



Flanders

State of the Art



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the Art

DEFENSE & INTERNATIONAL SECURITY

Information & Opportunities for Flemish Companies in the US market

September, 2023

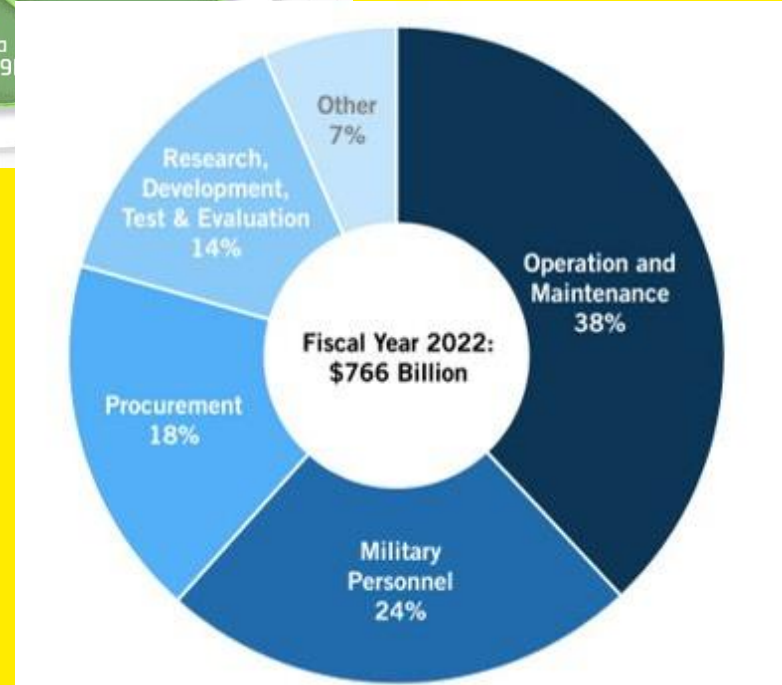


US DEFENSE: AN OVERVIEW

- Defense spending in the US accounts for **12%** of the total federal budget
- Internationally, the US is the top defense spender. It is spending more than the next **ten countries** together



SOURCE: Visual Capitalist, 2021



SOURCE: Office of Management and Budget, Public Budget Database, Budget of the US Government, Fiscal Year 2022


THE PRIVATE & PUBLIC SECTOR



SOURCE: Security services industry in the U.S. - Statista 2023

- Public and private security market:

- Security guards
- Patrol vehicles
- Policing
- Alarm systems
- Cyber security
- Background screening
- Investigation
- Risk analysis
- Security consultancy services
- ...

KEY INSIGHTS 	
Market size of security services in the U.S.	48.13bn USD
Fastest growing U.S. private security company	Vanta
Number of ADT subscribers in the U.S.	6.5m

- Top security company in the US: **ADT** (revenue: \$6.4B in 2022, provides residential, small, and large business electronic security, alarms and fire protection), more than 6.5 million users.
- Fastest growing private company: **Vanta** (revenue: \$69.2M in 2022, providing automated security and compliance solutions) increased revenue by 13.000% in 2022.
- Belgian company as supplier of guns for the Los Angeles Police Department : **FN Herstal** (revenue: \$787M in 2022)
- More than 6.000 people employed in one of largest security companies: **Securitas** (revenue: \$192M in 2022, provides security guards, mobile patrol units, alarm systems,...)

THE NEW YORK TIMES: START-UP INNOVATION IN THE DEFENSE SECTOR



The New York Times

Russia-Ukraine War > Updates Photos Kherson's Transformation Down the Dnipro River Life in Ukraine's Trenches

Start-Ups Bring Silicon Valley Ethos to a Lumbering Military-Industrial Complex

Small, fast-moving U.S. tech firms are using the war in Ukraine to demonstrate a new generation of military systems but face the challenge of selling them to a risk-averse Defense Department.



- Tech start-ups in the United States are driving a **transformative shift** in the defense sector by developing cutting-edge military technologies
- These innovations span a **wide range of areas**, including satellite technology, unmanned aerial vehicles (drones), artificial intelligence (AI)-powered tools, and more
- These start-ups offer innovative solutions that are more **cost-effective, flexible, and rapidly deployable** than conventional weapons systems
- The Pentagon is exploring ways to **integrate a Silicon Valley ethos** into the defense sector to adopt a more innovative approach.



