



EUROPEAN MANUFACTURING GROUP

# **TOWARDS AN IM EUROPEAN MANUFACTURERS GROUPING**

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## **THE BASIC CONSIDERATIONS**

- Many industrial groups change their structure and are reaching a multinational status.
- Today, more and more armament development programs are built on a multinational basis..
- OCCAR (\*) exists and has begun to be operational.

(\* ) OCCAR :

(Organisation Conjoint de Cooperation en matière d'ARmement)  
was established by Administrative Arrangement on 12th  
November 1996 by the Defence Ministers of France, Germany,  
Italy and the UK. Its aim is to provide more effective and  
efficient arrangements for the management of certain existing  
and future collaborative armament programmes

## **PROCESS followed**

- In 1998, Club MURAT Board of Directors, convinced of the necessity to change their way of working, decided to try to create a European grouping of Companies involved in IM/MURAT.
- Michel THEVENIN was entrusted to make an approach to Companies belonging to OCCAR Countries (France, Germany, Italy and UK).
- 8 Companies were contacted during Michel THEVENIN's mandate and the answers were quite positive.
- Club MURAT founded the Pilot IMEMG .

**PILOT IMEMG MEMBERS**

BAE Systems R.O. Defence (UK)

CEA-DAM (France)

Celerg (France)

Giat Industries (France)

MBDA F (France)

MBDA UK (UK)

OTO Melara (Italy)

Protac (France)

Rheinmetall W&M GmbH (Germany)

Simmel Difesa (Italy)

Snecma Propulsion Solide (France)

SNPE (France)

TDA (France)

TDW GmbH (Germany)

## PILOT IMEMG CREATION

- The decision was taken during the Meeting held on 20<sup>th</sup> June 2000, at Paris, by the unanimous agreement of those present.
- The initial expected duration was estimated to be 1 year!
- The Pilot Grouping had two purposes :
  - To work on a « COSY TOPIC » (to assess how a European grouping would function)
  - Chose the frame and draw the legal Statutes for the future European IM/ Murat Entity.
- Two Expert Working Groups was created (EWG).

## EXPERT WORKING GROUP

### Choice of the « COSY TOPIC »

- The subject was to reach an European Industrial common position on the understanding of the Stanag 4439 and to be in a position to act on a future evolution of it.
- As known, a paper has been written and was presented at IMEMTS 2001 at Bordeaux.

## STATUS WORKING GROUP

- 8<sup>th</sup> October 2001 (IMEMTS): announcement of the future creation of the European IM/Murat Entity by Gerard Roche, Pilot IMEMG President
- Accepted facts on this date:
  - Drawing and ratification of a « Terms of reference document » to establish the will of the participants to work together and to formalize, at a European level, a representative structure of the European MURAT community.
  - Signature of a « Letter of Intent » resuming under a form of a little binding commitment the « TOR »'s items

... But, the Workgroup has still not totally succeeded in the ends : choice of the legal frame and the edition of the final Statutes ...

## Possible Organization Options Studied

Possible Organization Options	Advantage	Disadvantage
<b>Informal agreement</b>	<ul style="list-style-type: none"> <li>- Simple</li> <li>- No cost</li> <li>- No liability</li> </ul>	<ul style="list-style-type: none"> <li>- Lack of continuity</li> <li>- Lack of consistency</li> </ul>
<b>Pilot IMEMG</b>	<ul style="list-style-type: none"> <li>- Exists</li> <li>- Minimum accepted cost</li> <li>- No liability</li> <li>- Internationally known</li> </ul>	<ul style="list-style-type: none"> <li>- Depend of Club-Murat existence</li> <li>- Role very limited</li> <li>- No contracts</li> </ul>
<b>Join already existing organisation (i.e. EDIG, Club-Murat...)</b>	<ul style="list-style-type: none"> <li>- Cost of structure already provided</li> <li>- Existing infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>- Subservient to parent body</li> <li>- No independence</li> <li>- Loss prominent identity</li> </ul>
<b>Legal Structure under French law of 1901</b>	<ul style="list-style-type: none"> <li>- Tailored</li> <li>- Independent with high flexibility</li> </ul>	<ul style="list-style-type: none"> <li>- Minimum funding requirements</li> <li>- Supported structure required</li> </ul>
<b>Team Agreement with MOU</b>	<ul style="list-style-type: none"> <li>- Strong binding between parties contractual</li> <li>- 2 stages entry process</li> </ul>	Limited in scope
<b>EEIG</b>	<ul style="list-style-type: none"> <li>- Share profits</li> <li>- International framework</li> </ul>	Parent's Companies liable + heavy structure

**EXECUTIVE MEETING**, held on 1<sup>st</sup> October 2002  
(TDW - Schrobenhausen, Germany)

...An association of industrial companies, governed by the French law of July 1st, 1901 is chosen to work further and to set up the European Grouping...

Unfortunately, after the meeting, the Italian Companies pulled out (for various reasons) but at least one may return

**This association of companies intends :**

- a) To foster enhanced synergy amongst its members and bring to each participating member a better visibility of the IM/MURAT market.
- b) To aim to have a stronger influence on international agencies than national groupings might have.
- c) To assert the importance that its members attach to IM/ MURAT.
- d) To harmonize information and individual positions regarding standards, specific requirements and state of the art.
- e) To promote IM/ MURAT to the Procurement Agencies, to inform and guide the Armed Forces.
- f) To obtain contracts to further the aims of the group (e.g. feasibility studies, IM/MURAT analysis, theoretical evaluation, STANAG application proposal, contractual definitions, etc.) and to suggest studies, tests to meet potential customer requirements on IM/MURAT field.

## **Membership qualification**

...European Companies, belonging to a member country of OCCAR and co-operative non OCCAR European countries will be accepted as members of the Association ... must be involved in the Armament Industry and be involved in the study, development or production of IM/MURAT or their sub systems or associated technologies.

## **The 2003 topics to carry out could be the followings:**

- Visibility:
  - to confirm the logo
  - to prepare an IMEMG presentation booklet
  - to prepare a Web Site
  - to deposit The “IMEMG” Trade Mark in OCCAR countries
- Experts Working Groups:
  - Strategic working group
  - Hazard Risk Division 1.2.3 | , Q/D, fragment impact test, Stanag 4439...

## THE FUTURE

Inaugural Meeting to be held in May 2003 where Pilot Members will sign up to the Statutes.

Other Companies will be invited to join.