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EDS targets defence in major investment initiative

CANBERRA – EDS is embarking on a major investment program in Australia to become a leading provider of information management systems for defence.

Announcing the launch of EDS Australia Defence Services at a Parliament House function last night, the global technology services group unveiled an ambitious program designed to secure involvement in the three key defence areas of battlespace, logistics support and administration.

The launch brought together senior representatives from the EDS global Defence community and Australian Government, including the Federal Minister for Defence, Dr Brendan Nelson, cabinet ministers, shadow ministers, defence officials and leading representatives of the IT industry. Jeff Heller, global vice chairman of EDS, officially declared EDS Australia Defence Services, in business.

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A prominent supplier of defence information systems in the US and UK, EDS intends capitalising on its extensive international expertise through various initiatives that include a major upskilling program in Australia.

“We intend becoming a major participant in Federal Government defence tenders,” said EDS Australia managing director Chris Mitchell. “We have the knowledge and proven systems that could wipe at least 20 to 30 per cent off defence’s current IT spend.

Mr Mitchell said EDS would spend more than \$5 million a year on training and research and development to address a looming IT skills shortage in defence. This will take EDS’ total R&D and training spend in the region to more than \$20 million.

In addition, a defence scholarship program for technologists is being developed by EDS for universities and TAFEs, together with a cross-skilling program for mid-career people.

“We have assessed the resources issue very carefully and will be transferring 50 engineers and project managers to our defence business over the next 12 months,” Mr Mitchell said.

“They will undergo extensive defence training using our expertise in the US and UK as part of our efforts to bridge the current Australian skills gap. It means we won’t have to look outside EDS or poach from other defence providers to achieve what will be a formidable skills base.”

A prime delivery site for defence projects has been established by EDS in Adelaide, where it is a participant in a State Government program to establish SA as a defence delivery centre. Support teams are also being located in Canberra, Sydney and Melbourne.

EDS has further increased its defence credentials by obtaining Defence Industrial Security Program accreditation and accreditation with the Defence Recognised Supplier Scheme.

Partnership agreements have been reached with a number of companies in Australia including collaborative arrangements with over 12 small to medium enterprises. These arrangements with Australian-owned niche ICT and Defence suppliers, will further support the skills base of Australian IT Defence personnel.

EDS is already well established in Australia with a workforce of 6000 and turnover from industry and government clients exceeding \$1.3 billion.

EDS' defence record internationally is impressive. It includes providing many of the key systems that allow secure interoperability at the strategic and operational C4I levels (command, control, communications and computing intelligence) for NATO and allied forces.

Recent projects include upgrading the Pentagon's entire IT infrastructure post 9/11 to ensure survival of its voice and data network, and managing the US Navy Marine Corps Intranet – the world's largest and most secure private network, which is second in size to the internet.

EDS also leads the ATLAS Consortium for the UK Ministry of Defence, which involves linking 150,000 desktops and 300,000 users in 2000 locations, and is the prime contractor for the largest advanced smart card program involving more than 10 million cards for the US Department of Defence.

About EDS

EDS (NYSE: EDS) is a leading global technology services company delivering business solutions to its clients. EDS founded the information technology outsourcing industry more than 40 years ago. Today, EDS delivers a broad portfolio of information technology and business process outsourcing services to clients in the manufacturing, financial services, healthcare, communications, energy, transportation, and consumer and retail industries and to governments around the world. Learn more at eds.com.