TOP 10 US DEFENSE CONTRACTORS (FY21)

Humana
Military

moderna®







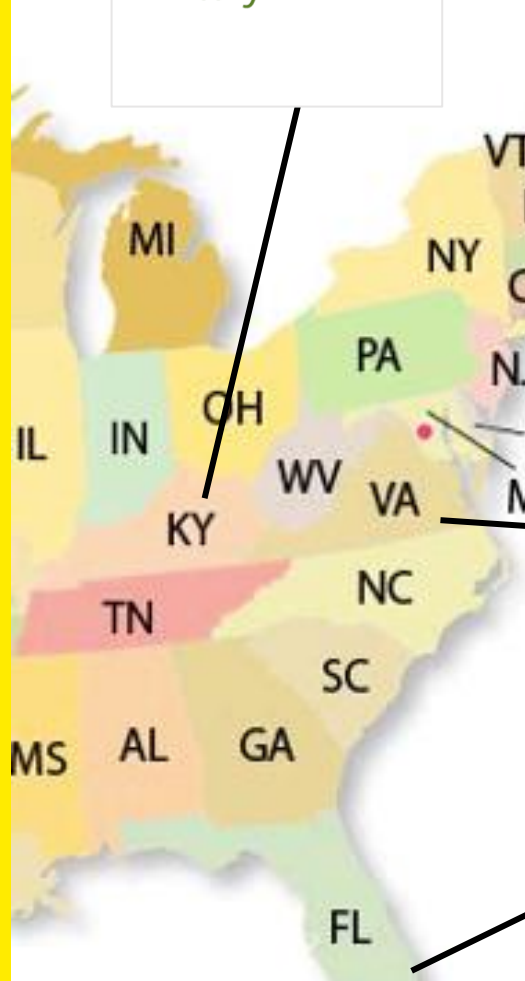








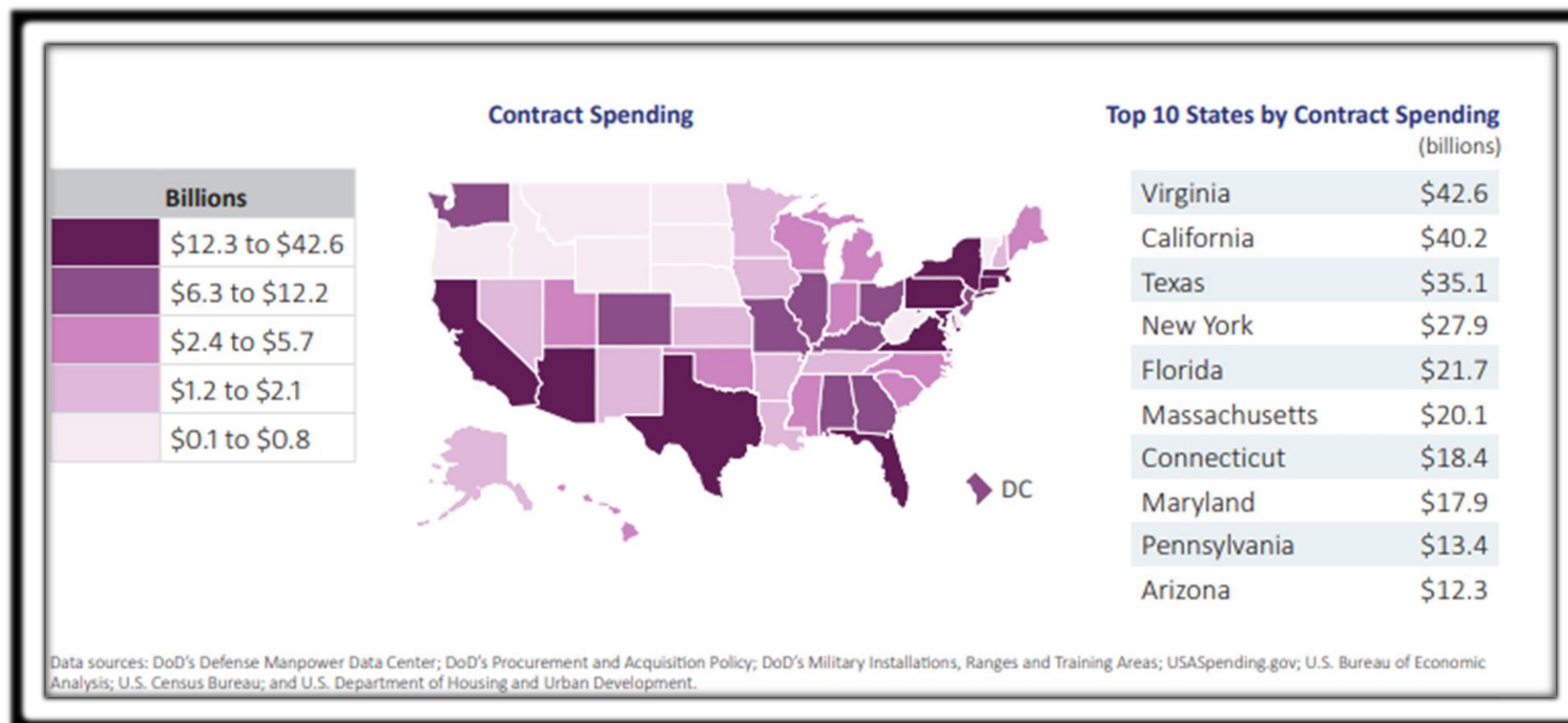




SOURCE: Office of Local Defense Community Cooperation — Defense Spending by State, FY 2021



US DEFENSE CONTRACTORS: TOP STATES BY CONTRACT SPENDING



SOURCE: Office of Local Defense Community Cooperation — Defense Spending by State, FY 2021

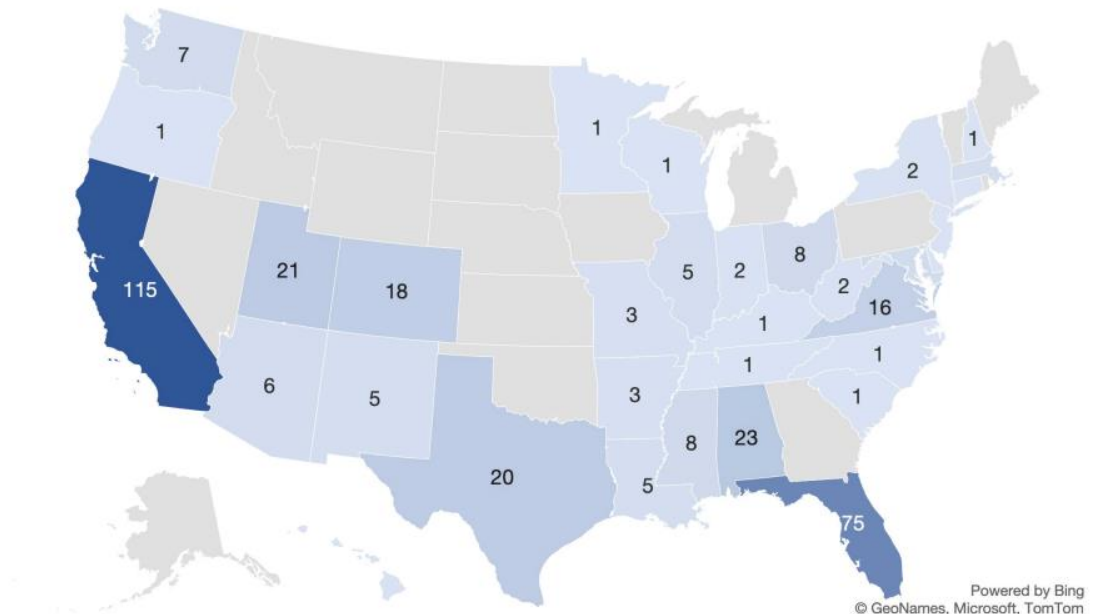


STRATEGIC DEFENSE SECTORS IN CALIFORNIA

- Sectors such as **aerospace, space and missile technology** are of crucial strategic importance in California and provide new opportunities in the defense sector (ex: satellites, detection, navigation)
- Several areas of the state, including **San Diego, Los Angeles, and Orange Counties** have well over double the national average of workers and companies in these industries
- In addition, the intellectual capital created by these firms often spills over into **other technology sectors** (A.I.,...)

