

# ICNMailer

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## Welcome

2010 is nearly over, and 2011 will see the 20th year of ICN NZ operations. In that time the ICN has changed its name (from the Industrial Supplies Office which started in 1991), changed location, and changed 'owners'. But what it has done is continue to promote local companies into major projects, to work with foreign multi-nationals to encourage them to identify and work with competitive local suppliers, to transfer technology into New Zealand, and to utilise the local skills and experience we have in New Zealand.

Over that time ICN has continued to work with New Zealand's larger capable companies referring them into major projects in ANZ and with small companies with great products, to encourage them and help them develop that capability so they will be the next layer of successful businesses to come through. We continue to champion capable local businesses into projects, and provide a link between buyers and suppliers in ANZ, and we continue to advocate the use of local industry participation plans for good commercial reasons.

The links with the ICN offices in Australia continue to get stronger, on an individual State and Territory level and also with the support of the Australian Federal Government. With 26 offices in Australia and New Zealand, the ANZ Network has generated more than \$11 billion in orders over 25 years for local companies that might otherwise have gone outside the Trans-Tasman market, and has been involved in projects across oil & gas, health and hospitals, defence, infrastructure, rail, energy, ICT and emerging industries such as cleantech.

## New Measures

# Over the past year we have introduced a range of new measures to make it even easier to help match companies with major projects in New Zealand and Australia.

The ICN website has been upgraded and is now more user-friendly and easy to navigate.

Our web portal, the **ICN Gateway**, has been upgraded, so registered companies can create profiles of themselves and ask to be notified when new work packages are loaded into the system. ICN's database has been upgraded and is used by ICN staff and their clients in major projects to find competitive and capable suppliers, so keeping your information up to date is important. At present the database holds information of more than 50,000 suppliers and 75 projects.

Make sure your information is up to date and access the capability information at [www.icn.govt.nz](http://www.icn.govt.nz)



## ICN Benefits

The ICN provides a free service to major projects that assists procurement and project managers by matching competitive local capability with the specific needs of their project. The benefits to buyers can include cost savings, improved efficiencies, greater access to local innovation, future proofing and good corporate citizenship. New Zealand benefits through job creation, retained tax revenues, reduction in

government welfare payments and increased capability that can be developed for export markets.

A study carried out by BERL noted that every \$1 million spent in manufacturing activity in New Zealand means:

- 10.4 jobs retained or created
- \$108,457 tax revenue
- \$207,762 of increased purchasing power.



## Australian View

# ICN's connections introduces new technology to the international opal market

Using its industry connections, ICN helped Opal Producers Australia Ltd (OPAL) create new technology that identifies and assesses opals. The Gemological Digital Analyser (GDA) is set to become an industry standard and ICN is helping OPAL introduce the technology into the international market.

OPAL asked for ICN's help to find Australian engineers that could understand the concept of objectively grading and identifying opals. Once identified, these engineers could work with OPAL to develop a reliable and verifiable system.

ICN's NSW Central West Region Manager, Jeremy Cubitt, introduced OPAL to Dr Paul Wong of Applied Robotics in Sydney, who demonstrated both capability and enthusiasm for the project. Jeremy was familiar with Applied

Robotics because he had worked with them on previous projects such as an automated apple picker and an egg sorting and packing machine. Jeremy was aware that Dr Wong had the technology to sort prawns by colour and proposed that this technology could do the same for gemstones.

With help from CSIRO, Applied Robotics developed the GDA, a sophisticated technology that produces graphical output from each opal's exact optical characteristics and grade.

OPAL is now commercialising the GDA and ICN is helping solve some of the whole-of-life aspects of the project, including calibration and maintenance. ICN's connections also introduced GDA to an international jewellery manufacturer and distributor which can market GDA-certified opals globally. If you're looking

for a competitive local supplier, contact your local ICN consultant and find out how we can help your business.



## New ICN Sector Managers

Thanks to additional funding from the Australian Government, 2010 has also seen the appointment of Australian based National Sector Managers who will focus on the promotion of competitive ANZ suppliers to major projects in their areas of specialty and will develop national sector programmes to support local companies. Sector managers have been appointed for oil and gas, health, cleantech, water, rail and for the National Broadband Network and have an ANZ mandate.

