



Suppliers Service

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DSS PRESENTATION
SELLING TO
THE MOD

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What MOD spends to provide and sustain military capability:

- Around £16 billion spent each year
- Direct spend with SMEs in FY 2007/08 approx £800M
- This does not include business that SMEs have with MOD suppliers

Contracts placed:

MOD places approx 20,000 new contracts a year at present

- 90% valued at less than £100K
- approx 2,000 Commercial Officers in the overall MOD acquisition organisation



Defence Industrial Strategy

- Published in December 2005
- Bedrock of UK procurement policy is long term value for money & competition remains a key constituent
- Engages with & promotes a sustainable industrial base in order to meet requirements
- Welcomes overseas investment from companies that create, value employment, technology or intellectual assets in UK and become part of UK Defence industry
- An important aim is to make it easier for SME companies to do business with UK MOD. UK MOD has a Supply Network Policy in place.

MOD Procurement Policy

Obtaining value for money through:

- Whole Life Costs
- Performance
- Delivery
- Quality



Approach

- Reasonable Opportunities to Compete
- Impartiality & Consistency
- Confidentiality
- EC Public Procurement Regulations
- Advertise Requirements



Acquisition Strategy

- Currently approx 100 acquisition teams within DE&S
- Effective & transparent audit trail
- Approved at appropriate level for costs – Initial Gate & Main Gate approval
- Explanation of most cost effective solution
- Assessment of all procurement options
- Assessment of risks & benefits involved
- Industry Days – ‘Announcements’ section of MoD DCB

Competitive Tendering

- Competition preferred procurement route
- Approx $\frac{3}{4}$ by Value of Contracts placed following competition
- Vendor assessment and pre-qualification techniques
- Prospective bidders limited to around six



Tender Criteria

- Third Party Quality Assurance certification
- Financially sound
- Managerial ability
- Technical competence



Supplier Selection

- Generally no more than 6 suppliers in competition
- Expressions of interest from Industry
- Pre- Qualification Questionnaires (PQQs)
- Objective evaluation of relevant factors
- But – sometimes there is only one supplier



Non-Competitive Contracts

- Pricing agreed prior to contract placement
- No Acceptable Price, No Contract (NAPNOC)
- Mandatory for all non-competitive £1m+ contracts
- Approx £2bn NAPNOC contracts placed annually
- All non-competitive requirements advertised in MoD DCB for possible sub-contract opportunities



The Tender Process

- Formal Invitation to Tender
- Clear documentation, evaluation criteria & weightings
- Clarification questions
- Bidders Conferences
- Tenders submitted through *independent* Tender Board
- Tenders assessed
- Tender Assessment Panel evaluate against pre-agreed criteria



Contract Award Criteria

- Technical & contractual compliance
- Clear-cut decision
- Down-selection process may be necessary
- Negotiation may be necessary
- Winning & losing bidders normally informed at same time
- Debrief available



Factors in Acquisition Decisions

- Cost & Operational Effectiveness
- Affordability & VFM
- National Security
- Key Technologies
- Export Potential
- Industrial Participation – UKT&I
- Industrial Capabilities
- Foreign and security interests

Commercial Toolkit

- Available to MoD staff & industry
- Contains guidance on a wide range of commercial policy topics, DEFCONs, DEFFORMs etc
- www.aof.mod.uk
- Commercial Toolkit
- Select either 'Guidance Topics'; 'DEFCONs' or 'DEFFORMs'

Codes of Best Practice

Commercial Policy Group Guideline No. 5

- The relationship between the MoD and its suppliers
- The involvement of the MoD in the selection of sub-contractors by prime contractors
- The relationship between defence contractors and their suppliers
- Available from: www.aof.mod.uk



Visibility for:

[POSSIBLE FUTURE PURCHASES]

[TENDERS INVITED]

[CONTRACTS AWARDED]

[SUB-CONTRACT OPPORTUNITIES]

[ADDENDUM]



Email: bip@bipcontracts.com

Website: www.contracts.mod.uk

Advertising MoD's Requirements

MoD routinely advertises:

- All its competitive and non-competitive, 'warlike' and 'non-warlike' requirements for goods & services valued at £40,000 and above in the MoD Defence Contracts Bulletin.
- Its acquisition teams are being encouraged to advertise requirements valued between £20,000 & £40,000 in the Bulletin.
- Requirements which meet the relevant criteria also advertised in Official Journal of the European Union (OJEU), European Defence Agency's Electronic Bulletin Board & Supply2.gov.uk portal as well as in the Bulletin.

