selected local suppliers.

In other Jurisdictions where NEC has become well established in delivering services, we have supported training in local colleges and universities to ensure the availability of suitable qualified people for NEC locally and to support the local industry.

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.

NEC's business model is to take vendor solutions and add NEC specialised skills and expertise to productise these solutions to meet specific customer requirements. NEC is already working with representatives in the Tasmanian ICT industry to support Tasmanian solutions into other areas of Australia by including Tasmanian solutions into NEC service catalogue and providing specialised skills to deliver Tasmanian-developed solutions to areas outside Tasmania.

NEC will seek to:

- Provide opportunities for organisations such as Local Government and other GBEs to take advantage and use these services

- Provide for other non-government organisations to have access to on-island IaaS services and to support the local ICT industry in delivering highly available cloud services to support on island customers with similar requirements to Tasmanian Government agencies.

Completed and endorsed (Supplier)

Calum MacGregor, State Manager VIC/TAS

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(Name and position – print)



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(Signature)

18/12/2015

(Date)