June 2020 Space Industry Private Sector Establishments by State

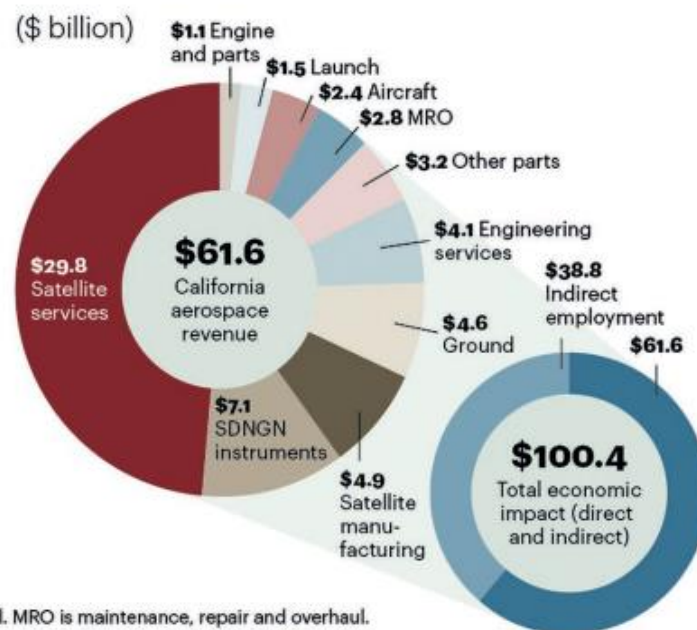
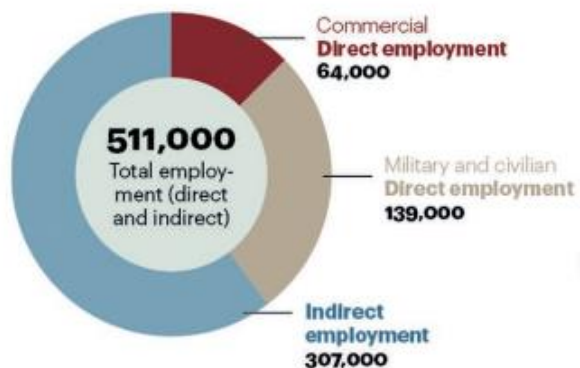
Source: Bureau of Labor Statistics



SOURCE: <https://www.chapman.edu/communication/demographics-policy/ca-industries-2023.pdf>



STRATEGIC DEFENSE SECTORS IN CALIFORNIA: AEROSPACE



Notes: SDNGN is search, detection, navigation, guidance, and nautical. MRO is maintenance, repair and overhaul.
Sources: U.S. Bureau of Economic Analysis; Bureau of Labor Statistics; naval.mil; usmc.mil; af.mil; AT Kearney analysis

US DEFENSE AND SECURITY: EXPORTING FLEMISH COMPANIES



- Many of the Flemish companies that have applied for export licenses for military equipment in recent years are merely secondary sellers of defense equipment.
- Firms such as **DAF Trucks**, **Moeyersons** and **Sioen** primarily serve civilians, but also have a military branch.



TRADE: FLEMISH COMPANIES ENTERING THE US MARKET

ASCO Industries, Zaventem: Provides components for military aircraft (Airbus A400M) and metal processing for tails of F-35 fighter jets.



Sabca, Lummen: Radar equipment for drones and other components for military aircraft, using metal from ASCO Industries, under Federal ownership.



Theissen Training Systems, Oudsbergen: Training grounds and equipment; wooden tanks on rails, moving shooting targets, lifelike muzzle flashes, sound effects,... (ex. San Bernardino training centrum)





TRADE: FLEMISH COMPANIES ENTERING THE US MARKET

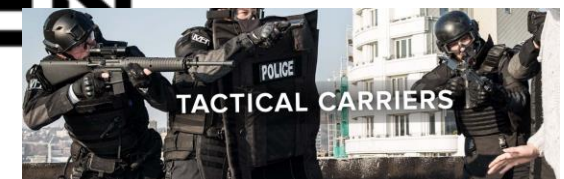
ST Engineering, *Singapore (branch Sint-Niklaas/Erpe-Mere)*: Manufacturer of Terrex combat vehicles and specialized in satellite communication (supplier of U.S. Army and 19 of countries of NAVO).



