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Saudi Arabia to Purchase Patriot Advanced Capability-3 (PAC-3) Missiles and Ammunition for the Royal Saudi Land Forces (RSLF)



According to Stockholm International Peace Research Institute (SIPRI), world military expenditure totalled \$1.8 trillion in 2014, a fall of 0.4% in real terms since 2013. Contrary to that trend, Saudi Arabia increased their defence spending by 17% reporting the largest increase of any of the top 15 spenders worldwide. With this volume of funds, Saudi Arabia purchased a fair amount of defence equipment. This trend continued throughout 2015. More specifically, the Middle East country, purchased in the end of July Patriot Advanced Capability-3 (PAC-3) missiles and associated equipment, parts and logistical support for an estimated cost of \$5.4 billion. Additionally, Saudi Arabia purchased ammunition for the Royal Saudi Land Forces (RSLF) and associated equipment, parts and logistical support for an estimated cost of \$500 million.

More specifically, on July 29, 2015 the State Department has made a determination approving a possible Foreign Military Sale to the Kingdom of Saudi Arabia of six hundred (600) Patriot Advanced Capability-3 (PAC-3) Cost Reduction Initiative (CRI) Missiles with containers, eight (8) PAC-3 CRI Test Missiles for fly-to-buy. Also included are PAC-3 Telemetry Kits, PAC-3 Guidance Enhanced Missile (GEM) Flight Test Target/Patriot as a Target (PAAT) missiles, Fire Solution Computers, Launcher Modification Kits, PAC-3 Missile Round Trainers, PAC-3 Slings, Patriot Automated Logistics System (PALS) Kits, Shorting Plugs, spare and repair parts, lot validation and range support, support equipment, repair and return, publications and technical documentation, personnel training and training equipment, Quality Assurance Team, U.S. Government and contractor technical and logistics support services, and other related elements of logistics and program support.

The principal contractors will be Lockheed Martin Missiles and Fire Control in Dallas, Texas; and Raytheon Corporation in Tewksbury, Massachusetts. Although offsets are requested, they are unknown at this time and will be determined during negotiations between Saudi Arabia and the contractor.

On the same day the State Department has made a determination approving a possible Foreign Military Sale to the Kingdom of Saudi Arabia of one million (1,000,000) 430/M430A1 40mm High Explosive Dual Purpose (HEDP) Cartridges, sixty thousand (60,000) M456A1 105mm High Explosive Anti-Tank Tracer (HEAT-T) Cartridges, and sixty thousand (60,000) M107 155mm High Explosive (HE) Projectiles. Additional items included are M62 7.62mm 4 Ball/1 Tracer Linked Cartridges, .50 Cal Linked Cartridges (4 Armor Piercing Incendiary (API)/1 Armor Piercing Incendiary Tracer (API-T)), M792 25mm High Explosive Incendiary Tracer (HEI-T) Cartridges, M789 30mm High Explosive Dual Purpose (HEDP) Cartridges, M889A2 81mm High Explosive (HE) Cartridges with M783 Fuses, 2.75 Inch Rockets with M151 High Explosive (HE) Warhead and Point-Detonating (PD) Fuses, 105mm High Explosive

(HE) M1 Cartridges without Fuses, M557 Point-Detonating (PD) Fuses, M4A2 155mm Propellant Charges, M3A1 155mm Propellant Charges, M82 Percussion Primers, M1A2 Bangalore Torpedoes, M18A/M18A1 Claymore Mines, M67 Fragmentation Hand Grenades, and Guided Precision Aerial Delivery System (GPADS). Also included are spare and repair parts, lot validation, publications and technical documentation, personnel training/training equipment, Quality Assurance Team, U.S. Government and contractor technical/logistics support services, and other related elements of logistics and program support.

The principal contractor for GPADS will be Airborne Systems North America in Pennsauken, New Jersey. The remaining items will be procured from a combination of Army stocks and **new procurement**. The principal contractors for these items are unknown at this time. There are no known offset agreements proposed in connection with this potential sale.

