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Keynote Address

Quadrilateral Conference 2014, Ottawa

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Outline of Presentation

- **Introduction to Babcock**
- **Defence & Security Business Collaboration – Some of the drivers?**
- **Some External Influencing Factors**
- **A Perspective on Conference Topics**

Babcock in 'Quad' Countries



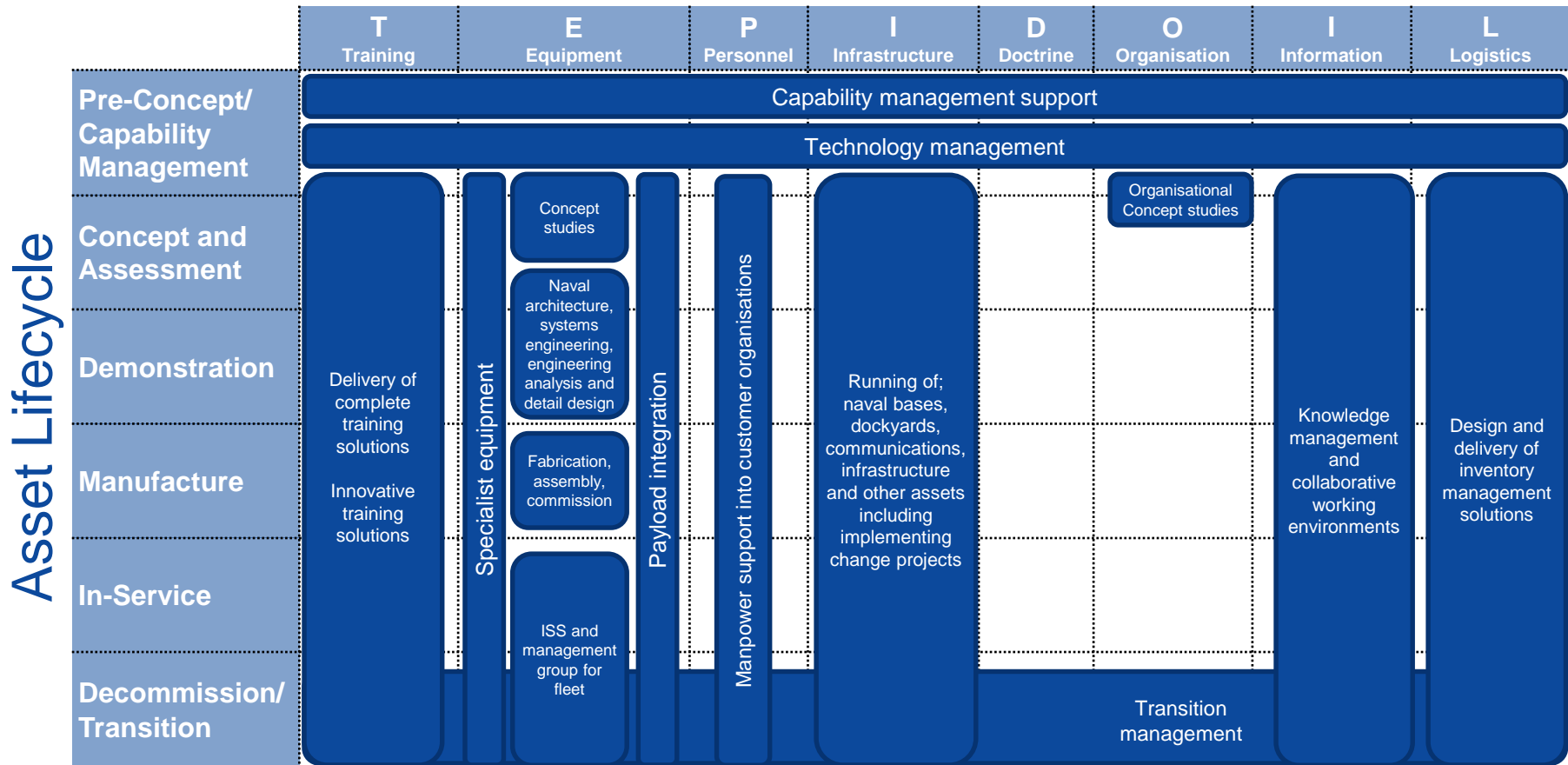
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Babcock has experience and expertise across the Enterprise



Defence Lines of Development



Defence & Security Business Collaboration – Some of the Drivers?