Guide to Contract Notices

Possible Future Purchases

Future Purchase No.
Expressions of Interest
Issuing Branch
Summary of Requirements
QA Standards

Joint Service Adventurous Training - Parachute Course



Possible Future Purchase No: ACT/03203
Deadline for Expression of Interest: 23.03.2007
Proposed/Estimated ITT Issue Date: 16.04.2007
Proposed/Estimated ITT Return Date: 16.06.2007
Issuing Branch/Organisation Details:

HQ Strike Command Acquisition and Sales Team

C+C, Acquisition Et Commercial Team, RAF High Wycombe, Nimrod Building,
No.3 Site, HIGH WYCOMBE, Bucks HP14 4UE
Tel: 01494 494385. Fax: 01494 494400. Email: chris.frost468@mod.uk

Summary of Requirements / Description of Work: A two year fixed contract with potentially two years options for elements to support delivery of Joint Service Adventurous Training (JSAT) parachute courses at Joint Service Parachute Centre Weston-on-the-Green (JSPC(W)). An aircraft should be supplied to support this training and is to be suitable for student Static line and Freefall parachuting and cleared in accordance with Civil Aviation Authority (CAA) and British Parachuting There is a need for applications to be sifted and students to be allocated to courses and notified of selections and other elements of course administration that will be described within the body of the tender.

Reverse Auction: No

Estimated Value of Requirement: Category H: £100K to £500K

QA Standards: The contractor must fully meet standards as specified in section VI.

Additional Information: Contractors should be able to conduct business electronically (details of the MOD's Electronic Purchasing Systems are available at www.d2btrade.com). Companies are therefore required to provide evidence of their ability to undertake electronic commerce with their expression of interest. Tender panel selection may also be subject to a Pre Qualification Questionnaire (PQQ).




Guide to Contract Notices

Tenders Invited

- Tender No.
- ITT Issue Date
- Tenders Due
- Issuing Branch
- Summary of Requirements
- QA Standards
- Issued To

Supply of 20 Litre Steel Fuel Cans



Possible Future Purchase No: DFG2a/1676
 ITT No: DFG2a/1676
 ITT Issue Date: 03.10.2008
 ITT Return Date: 13.11.2008
 Proposed Issue Date of Contract (where known): 15.12.2008
 Proposed Completion Date of Contract (i.e. expiry): 31.03.2011
 Issuing Branch/Organisation Details:
 Defence Fuels Group (DFG) DE&S
 West Moors, WIMBORNE BH21 6QS
 Tel: 01202 654372. Fax: 01202 654385. Email: john.morbey192@mod.uk
 Common Procurement Vocabulary (CPV): 09100000
 Summary of Requirements / Description of Work: Supply of 20 Litre Steel Fuel cans.
 Reverse Auction: Yes. A Reverse Auction, conducted using electronic means, may be used as part of the procurement process for this requirement. Specific relevant information on Reverse Auction usage will be given in the Invitation to Tender.
 Estimated Value of Requirement: Category F1: £685K to £5M
 QA Standards: Certificated to ISO 9001:2000 with appropriate scope covering Production
 Date of selection of bidders: 26.08.2008
 Number of all requests to participate received: 12
 Tenders Issued To:

| | |
|---|---|
| <p>Valpro Corp L. Laicena str.2 Valmiera, LV-4201 LATVIA Tel: 00371 42 07240 Fax: 00371 42 07250 Email: valpro@valpro.lv</p> | <p>MEL Aviation Ltd Laurence walter House, Addison Road, Chilton Ind Est SUDBURY CO10 2YW Tel: 01787 373282 Fax: 01787 310812 Email: sales@melaviation.co.uk</p> |
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Guide to Contract Notices

Contracts Awarded

Issuing Branch

Summary of Requirements

Contract Value

Awarded To

Contract No.