Kyriazis Vasileios,

Epicos Newsletter Head Editor



Saudi Arabia: Defence Procurements & Budget



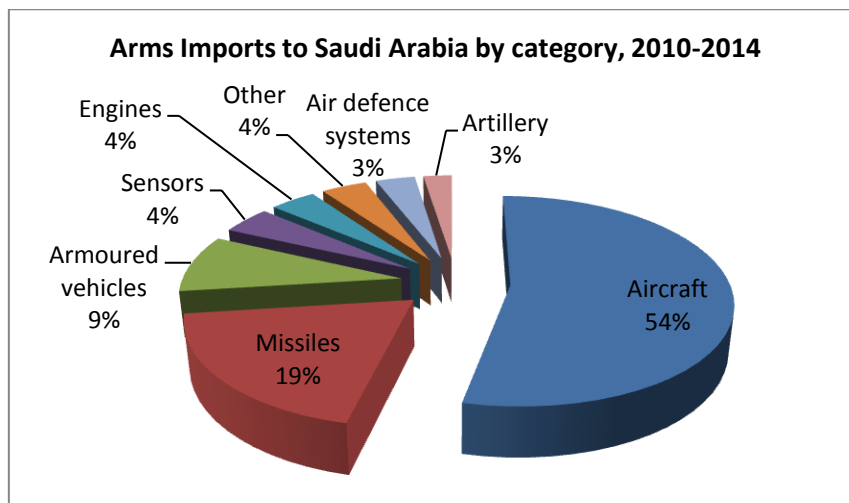
During the period 2010-2014, according to Stockholm International Peace Research Institute (SIPRI) there was a marked increase in imports by states in the Middle East, two of which were among the five largest importers, namely Saudi Arabia and the United Arab Emirates. The significant growth in Saudi Arabia’s imports and its rise to the position of second largest importer in 2010-14 were especially noteworthy. It is indicative that in 2009 the total military expenditure of the country was 46,004 million US dollars, in constant to 2011 prices, whereas in 2014, it reached 73,717 million US dollars, delineating a sharp increase. United Kingdom has a leading role in the country’s imports. Apart from the European country, other important countries that exported arms to Saudi Arabia for the period 2010-2014, were USA, France, Spain, Germany and Canada.

Imports (expressed in US\$ m. at constant 1990 prices)

| | 2010 | 2011 | 2012 | 2013 | 2014 | Total |
|----------------|------|------|------|------|------|-------|
| United Kingdom | 500 | 423 | 261 | 641 | 705 | 2530 |
| United States | 345 | 398 | 216 | 288 | 1199 | 2445 |
| France | 89 | 84 | 25 | 53 | 175 | 426 |
| Spain | | 98 | 196 | | 98 | 392 |
| Germany (FRG) | 12 | 73 | 71 | 71 | 65 | 291 |
| Canada | | 40 | 40 | 40 | 72 | 193 |

Source: SIPRI Publications, Arms Transfers Database

Aircraft was the predominant area of imports for the period 2010-2014 with a total amount of 3,727 US\$ m. at constant (1990) prices. The 2nd most important sector was that of missiles with 1,351 US\$ m. at constant (1990) prices, whereas other areas, such as armoured vehicles, sensors and engines follow. The import of aircraft to the country covers more than half of the total imports for the period 2007-2011.



Kyriazis Vasileios,
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Epicos “Industrial Cooperation and Offset Projects”

Epicos “Industrial Cooperation and Offset Projects” provides a unique set of online tools enabling the structure, identification and implementation of comprehensive Offsets programs, through a searchable database. By introducing different offset projects and ideas proposed by local A&D industry it ensures the optimum cost for Prime Contractors and reassures that the priorities of local industry are fully met...