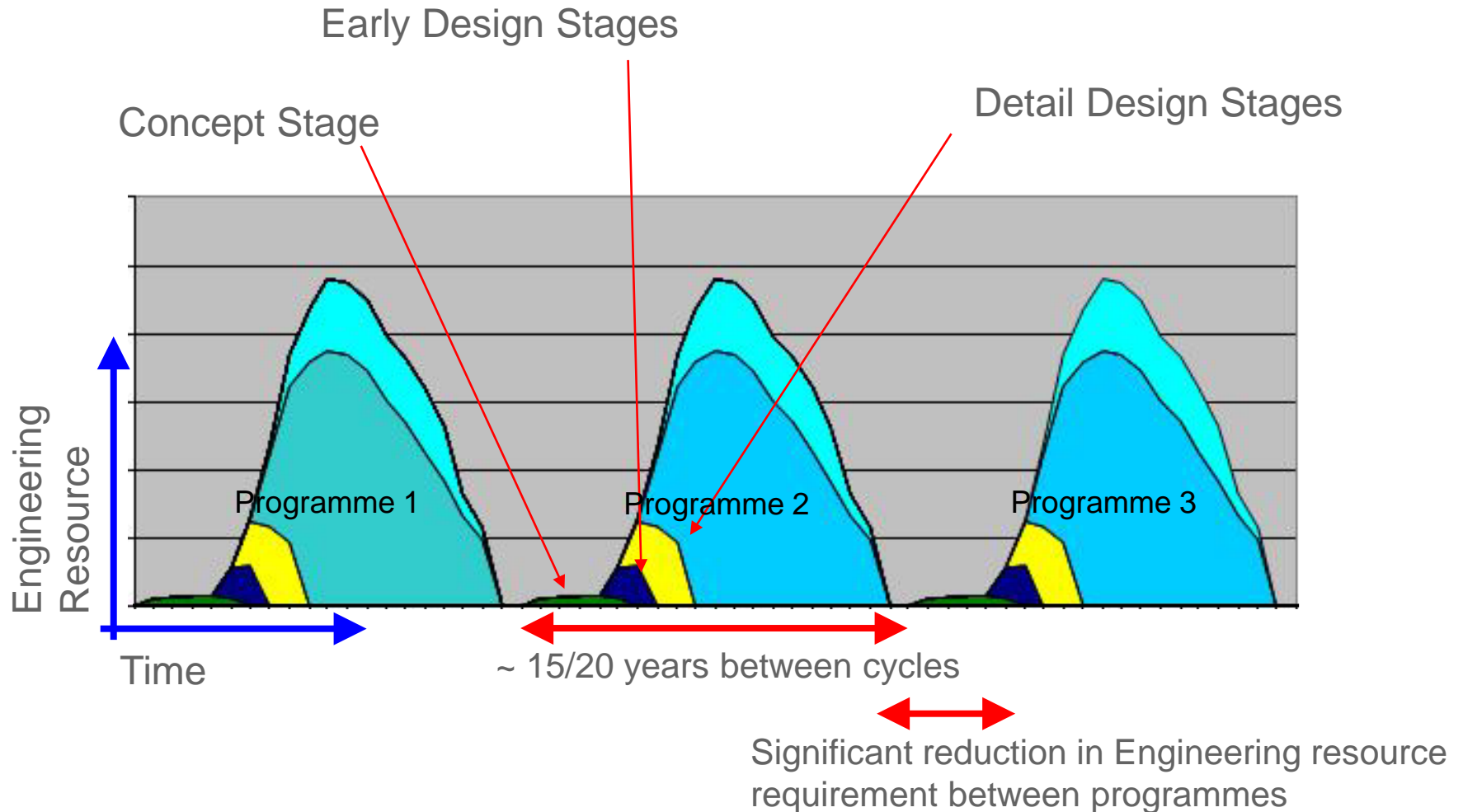
On the one hand

- **Defence budgets under pressure**
- **Reducing platform numbers**
- **Delayed replacement programmes**
- **Increased service life of existing platforms**
- **Reduced R&D and Technology Development programmes**