Supply of Radios and Controllers for Tornado GR3



Issuing Branch/Organisation Details:

Identification Et Communication Equipment (ICE) DE&S DSTL Met Office
MOD Abbey Wood #1249, BRISTOL BS34 8JH
Tel: 0117 913 1321, Fax: 0117 913 2908, Email: desice-com3@mod.uk

Type of Contract: Supplies; purchase.

Short description of the contract or purchase(s): Radio transmission apparatus with reception apparatus. Supply of supplementary quantity of military V/UHF transceivers and associated control units.

Common Procurement Vocabulary (CPV): 32230000

Total final value of contract(s): Value: £600,000

Including VAT: No

Type of procedure: Restricted

Award criteria: Lowest Price

An electronic auction has been used: No

Previous publication concerning the same contract: No

Contract Awarded To:

Rohde Et Schwarz UK Ltd

Ancells Business Park

FLEET GU51 2UZ

Tel: 01252 818888

Fax: 01252 81447

Email: sales@rohde-schwarz.com

Additional information: MoD Contact Number: ICE/00073

Issue Date of Contract: 2008-09-02

QA Standards: Certificated to ISO 9001:2000 with appropriate scope covering Design, Development and Production

GO reference: GO 08100217

Body responsible for appeal procedures: See Contracting Authority above

Body responsible for mediation procedures: See Contracting Authority above

Service from which information about the lodging of appeals may be obtained:
See Contracting Authority above



Guide to Contract Notices

Sub-Contract Opportunities

- Future Purchase No.
- ITT Issue Date
- Issuing Branch
- Summary of Requirements
- QS Standards

Post Design Services for Personal Role Radio



Possible Future Purchase No: BATCM/1001
Deadline for Expression of Interest: 01.04.2007
Proposed/Estimated ITT Issue Date: 15.02.2007
Proposed/Estimated ITT Return Date: 15.04.2007
Proposed Issue Date of Contract (where known): 15.05.2007
Issuing Branch/Organisation Details:
Bowman Et Tactical Communications Et Information Systems
DCSA, Building 209, DLO Andover, Monxton Road, ANDOVER SP11 8HT
Tel: 01264 348008. Fax: 01264 248028. Email: paul.kingman336@mod.uk
Summary of Requirements / Description of Work: Project-design services other than for construction work.
Estimated Value of Requirement: Category G: E500K to E1M
QA Standards: Certificated to ISO 9001:2000 with appropriate scope covering Design, Development and Production.



Guide to Contract Notices

Addendum

Contract No/ITT No

Advertised In

Summary of Requirements

IS/ICS Methodologies, Policies
and Standards Consultancy



Possible Future Purchase No: CMCS/120343

Contract No: CMCS/120343

Publication No of previous Bulletin Advert: Volume 4 Number 23

Publication Date of previous Bulletin Advert: 08.11.2006

Issuing Branch/Organisation Details:

DCSA

DCSA CMCS, Minerva House, SWINDON SN5 7XQ

Tel: 01793 555229. Fax: 01793 555095.

Email: dcsavcm-cs3@defence.mod.uk

Summary of Requirements / Description of Work: Cancellation of MoD Contracts
Bulletin Advert possible future purchase no CMCS/102343. This will be readvertised in
the near future.

