



NICK XENOPHON
Independent Senator for South Australia
AUSTRALIAN SENATE

Our ref: NC-M/SKM

The Hon Ian Macfarlane MP
Minister for Industry and Science
Parliament House
Canberra ACT 2600

URGENT BY EMAIL: minister.macfarlane@industry.gov.au

Dear Minister

RE: Supashock Pty Ltd and the Automotive Transformation Scheme

I write to you on behalf of Mr Oscar Fiorinotto, Managing Director of the South Australian owned and operated company Supashock Pty Ltd ('Supashock') in relation to their application for funding through the Automotive Transformation Scheme.

Supashock specialises in the design and manufacture of dampers as well as vehicle dynamic analysis. Previously their business centred around motorsport, however due to their success in that area Supashock is increasingly working in other fields, including specialised engineering consulting services, the design and manufacture of industrial products as well as OEM product supply. They have also been involved in the global supply chain and are aiming to increase their exports of high value products.

On any objective analysis the Supashock product is outstanding and a breakthrough product. I attach a clipping from Sydney's Daily Telegraph that describes how the Ford Racing Team considered the Supashock product to be the secret of their success. Furthermore, the 'grey nomad' market is significant given that four wheel drives with Supashock absorbers can give a vastly improved ride on the rough terrain.

Diversification of their business is essential to Supashock's survival. With the decline of the automotive manufacturing sector across Australia, and in particular South Australia, companies involved in this sector must seek new markets in order to ensure their long term future.

For Supashock, this means exploring opportunities within other markets, including the mining and defence sectors. They have already developed a product to be used in mining vehicles which has been shown to improve shock absorption and thus reduce the incidence of injury and fatigue to drivers. Similarly Supashock has been in discussion with Defence Teaming Centre in relation to tenders to supply products

for military vehicles (which are currently supplied by predominantly overseas companies).

Projects such as these will put Supashock in a position of being able to massively increase their workforce and develop the skill sets of South Australian workers. This is vitally important in my state due to the impending closure of Holden and the thousands of jobs that will be lost.

Despite Supashock's proven track record of developing high quality, market leading automotive products they have been excluded from applying for funding through the Automotive Transformation Scheme ('ATS') because they are not considered to be directly involved with the Original Equipment Manufacture sector. My specific concern is that Supashock will be enticed to go overseas and with it the opportunity for significant export industry for Australia as well as potentially many hundreds of jobs.

I believe these restrictions on ATS funding eligibility are short sighted and to the detriment of Australia's automotive sector. In the case of Supashock, here is a company with the experience and ability to grow their company and provide jobs to workers affected by the closure of Holden, but who cannot obtain funding to help create those jobs.

I therefore request that you consider revising the ATS' eligibility criteria in order to broaden the scope for companies to obtain funding for projects that will result in job creation and economic growth in South Australia.

I look forward to your urgent response.

Yours sincerely

NICK XENOPHON

3 / 8 / 2015

Cc: The Hon Kyam Maher MP – South Australian Minister for Manufacturing and Innovation,
Minister for Automotive Transformation



Mark Winterbottom and Jamie Whincup, and the Supashock (above). Picture: Tim Hunter.

JAMES PHELPS

A \$3000 shock absorber that can be bought off the shelf is the stunning secret weapon Ford is using to bring an end to Red Bull Racing Australia's V8 Supercars reign.

Jamie Whincup has been an unstoppable force for the past four years, but Prodrive Racing Australia's Mark Winterbottom is leading the charge this season.

A Daily Telegraph investigation into claims Prodrive Racing has an unfair aerodynamic advantage has revealed an Australian-built shock absorber that can be fitted to a

street car is the real reason for Winterbottom's stunning speed.

Prodrive boss Tim Edwards last night admitted a bold gamble to drop the industry standard shock absorber built by SACHS and replace it with "the cheapest shock" on the market has helped the team win nine of this year's 17 races.

"Just about everyone in the field uses the same shock," Edwards said. "We realised we weren't going to get ahead by following the leader so we decided to do something different — and it looks as

though it's worked."

Winterbottom is banking on the "Supashock" as he chases his first championship.

Data obtained by The Daily Telegraph showed the four Prodrive cars are performing better

than their rivals while cornering. The Holden cars remain quicker in a straight line.

Further investigations revealed the DJR Team Penske Falcon was not performing as well as the four Prodrive Falcons despite being aerodynamically identical. The



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only difference between the Fords was the brand of shock absorber being used.

"It is certainly a difference between our cars and the others," Edwards said.

"Is it the be all and end all? Who knows? But it has certainly made a difference. We'd like to think we've helped developed a pretty good product and that it has helped."

Edwards said the team decided to move to the Adelaide-built shock absorber this year after 18 months of development.

The man responsible for the Supashock — which has "thrust-shaft" damper technology — is former V8 Supercars engineer and data expert Oscar Fiorinotto.

"It is the cheapest shock on the market and anyone can go and buy it," Edwards said. "We made the decision to go full-time with them this year and we are solely focused on the Supashock."

"We have done 18 months of hard work so it's not just a case of bolting it in. A lot of hard work has gone into it."

DJR Team Penske has also moved to the Supashock Racing

Suspension system following Prodrive's stunning season start.

Erebus V8 also uses the shock absorber that Edwards hoped to keep a secret.

"Look, there is no silver bullet," Edwards said. "People can go and get this now but it's a combination of a thousand things."

V8 Supercars has denied Prodrive has an aerodynamic advantage because of the new shape of the FG-X.

Winterbottom leads the championship by 248 points heading into this week's Queensland round.

• Tune into Fox Sports 5 on 506 from 7.30pm tonight for another James Phelps driver shock on Inside Supercars.