## THE EUROPEAN ADVANTAGE

hile tragic events were unfolding in New York City on September 11, the latest in defence technologies and equipment were being exhibited at DSEi 2001 (www.dsei.co.uk), Europe's largest and most prestigious defence trade show. The Canadian High Commission in London organized a Canadian stand to promote Canada's defence industry to well over 60 countries, including the huge market in the U.K.

Canadian participation at DSEi 2001, held from September 11–14 in the ExCeL exhibition centre in east London, surpassed that of two years ago, with 24 companies exhibiting, 10 on the Canada stand. Although scheduled to attend, National Defence Minister Eggleton cancelled his trip in the wake of September 11.

Over 650 companies representing 21 nations exhibited this year. While general attendance levels were down, official delegations arrived from 48 countries and a further 20 countries sent official representatives. Press interest was high as well, with over 250 accredited press attending over the four days. The combined tally, together with the warship and arena displays, made DSEi the largest defence show in Europe this year.

Although the tragedy in the U.S. overshadowed the show, many of the Canadian companies surveyed agreed that DSEi was an excellent event, which lived up to its billing as "the most prestigious exhibition of defence systems". Lower than expected attendance allowed exhibitors to "walk the floor" themselves, meeting with prospective clients, investigating what the competition was up to, and forging new leads.

DSEi is clearly a "must" on the marketing calendar — a cost-effective opportunity for companies in the Canadian defence industry with their sights set on the lucrative British and foreign defence markets.

## **U.K. defence market**

Each year the Ministry of Defence (MOD) spends approximately £12 billion on goods and services. Indeed, no group in the U.K. spends more, and no group matches the range of the MOD's requirements. They buy everything from military equipment to food, stores and clothing. Most of their requirements are sourced by the Defence Procurement Agency (DPA), which buys over £5 billion in new equipment and initial spares for the and will provide 30 years of comprehensive training services to the Royal Navy. CAE (www.cae.com) will provide simulators worth \$370 million for the submarine's platform and propulsion systems, and Alenia Marconi simulators for the combat and weapons systems.

DAP Technologies (www.daptech. com) introduced its new Microflex

## Opportunities in the U.K. defence sector The show goes on

Armed Forces each year. At any one time, its 5,500 employees are managing more than 13,000 contracts, ranging from the purchase of submarines to small parts for a field radio.

As a result of the tremendous requirements of their Armed Forces, the U.K. has developed into one of Europe's largest suppliers of defence equipment, with British companies at the forefront of technological innovation in the defence sector. Notwithstanding this domestic industrial strength, the MOD is governed by a "smart procurement" policy which advocates value for money. They are therefore receptive to bids from overseas companies, and will give them due consideration - as evidenced by the £1.8-billion Bowman contract recently awarded to Canada's CDC. The new Bowman communication system is the largest defence communications programme ever undertaken by the U.K.

## **Canadian announcements**

A number of announcements both preceding and during DSEi put the focus on the Canadian defence industry.

FAST — a CAE/Alenia Marconi consortium — signed a \$740-million contract with the MOD for the delivery of training services on the Astute Class nuclear submarines. FAST will construct a training centre in Scotland hand-held unit for tactical, logistic, maintenance or GPS applications. General Dynamics UK was interested in the possibility of integrating the device into the Bowman project.

DY 4 Systems (www.dy4.com) emphasized its ability to adopt leading-edge technologies in its harshenvironment board and system-level products. It also showcased its new avionics display modules that incorporate the industry's most advanced graphics integrated circuits.

Nortel Networks (www.nortel networks.com) announced it had entered into a series of agreements with the European Aeronautic Defence and Space Company (EADS).

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