

POWERED BY



Marketing IN THE Oilfield CONFERENCE

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INTRODUCTION

MARKETING & COMMERCIALIZING OILFIELD TECHNOLOGIES

- President, Co-founder, **PointCross**
- VP Marketing, **Landmark Graphics**
- First marketing manager for LWD/MWD at **Sperry-Sun**
- North American Operations Manager, a division of **Baker Hughes**

SINCE 1993

- **Petroleum Industry:** Baker Hughes, Baroid Corporation, Daniel Industries, Dresser Industries, Landmark Graphics (Halliburton), Numar (Halliburton), Sperry-Sun (Halliburton), PGS- Tigress
- **Capital Goods/Manufacturing:** NL Industries, Nutter Engineering, CompX, Gundle/SLT Environmental, IKG Industries, National Cabinet Lock, Patterson-Kelley, Waterloo Components
- **IT/Technology:** Sun Microsystems, Scicom, Scandent



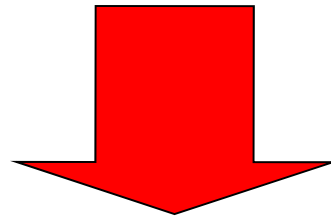


MARKETING HAS TO BE SUCCESSFUL IRRESPECTIVE OF MARKET CONDITIONS!

MINDSHARE ALWAYS PRECEDES MARKET SHARE!

1. Get Customers' Attention

2. Show Customers Advantages Over Alternatives



3. Prove It

4. Persuade People To Grasp the Advantages

5. Ask For A Call To Action



DIFFERENTIATION!



POSITIONING!

Know Thy Customer

WHAT'S CHANGING IN THE OILFIELD?



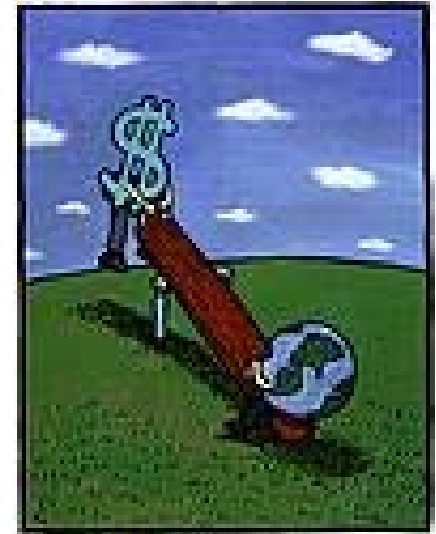
1. OIL COMPANIES' FOCUS

1. DISTINCTIVE FINANCIAL PERFORMANCE OF ASSETS



2. MEETING ENVIRONMENTAL & SOCIAL OBJECTIVES

- Ethical conduct
- Sustainable development
- Employees
- Relationships
- Health, Safety and Environmental
- Performance control and finance



3. “THROUGH THE LENS OF PEOPLE, PROCESSES, TECHNOLOGIES”



2. GLOBALLY DISTRIBUTED DECISION MAKING



- Types of Customers: NOCs, Supermajors, Major Independents, Independents, Operating Partners, OTO
- Multiple Roles: **C**ost-driven Buyer, **U**pper Management, **T**echnical Buyer, **E**nd User
- Types of Assets: 48% of production from mature field; Deepwater- 8%; Developing Fields- 44%; 70% of production from fields more than 30 years old.

WHO IS YOUR TARGET CUSTOMER?

COMPLEX POSITIONING AND SEGMENTATION



3. ASSET LIFECYCLE DRIVEN

OVERARCHING PRIORITIES

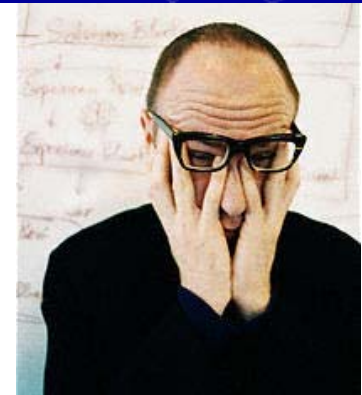
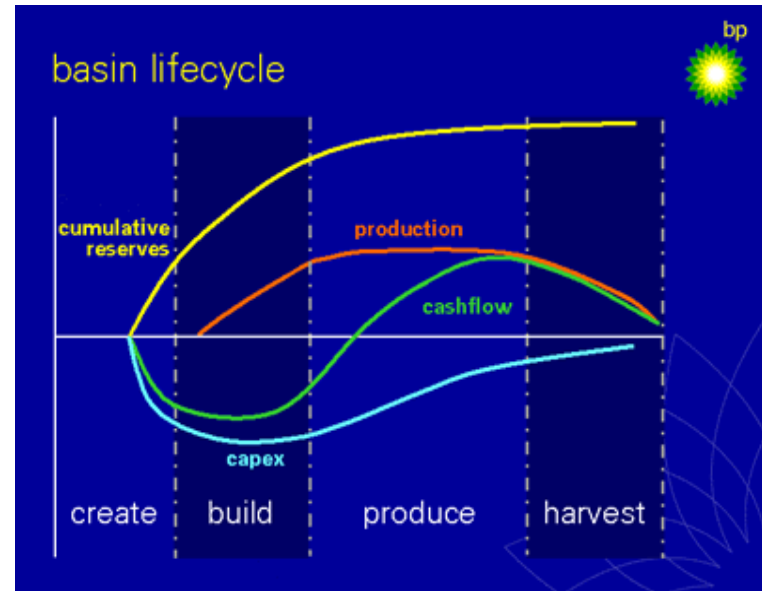
SOCIAL RESPONSIBILITIES, HSE,
QUALITY, SCHEDULE, COST