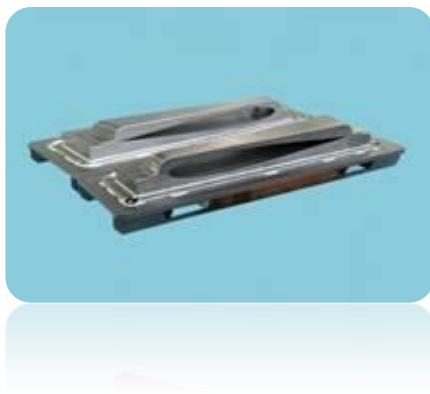
[For Further Information Press Here](#)

Establishment of an advanced Nondestructive Testing (NDT) Laboratory

A company specializing on the sales and servicing of non-destructive testing (NDT) apparatuses, equipment and materials as well as training in material testing, in the frame of an offset program, is proposing collaboration to a prime contractor or a third party company active within the NDT market, in order to receive an investment for the establishment of an advanced NDT laboratory. The NDT laboratory to be established will be able to provide testing services for the defense, aerospace and civil industries within the respective country but also the neighboring countries in the region.

[For Further Information Contact our ICO Department](#)

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Fabrication of production tooling for defense plastic and/or stamped metallic parts manufacturing

A company with significant experience in the production of high quality tooling for plastic parts manufacturing for the automotive and consumer goods industries is proposing the collaboration for the production of metallic tooling for defense equipment parts. More specifically, it calls for cooperation in the production of moulds for manufacturing plastic components and/or of stamping dies (press tools) for fabrication of metallic stamped parts.

[For Further Information Contact our ICO Department](#)

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News from our A&D Business Network**Major order from the UK**

Rheinmetall has won an important order in connection with a key programme of the British Ministry of Defence to procure a new generation of combat vehicles for Her Majesty's Armed Forces. Lockheed Martin UK has contracted with

Rheinmetall's Defence arm to manufacture the turret structures for the British Army's new Scout SV Reconnaissance vehicle. The order, issued in London, is worth a total of €130 million and covers production of up to 245 units. Rheinmetall also participated significantly in the preceding technical demonstration phase.

Once again, the Düsseldorf, Germany-based Group is playing a pivotal role in a highly significant army technology programme in Europe, underscoring its comprehensive competence and ability to act in partnership with two international defence giants – General Dynamics and Lockheed Martin.

The Scout Specialist Vehicle (SV) is a medium-weight armoured reconnaissance vehicle. It will replace the British Army's Combat Vehicle Reconnaissance (Tracked) - CVR(T) - family of vehicles, which have been in service since the 1970s, and is intended for use in all current and future scenarios, ranging from peace enforcement and peacekeeping missions to high-intensity combat operations.

The Scout SV programme, which General Dynamics UK is responsible for design, engineering and manufacturing in its capacity as prime contractor, with the technology leading turret solution of Lockheed Martin UK and Rheinmetall will deliver significant improvements in combat capability, survivability and operational effectiveness for the British Army's infantry.

Rheinmetall has extensive, longstanding experience in developing and manufacturing turret systems, making it the ideal cooperation partner for Lockheed Martin UK in the Scout Specialist Vehicle programme. Rheinmetall's expertise, paired with Lockheed Martin's experience in reconnaissance sensor systems, fire control units and guidance technology, make the team one of the market leader in turret technology.

The Scout SV Base Turret System is a major success story in European defence cooperation. A member of the Scout SV team since 2010, in its capacity as subcontractor Rheinmetall has been in charge first of design and engineering, and now of producing, the turret structure and weapon mount (TSWM) for the Scout SV Base Turret System, a state-of-the-art 40mm medium-calibre turret solution. The first production unit is scheduled for July 2016.

The contract award for the supply of 245 Scout SV TSWM units will mainly benefit to Rheinmetall Defence Group's Kassel plant, where fabrication as well as final assembly will take place. It is also excellent news for the Rheinmetall's German supply chain.