Supplier Information Database (SID)

- SID accessed via www.contracts.mod.uk website
- Companies can submit their profiles free of charge
- SID available to MOD acquisition staff as a resource to help draw up a tender list/source a product or service
- Over 8,000 companies have submitted their profiles to the SID
- By logging their profile on the SID, it does not guarantee that companies will be invited to tender for MOD requirements



Glover Portal

- Glover committee report published in November 2008
- Aimed at improving SME participation in public procurement
- 12 key recommendations – all accepted by Government
- First recommendation – by December 2010 all tender & contract opportunities above £20K across the whole public sector should be advertised electronically and accessible through a single, free easy to search online portal
- MOD led by Head SRT is participating fully to support the implementation of the Glover report



DEFENCE SUPPLIERS SERVICE

Part of Supplier Relations Team (SRT)

Help Desk

Email: dessrt-dsshelpdesk@mod.uk

Website: www.contracts.mod.uk

Tel: **030-679-32844/32843/32832**

Defence Suppliers Service

- Part of Supplier Relations Team (SRT)
- Explain UK MoD Procurement & Procedures
- Provide Information brochures
- Provide Product requirement advice
- Provide Contact points



21st Century Supply Chain (SC21) Programme

Launched by the Society of British Aerospace Companies (SBAC) in 2006

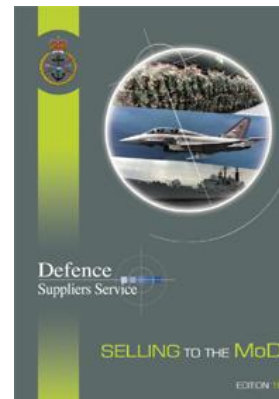
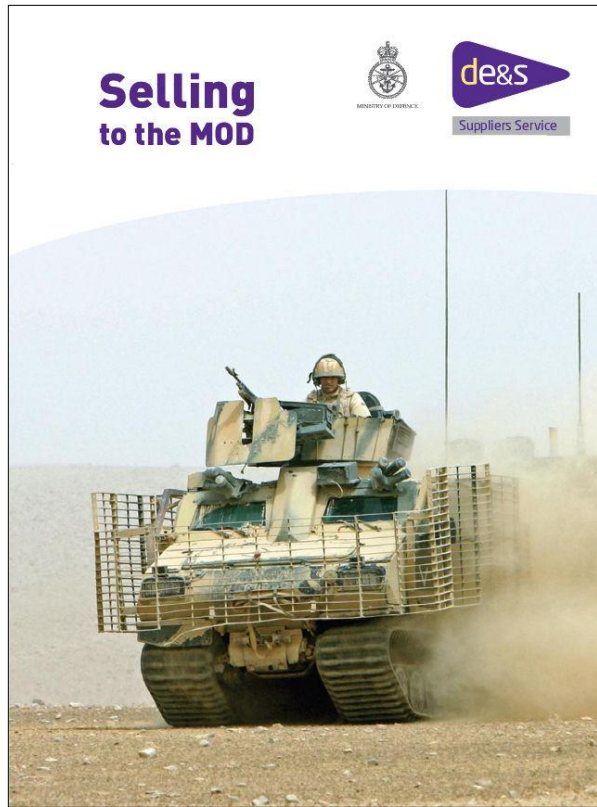
Open to all suppliers in the aerospace and defence industry - further information can be obtained from www.sbac.co.uk - search for 'SC21'

Three key work-streams aimed at improving the efficiency and effectiveness of the supply network;

- Accreditation,
- Performance and Development
- Relationships.
 - MoD signed up to the programme in 2008.



Information Pack



Centre for Defence Enterprise

Is first point of contact in MoD for anyone with an innovation that has a potential defence application.

Successful applicants could benefit from:

- Proof-of-concept funding in the form of a research contract
- Support from military scientists & engineers
- MoD trials & testing facilities
- Mentoring service
- Unique insight into UK & non-domestic defence markets

Contact tel: **01235-438445** E-mail: **science-enterprise@mod.uk**

Other Points of Contact

Provision of advice & guidance for UK companies wishing to export legitimate goods/services overseas

UK Trade & Investment Defence & Security Organisation
– Small Business Unit

Contact: **Howard Gibbs** – Head of Small Business Unit

Tel: **0207-305-2478**

E-mail: Howard.gibbs@ukti.mod.uk

Website: www.dso.uktradeinvest.gov.uk