In August Dr David Anderson, the sector manager for Australia's National Broadband Network, visited New Zealand to update local businesses about this project, which will deliver speeds of 100 Megabits per second, around Australia. The launch state for

the project is Tasmania, and following Dr Anderson's visit a number of companies registered interest in being involved. David Ryant the sector manager for health visited New Zealand companies and hospitals in November and other sector managers will be visiting in 2011. Remember that you can find out how to register interest in projects such as the National Broadband Network, and Australian infrastructure projects via the ICN Gateway at [www.icn.govt.nz](http://www.icn.govt.nz). The ICN then provides project owners on request with short lists of capable companies but the project owner has the final decision on who they invite to bid.

## ICN Staff On-Site

The ICN sometimes has resources to embed staff in major projects where there is a clear benefit for New Zealand. If you have a major project of strategic significance and consider the project might benefit from a free additional procurement resource focused on sourcing capable local ANZ suppliers for consideration in the project please contact the ICN. Previous projects ICN has embedded staff into include Wellington and Auckland Hospital projects, a number of major defence projects, power projects, and oil/gas projects.



## Advisory Group

Recently we appointed an Advisory Group which will provide expert advice on ICN's strategic direction. It is chaired by Robin Johansen of Beca Applied Technologies and comprises senior executives from Brightwater Engineering,

Ministry of Defence, Business New Zealand, Ministry of Economic Development, New Zealand Council of Trade Unions and NZTE.



## Get Noticed

The best practice is to register on **ICN Gateway** and keep your information updated, work with the NZ ICN and with the local Australian ICN regarding the project you are interested in, and importantly continue your own local marketing and business development direct into the project – so all your bases are covered. If the project owner is aware of you and your expertise through your own marketing, then your credibility is enhanced when you come up on the ICN database. You should also consider working with NZTE Australia offices for bespoke assistance into Australian projects. The most effective companies do it all, and those with Australian operations or sales bases of course utilize them.

## ICN Survey

ICN is currently undertaking a survey to help local companies win more business out of major projects. Deb Archbold, who has undertaken similar work for ICN in Queensland, is currently visiting companies with ICN staff to talk about procurement processes, what the ideal supplier needs in their 'toolbox' and will also talk with a number of local project owners.



## NZ Geothermal Capability Register

ICN worked with the Heavy Engineering Research Association (HERA) to develop a national register of firms working in the geothermal sector. Many countries are beginning to explore the possibility of

using any geothermal capacity they have to generate electricity, heat buildings, heat water, etc. To download the register go to [www.hera.co.nz](http://www.hera.co.nz)

## Merry Christmas and Happy New Year

**Thank you for your support in 2010. We look forward to our partnership growing from strength to strength.**

**May you have a Merry Christmas and a Happy New Year!**  
**Industry Capability Network**



## Govt. Procurement

ICN continues to support local companies looking to enter the government procurement market and continues to encourage government and agency procurement managers to fully test the local market before sourcing overseas. There is a great deal of local innovation that just needs a chance to perform. ICN assists both government and private companies in the process through industry briefings. And on government procurement we are pleased to see GETS is getting a makeover funded by MED – for those with long memories you may recall ICN originally built GETS as a tool to reach the market and encourage local companies to bid on government contracts (and to prevent constant late night fax outs!)

## Defence

ICN assisted the Hon Hugh Templeton with industry involvement advice for the 2010 industry paper that accompanies the defence white paper, and arranged for Terry Whelan, Head Export, Programs & Industry Engagement of the Defence Export Unit of the Australian Defence Materiel Organisation to visit New Zealand to address the Defence Industry Association Conference and to see first hand a number of New Zealand companies with capability to work with Australian defence.

## Contact

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## Major Projects in 2010

- The Kupe Gas Project was opened on 18 March 2010 by Rt Hon John Key. ICN recommended over 161 New Zealand and Australian companies for Kupe and these companies won contracts worth \$260 million.
- The New Zealand Ministry of Defence's Project Protector came to a close. ICN recommended 368 companies and \$231 million was spent in Australia and New Zealand on this project.
- The Taranaki Base Hospital redevelopment project, which is worth \$80 million, is in the planning stage while the Rotorua and Taupo Hospitals' redevelopment project worth \$89 million is in the early construction stage. See ICN's Ian Mallett if you are interested further.
- ICN has offered support to the Christchurch City Council and the Earthquake Commission regarding procurement and capability information for the reconstruction effort.