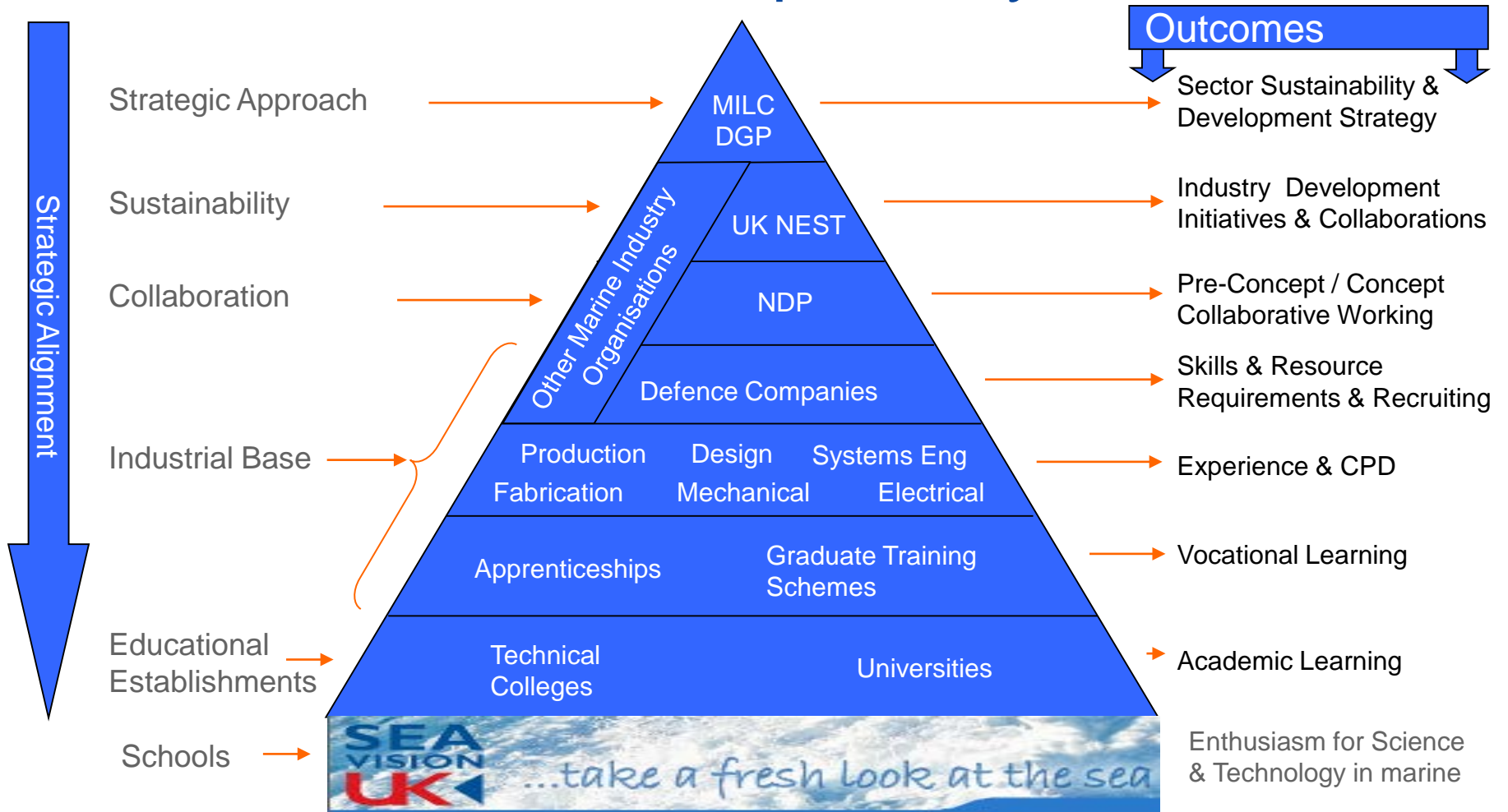
.....Whilst we see significant programme demands

- **Surface Ships – T26, CSC, SEA5000**
- **Submarines – Ohio Replacement, Successor, SEA1000, MUFC**

Skills planning – an example of the challenges to be faced



Sustaining capability over the long term – the UK landscape today



MILC Marine Industries Leadership Council (UK)
DGP Defence Growth Partnership

UK NEST UK Naval Engineering Science & Technology
NDP Naval Design Partnership

Some External Influencing Factors?

- **Global forecast relatively flat or dropping**
 - ~8% drop in global shipbuilding market
 - But Specific markets growing strongly
 - e.g. Brazil naval market, significant growth over next 10 years
 - 30% growth in SE Asian submarine market out to 2020
- **Geopolitics will continue to drive interest in capability**
 - Growth in offshore energy and oceanic resources
 - Dispute of territorial limits
- **Technology**
 - Advancement in commercially available technology
 - Development of autonomous systems

A Perspective on Conference Topics

Our Conference sessions will cover.....

- **Export Controls**
- **National Programmes**
- **Procurement Approaches**
- **External Market Opportunities**

.....Looking forward to the debate that will address

- **Stimulating technology innovation**
- **Business/Procurement innovation**
- **Skills and Knowledge management**
- **Retention of Sovereign capability**



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