- CAPEX FOCUS

- New Assets: Acquisition, Competition, “Business Development”, NPV Growth, ROCE
- Develop Assets: Speed, Time to First Cash, NPV Growth, ROCE

- OPEX FOCUS

- Produce: Net Income, NPV Maintenance, Cash Flow, ROCE
- Harvest: Net Income, NPV Maintenance, Cash Flow, ROCE



4. PEOPLE, PROCESS, TECHNOLOGY

PEOPLE

PROCESS

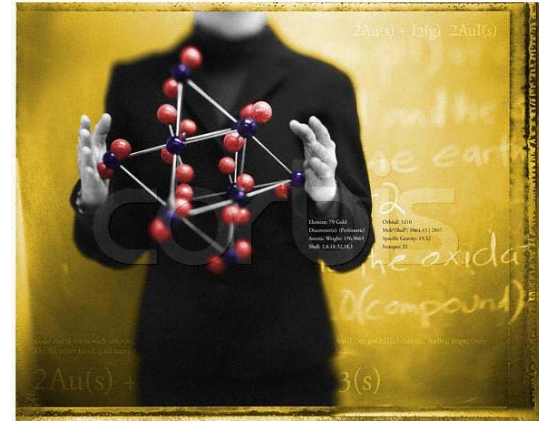


TECHNOLOGY



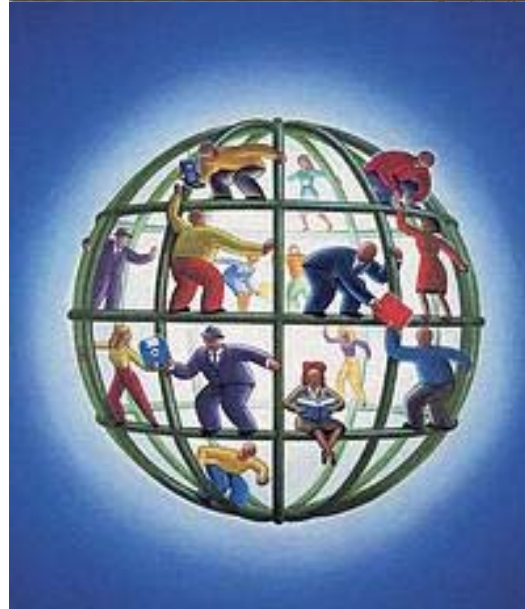
4a. PROCESS/PROGRAM MANAGEMENT

- BP's CVP, Marathon's MPMP
- Chevron's CPDEP: Chevron Project Development and Execution Process
- 5-phase approach to definition and execution
 - Identify and Assess Opportunities
 - Generate and Select Alternatives
 - Develop Preferred Alternatives
 - Execute
 - Operate and Evaluate
- At each phase, provides good definition of:
 - Decision Makers, Deliverables, Work Team, Focus Items, Resources, Value, Metrics, Role of Owner's Project Support Team



4b. PEOPLE

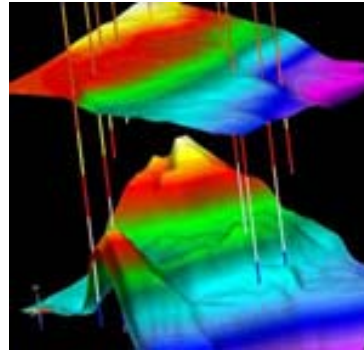
- Challenge: Experience Exodus, Brain Drain.
- Refreshed Focus on Developing and Attracting New Talent
 - “GenX”
 - Preparing for “GenY”
 - Global Workforce
 - Diversity
- Introducing New Ways of Working Fit for “GenX” and “GenY”
- Using Technology to Work With a Global Workforce



4c. TECHNOLOGIES

- **Asset/Field Technologies**

- Seismic Imaging- Difficult Subsurface Environments
- Deepwater Engineering Technologies- riser vibration, subsea processing, cold flow
- Real-Time Management of Fields
- Optimizing Mature Fields



- **Organizational Technologies**

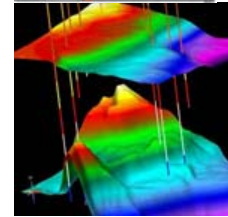
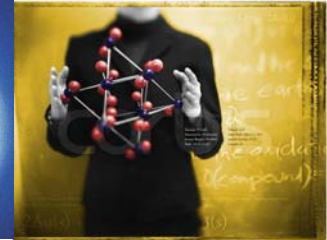
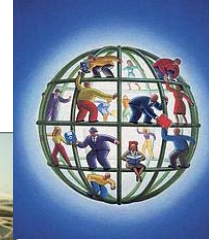
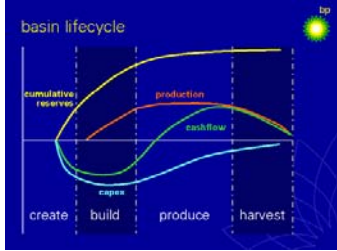
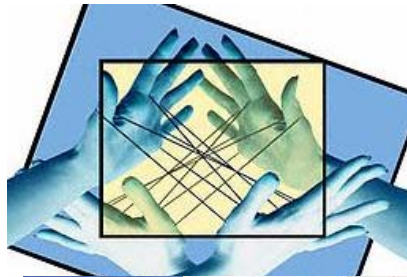
- Process Management
- Compliance
- Mining, Managing, Sharing, and Using Information

- **Renewed emphasis on technology as a savior**

- Autonomous business units were technology laggards
- Independent technology units are not driven by business goals
- Amalgamation of both, simpler decision making!



SUMMARY



Oil Companies, Service Companies and Marketers have no choice but to be successful in every situation

Competitive Edge is Differentiated Value Addition in:

- Financial performance across asset lifecycle
- Social and environmental objectives
- People/Process/Technology expectations





THANK YOU



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