FN, *Herstal/Zutendaal*: Firearms and ammunition production, supplier of more than 10.000 guns for the Los Angeles Police Department.



Sioen (Ballistics), *Ardooië*: Specialized in technical textiles and protective clothing, produces the most advanced bulletproof vests and body armor.





INVEST: US COMPANIES LOOK TO FLEMISH INNOVATION

DAF Trucks, Eindhoven (branch Westerlo): Industry leading truck production (cabins, engines, chassis, and maintenance of trucks) acquired by PACCAR (specialized in design, manufacturing and distribution of heavy-duty vehicles, largest manufacturer of trucks in the world)



Scio Teq, Kortrijk: Specialized in displays/screens for defense acquired by OpenGate Capital (private equity firm focusing on acquisitions, operational improvements and value creation), USA represents 65% of total market (customers are Boeing, L3Harris, Lockheed,...). More than 50 employees in local office in Georgia.



OPENGATE CAPITAL



FIT SERVICES

- **Trade promotion:** supporting Flemish companies in expanding export and global presence
- **Investment attraction:** attracting foreign investment to Flanders
- **Market research:** providing insights into international markets and opportunities
- **Networking:** organizing events for connections, clients and investors
- **Export and Investment Support:** assisting with export procedures, regulations and incentives
- **Trade Missions:** allowing Flemish companies to explore new markets, establish partnerships, and connect with potential clients.
- **Trade shows:** facilitating participation in global trade exhibitions



TOP DEFENSE AND SECURITY CONVENTIONS FOR CONTRACTORS

Defense intelligence



Oregon

Aviation



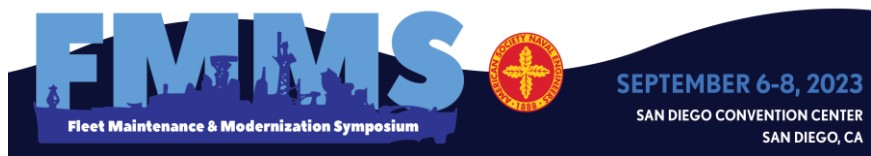
Nevada

Technology



California

Naval engineering



California



Arizona

TOP DEFENSE AND SECURITY TRADE FAIRS



**2023 PACIFIC DEFENSE
CONTACTING SUMMIT**

October 17-19, 2023
Honolulu, Hawaii



**2024 AIR FORCE
CONTACTING SUMMIT**

February 2024
Florida



**2024 NAVY
CONTACTING SUMMIT**

June 8-9, 2024
Virginia Beach, Virginia



sampe

North America

May 20-23, 2024
Long Beach, California



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& TRADE

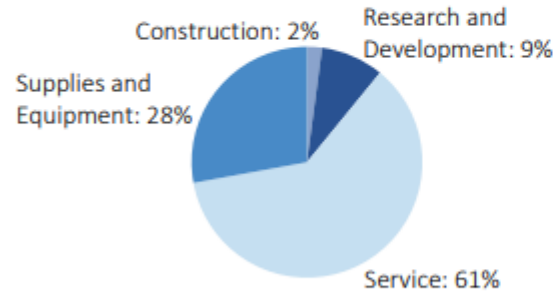
Thank you!
Dank u!

VIRGINIA

#1 \$62.7 B SPENT IN STATE	#1 10.2% OF STATE GDP	11.2% OF TOTAL U.S. DEFENSE SPENDING	\$7,259 PER RESIDENT	#1 \$42.6 B CONTRACT SPENDING	#2 251,230 NUMBER OF PERSONNEL	#1 \$20.1 B PERSONNEL SPENDING
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DEFENSE CONTRACTS

By Type



Top Defense Contractors

(M = millions, B = billions)

Huntington Ingalls	\$4.1 B
Leidos	\$1.5 B
Northrop Grumman	\$1.3 B
General Dynamics	\$1.2 B
CACI	\$1.2 B
Booz Allen Hamilton	\$1.2 B
Atlantic Diving Supply	\$987.1 M
SAIC	\$899.8 M
Lockheed Martin	\$696.9 M
Peraton Corp.	\$593.4 M