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DynCorp International Awarded \$104.1 Million Contract Modification to Continue Providing Aviation Maintenance and Logistic Support at Naval Air Warfare Center Aircraft Division



DynCorp International (DI) has been awarded a contract modification to continue providing aviation maintenance and logistic support at the Naval Air Warfare Center Aircraft Division in Patuxent River, Maryland. The contract modification is valued at \$104.1 million. “Our team at Pax River has proudly supported the U.S. Navy for more than four decades,” said Steven Schorer, DynAviation president, DynCorp International. “We truly value our relationships within the Southern Maryland community and with this important customer.”

DI will continue providing maintenance services for the Naval Test Wing Atlantic’s fleet of test and evaluation aircraft and for the U.S. Navy Test Pilot School. This includes all rotary, fixed, lighter-than-air, and unmanned aircraft on-site for project testing, as well as transient, loaner, leased and tested civilian aircraft assigned to the Naval Air Warfare Center Aircraft Division. DI will also perform supportability/safety studies and off-site aircraft safety/spill containment patrols and aircraft recovery services.

The competitively-awarded, cost-plus-fixed-fee contract was originally awarded in August 2011. This contract modification is the last of four possible option years and the total contract value is \$490 million.

About DynCorp International

DynCorp International is a leading global services provider offering unique, tailored solutions for an ever-changing world. Built on more than six decades of experience as a trusted partner to commercial, government and military customers, DI provides sophisticated aviation, logistics, training, intelligence and operational solutions wherever we are needed. DynCorp International is headquartered in McLean, Va. For more information [click here](#).



Australia to build new naval fleet in \$65bn package

Australia on Tuesday announced a Aus\$89 billion (US\$65 billion) shipbuilding package to construct new frigates and patrol boats locally, with a decision on an international supplier for replacement submarines made "in coming months".

The "continuous shipbuilding" proposal, which involves the replacement of frigates, patrol boats and submarines over two decades, is expected by the government to keep up to 2,500 jobs in the sector in what Prime Minister Tony Abbott said was "a very historic announcement".

"Previous Australian governments have announced that individual ships or classes of ships will be built here in Australia," Abbott said at a press conference. "What we are announcing today is basically a fleet build here in Australia, centred on (South Australia)."

Abbott would not give new details about the ongoing search for an international supplier to design and build the nation's next generation of submarines to replace its ageing diesel and electric-powered Collins Class fleet, which are set to be retired from about 2026 onwards. France, Germany and Japan are in the running for the contract, which has been touted as Australia's biggest-ever defence procurement programme with cost estimates of Aus\$50 billion. But the bidding process has been a source of contention in Australia amid concerns the domestic shipbuilding industry could be fatally hurt if Canberra chooses to buy off-the-shelf submarines internationally. "What we have asked the various potential partners to give us is a price for a domestic build, a hybrid build and offshore build," Abbott said. "Based on what comes back to us in the coming months, we'll make a decision."

The shipbuilding package will bring forward the "Future Frigate" programme to replace the current ANZAC class frigates to 2020. The construction of offshore patrol vessels to replace the Armidale class has also been moved forward to 2018. The total cost was expected to reach about Aus\$40 billion, Abbott said.

Defence Minister Kevin Andrews said the establishment of a "continuous shipbuild" domestically reflected the view that Australia's future naval capability "is at the centrepiece of our strategic concerns and will be at the centrepiece of the forthcoming White Paper on Defence". The frigates would be the navy's workhorses over the next few decades, the navy's Vice Admiral Tim Barrett added at the same press conference. The shipbuilding announcement has been seen as an effort to assuage voters in South Australia, which has the highest unemployment rate among Australia's states at 8.2 percent and is home to most of the country's major shipbuilding infrastructure.

Source: 2015 AFP, Agence France-Presse (AFP) 2077803

Harris Corporation Awarded \$228 Million IDIQ Contract to Support Navy's Maritime Mine Countermeasures

Harris Corporation has been awarded an IDIQ contract with a ceiling value of \$228 million to support the U.S. Navy's maritime mine countermeasures (MCM) efforts. The five-year contract includes a three-year base and two one-year options.

