

Hunter Defence Case Study

The Defence Strategic Reform Program (SRP) announced in 2009 has a key objective of attaining \$20 billion in savings from the Defence Budget over the next 10 years.

In response to this challenge, BAE Systems Australia reviewed its Hawk Lead-In-Fighter (LIF) and F/A 18 Hornet support contracts to ensure it was delivering real value to the Commonwealth.

In July 2011, Minister for Defence Materiel Jason Clare announced a two-year extension of our contract to provide support for the Royal Australian Air Force's Hawk LIF aircraft. The \$150 million contract delivers more than 10 per cent in savings over the two years.

These savings have been achieved by introducing a revised maintenance strategy and improving the aircraft overhaul program. This improved support arrangement took BAE Systems two years to design and implement. Initiatives include:

- **Complete** engineering review of the aircraft maintenance policies, based on 10 years and 50,000 fleet hours of experience
- **Leveraging** LEAN practices to transform workplace and process productivities
- **Deployment** of our global purchasing power and supply chains to reduce costs and rationalise logistic support of the Hawk LIF fleet.

To achieve further savings, BAE Systems, with our engineering partner L-3 MAS Canada, has delivered a Contract Change Proposal for F/A-18 Hornet support. Changes include increased workscope, reduced administrative effort and reduced costs for the current Hornet Structural Refurbishment Program.

BAE Systems commits to the Strategic Reform



John Ferguson
F/A 18 Aircraft Maintenance Engineer,
checks part of the Hornet aircraft for
faults



Steven Guy, Hawk Air Craft
Maintenance Engineer, Commencing
work on the Hawk Lead-In Fighter
tailplane

The entire Hornet induction and delivery process has been redesigned by the BAE Systems maintenance staff, using LEAN methodologies to achieve faster throughput, safer production delivery and reduced waste.

BAE Systems is applying the lessons it has learned from improving its performance on these two strategic fast jet contracts across all of its support programs for the Australian Defence Force.