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TOP DEFENSE CONTRACT SPENDING LOCATIONS

(M = millions, B = billions)

Fairfax	\$17.5 B
Newport News City	\$4.3 B
Arlington	\$3.9 B
Norfolk City	\$2.9 B
Virginia Beach City	\$2.2 B
Prince William	\$2.2 B
Alexandria City	\$1.7 B
Loudoun	\$1.4 B
Portsmouth City	\$767.6 M
Chesapeake City	\$748.7 M

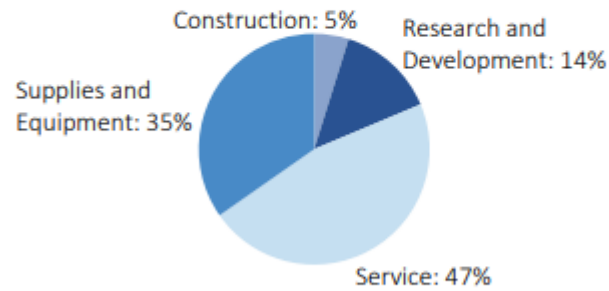


CALIFORNIA

#2 \$57.4 B SPENT IN STATE	#29 1.6% OF STATE GDP	10.3% OF TOTAL U.S. DEFENSE SPENDING	\$1,463 PER RESIDENT	#2 \$40.2 B CONTRACT SPENDING	#1 277,943 NUMBER OF PERSONNEL	#2 \$17.2 B PERSONNEL SPENDING
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DEFENSE CONTRACTS

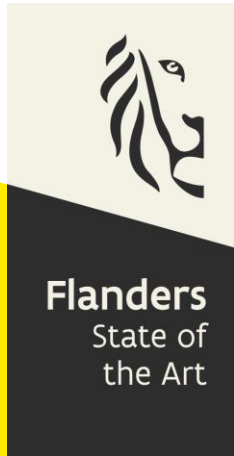
By Type



Top Defense Contractors

(M = millions, B = billions)

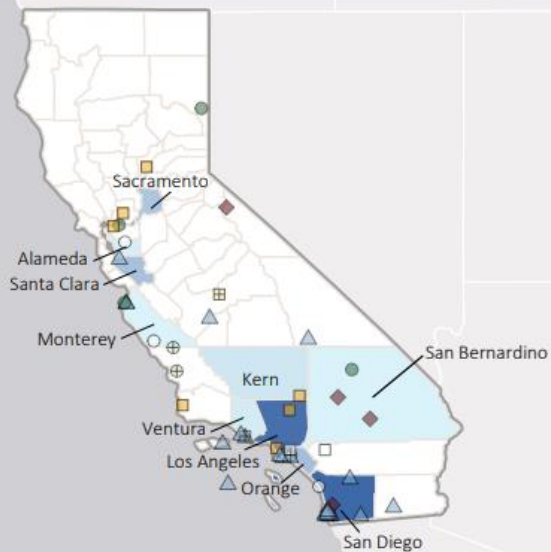
Northrop Grumman	\$4.5 B
Centene Corp.	\$3.2 B
Boeing	\$3.0 B
Lockheed Martin	\$2.5 B
Raytheon Technologies	\$2.5 B
General Atomics	\$2.0 B
Aerospace Corp.	\$1.0 B
General Dynamics	\$571.2 M
SpaceX	\$555.9 M
Aqua-Chem, Inc.	\$379.2 M



TOP DEFENSE CONTRACT SPENDING LOCATIONS

(M = millions, B = billions)

San Diego	\$10.5 B
Los Angeles	\$10.0 B
Orange	\$4.2 B
Santa Clara	\$4.0 B
Sacramento	\$3.6 B
Kern	\$1.4 B
Ventura	\$1.1 B
Alameda	\$841.0 M
San Bernardino	\$682.2 M
Monterey	\$605.2 M