The Space and Naval Warfare (SPAWAR) Systems Center Pacific in San Diego, California, awarded Harris the contract to provide surface and subsurface unmanned maritime systems solutions. Harris will provide solutions to support current systems and future technologies in MCM; anti-submarine warfare; intelligence, surveillance and reconnaissance; and force protection.

Harris will compete for task orders for specification and design, fabrication, installation, test and evaluation, fielding, maintenance, training, and configuration and program management of both hardware and software. Harris' deep MCM expertise stems from more than 30 years of experience supporting Navy explosive ordnance disposal programs.

"This contract continues Harris' legacy of service and support that has proven vital to our national interest in securing the seas for military vessels and merchant shipping," said Carl D'Alessandro, president, Harris Critical Networks. "It demands the type of sophisticated, integrated and ultra-reliable performance our customers count on from Harris."

SPAWAR is the Navy's information dominance systems command and technical lead for command, control, communications, computers, intelligence, surveillance and reconnaissance, providing the hardware and software to connect our warfighters at sea, on land and in the air. SPAWAR's products and services transform ships, aircraft and vehicles from individual platforms into integrated battle forces, delivering and maximizing information dominance and awareness among Navy, Marine, joint forces, federal agencies and international allies.

Harris Critical Networks delivers, operates and sustains essential networks and systems for government and commercial customers. It operates on a 24/7 basis worldwide, including in challenging environments, and supports air traffic management, energy and maritime communications, ground network operations, and high-value IT and engineering services.

About Harris Corporation

Harris provides advanced, technology-based solutions that solve government and commercial customers' mission-critical challenges. The company has approximately \$8 billion in annual revenue and about 23,000 employees — including 9,000 engineers and scientists — supporting customers in more than 125 countries.

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Source: Epicos, Harris Corporation

RUAG and ULA establish a strategic partnership

U.S. launch vehicle manufacturer United Launch Alliance (ULA) and RUAG intend to further strengthen their cooperation. To this end, the two companies announced today a new strategic partnership in which RUAG will establish a U.S. composites production capability located within ULA’s Decatur factory

RUAG already delivers carbon fiber structures for ULA’s Atlas launchers – the payload fairing for the larger Atlas V-500 launcher as well as the interstage adapter for the smaller Atlas V-400. RUAG currently produces these structures in Switzerland at its Zurich and Emmen locations. Beginning in 2018, the structures are to be produced in Decatur, where RUAG will also manufacture other carbon fibre structures for the new Vulcan launcher. RUAG will continue to manufacture the payload fairings for the European Ariane and Vega rockets in Switzerland.

“We’re proud that ULA has selected RUAG as a strategic partner. ULA and RUAG have been working together successfully in the Atlas program for more than a decade. Now we can build on this collaboration with the new Vulcan launcher and the new production site in the U.S.,” says Peter Guggenbach, CEO of RUAG Space.

“We’re pleased with this new partnership that leverages so many mutually beneficial business objectives, while substantially lowering costs,” says Tory Bruno, ULA’s president and CEO. “As ULA looks to the future, we will transform the future of space launch by making space more affordable and accessible, while continuing to deliver on ULA’s unparalleled reliability and precision.”

United Launch Alliance (ULA) is a joint venture between Lockheed Martin and Boeing. ULA builds the Atlas and Delta launch vehicles, which have already been used for some 1,300 satellite missions. Customers include NASA and the U.S. Air Force, the U.S. Department of Defense and the U.S. National Reconnaissance Office.

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CURTISS-WRIGHT Selected to Support the U.S. Army Multi-Mission Launcher Program

Curtiss-Wright Corporation (NYSE:CW) today announced that it has received an initial contract to supply elevation and hatch control electromechanical actuators for use on the U.S. Army Multi-Mission Launcher (MML) in support of the Indirect Fire Protection Capability (IFPC) program. Under the agreement, Curtiss-Wright will provide modified solutions based on its Exlar® electromechanical actuation technologies, as well as hatch actuation controls and engineering services. The actuation systems will be modified Commercial-Off-The-Shelf (M-COTS) solutions in-line with the Army Aviation and Missile Research, Development and Engineering Center's (AMRDEC) requirement for open system architecture. The estimated potential contract value over the life of the program is approximately \$75 million.

"Curtiss-Wright has a proven record of developing and delivering state-of-the art solutions, providing advanced technology and high reliability to support the needs of our military customers," said David C. Adams, Chairman and CEO of Curtiss-Wright Corporation. "Our ability to support AMRDEC's rapid development and prototyping approach on the MML program, along with our unique product and service capabilities, is key to our success. We look forward to working with the U.S. Army on this important program."

The MML is a next generation air defense launcher built on open system architecture and will have the capability to launch a variety of interceptors for comprehensive air defense against a variety of unmanned and cruise missile threats. AMRDEC is the lead developer on the MML program. The Curtiss-Wright Sensors & Controls division facility in Chanhassen, MN is performing the work under these contracts.

About Curtiss-Wright Corporation

Curtiss-Wright Corporation (NYSE:CW) is a global innovative company that delivers highly engineered, critical function products and services to the commercial, industrial, defense and energy markets. Building on the heritage of Glenn Curtiss and the Wright brothers, Curtiss-Wright has a long tradition of providing reliable solutions through trusted customer relationships. The company employs approximately 9,000 people worldwide. For more information, visit www.curtisswright.com.

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For Further Information [Click Here](#)

Orbital ATK Awarded \$30 Million in Medium Caliber Ammunition Contracts

Orbital ATK, a global leader in aerospace and defense technologies, announced today that the company recently received domestic and international contracts for tactical and target practice medium- caliber ammunition valued at nearly \$30 million. The ammunition will support American and allied warfighters for use on air-, sea- and land-based weapons platforms.

These orders included a range of 25 and 30 mm tactical and target practice ammunition for multiple U.S. services and allies. The contracts are awarded through the U.S. Army Maneuver Ammunition Systems in its role as the Single Manager for Conventional Ammunition. "Producing highly-reliable ammunition for those defending their nation's security is at the heart of our business," said Dan Olson, Vice President and General Manager of the Armament Systems division of the Defense Systems Group. "Whether we are working directly with the customer or as part of an industry team, our goal is to be the partner you can count on to provide a safe, reliable product on time and within budget."

Domestic contracts included orders for the 25 mm PGU-25 High Explosive Incendiary round used with AC130 gunships, Harrier attack aircraft, and naval and ground combat weapons systems that use the Orbital ATK M242 Bushmaster® automatic cannon. Additional 25 mm orders included the M793 Target Practice with Tracer cartridge and the 30 mm PGU-15 cartridge.

International orders included the 25 mm M791 Armor Piercing Discarding Sabot with Tracer and the M792 High Explosive Incendiary with Tracer and Self-Destruct, which is produced exclusively by Orbital ATK. These two tactical cartridges are compatible with a range of cannons, including the M242 Bushmaster, and provide air, land and sea weapons with the capabilities to defeat a variety of targets ranging from light material to armor-protected.

Orbital ATK Defense Systems Group is an industry leader in providing innovative and affordable ammunition, precision and strike weapons, electronic warfare systems, and missile components across air-, sea-, and land-based systems.

About Orbital ATK

Orbital ATK is a global leader in aerospace and defense technologies. The company designs, builds and delivers space, defense and aviation systems for customers around the world, both as a prime contractor and merchant supplier. Its main products include launch vehicles and related propulsion systems; missile products, subsystems and defense electronics; precision weapons, armament systems and ammunition; satellites and associated space components and services; and advanced aerospace structures. Headquartered in Dulles, Virginia, Orbital ATK employs more than 12,000 people in 18 states across the U.S. and in several international locations. For more information, visit www.orbitalatk.com.

Source: Epicos, Orbital ATK 2079561