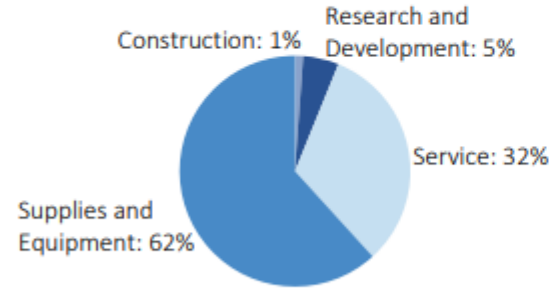


TEXAS

#3	#22	8.5%	\$1,601	#3	#3	#3
\$47.3 B SPENT IN STATE	2.2% OF STATE GDP	OF TOTAL U.S. DEFENSE SPENDING	PER RESIDENT	\$35.1 B CONTRACT SPENDING	221,892 NUMBER OF PERSONNEL	\$12.2 B PERSONNEL SPENDING

DEFENSE CONTRACTS

By Type



Top Defense Contractors

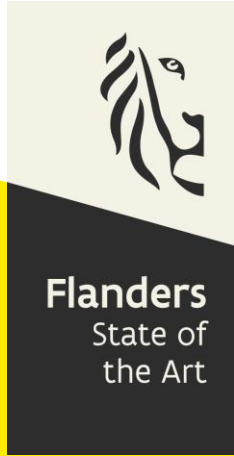
(M = millions, B = billions)

Lockheed Martin	\$13.7 B
McKesson	\$3.0 B
Bell Boeing Joint Project Office	\$2.4 B
L3Harris Technologies	\$2.1 B
Amentum Services, Inc.	\$1.1 B
Raytheon Technologies	\$1.0 B
Kellogg Brown & Root Services, Inc.	\$757.5 M
Dell	\$461.3 M
Petromax Refining Co.	\$425.0 M
Marathon Petroleum	\$393.9 M

TOP DEFENSE CONTRACT SPENDING LOCATIONS

(M = millions, B = billions)

Tarrant	\$12.0 B
Dallas	\$7.4 B
Bexar	\$3.9 B
Harris	\$2.5 B
Potter	\$2.4 B
Hunt	\$1.3 B
Collin	\$1.1 B
Williamson	\$519.1 M
El Paso	\$506.1 M
Travis	\$432.0 M



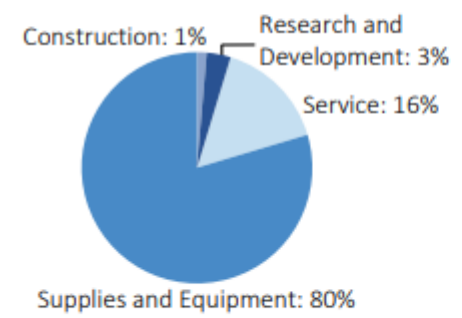
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WASHINGTON

#9 \$19.1 B SPENT IN STATE	#17 2.7% OF STATE GDP	3.4% OF TOTAL U.S. DEFENSE SPENDING	\$2,470 PER RESIDENT	#12 \$11.7 B CONTRACT SPENDING	#7 110,887 NUMBER OF PERSONNEL	#7 \$7.4 B PERSONNEL SPENDING
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DEFENSE CONTRACTS

By Type



Top Defense Contractors

(M = millions, B = billions)

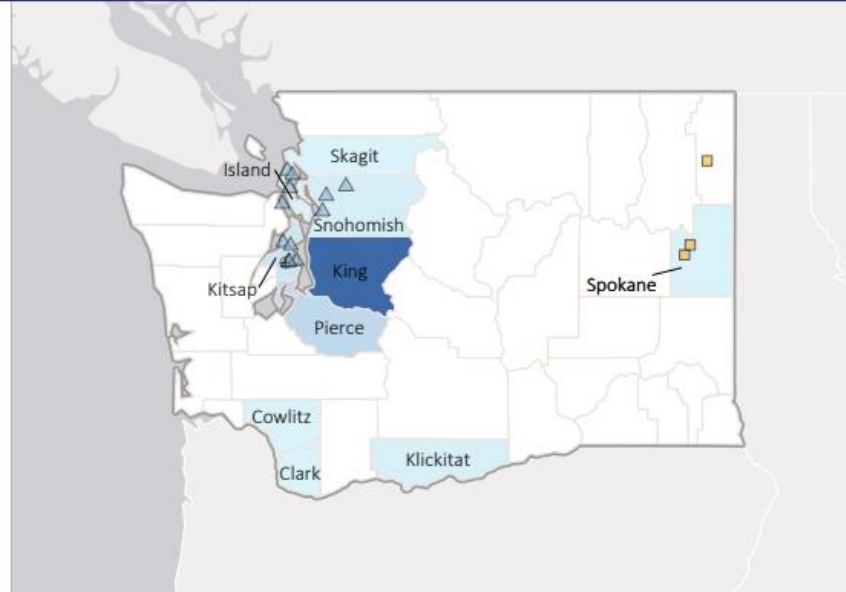
Boeing	\$7.7 B
ANA Holdings, Inc.	\$980.7 M
General Dynamics	\$244.1 M
Parker-Hannifin	\$221.8 M
PacMed	\$172.1 M
SAFE Boats International	\$89.7 M
Par Pacific Holdings	\$87.9 M
Skookum Educational Programs	\$83.8 M
Microsoft	\$74.6 M
Garco Construction, Inc.	\$58.8 M



TOP DEFENSE CONTRACT SPENDING LOCATIONS

(M = millions, B = billions)

- King
\$8.5 B
- Pierce
\$1.5 B
- Kitsap
\$789.1 M
- Snohomish
\$297.3 M
- Klickitat
\$197.0 M
- Spokane
\$107.8 M
- Island
\$76.9 M
- Clark
\$59.3 M
- Cowlitz
\$36.8 M
- Skagit
\$34.0 M



ARIZONA

#13
\$14.6 B SPENT IN STATE

#11
3.4% OF STATE GDP

2.6%
OF TOTAL U.S.
DEFENSE SPENDING

\$2,013
PER RESIDENT

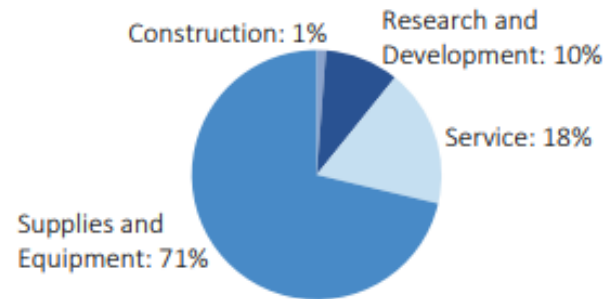
#10
\$12.3 B CONTRACT SPENDING

#19
44,233 NUMBER OF PERSONNEL

#20
\$2.3 B PERSONNEL SPENDING

DEFENSE CONTRACTS

By Type



Top Defense Contractors

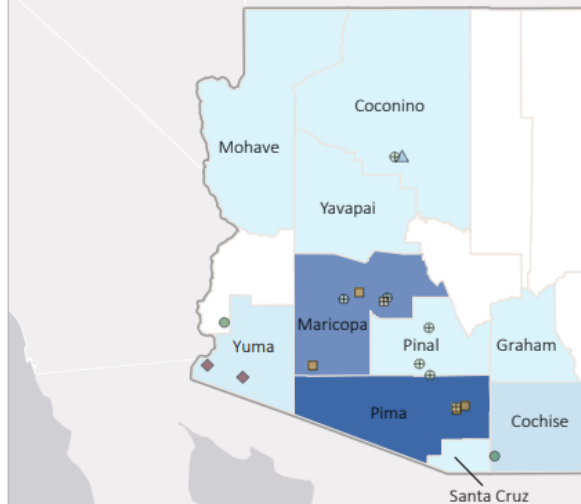
(M = millions, B = billions)

Raytheon Technologies	\$6.2 B
Northrop Grumman	\$1.3 B
Boeing	\$1.2 B
Honeywell	\$905.9 M
General Dynamics	\$394.1 M
Iridium Government Services LLC	\$200.4 M
Trax International	\$108.8 M
Jacobs	\$97.8 M
Patriarch Partners	\$61.1 M
SEWP Solutions	\$59.9 M

TOP DEFENSE CONTRACT SPENDING LOCATIONS

(K = thousands, M = millions, B = billions)

Pima	\$6.6 B
Maricopa	\$4.7 B
Cochise	\$758.3 M
Yuma	\$250.0 M
Pinal	\$12.5 M
Yavapai	\$4.4 M
Santa Cruz	\$4.3 M
Coconino	\$2.9 M
Graham	\$1.5 M
Mohave	\$664.8 K



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