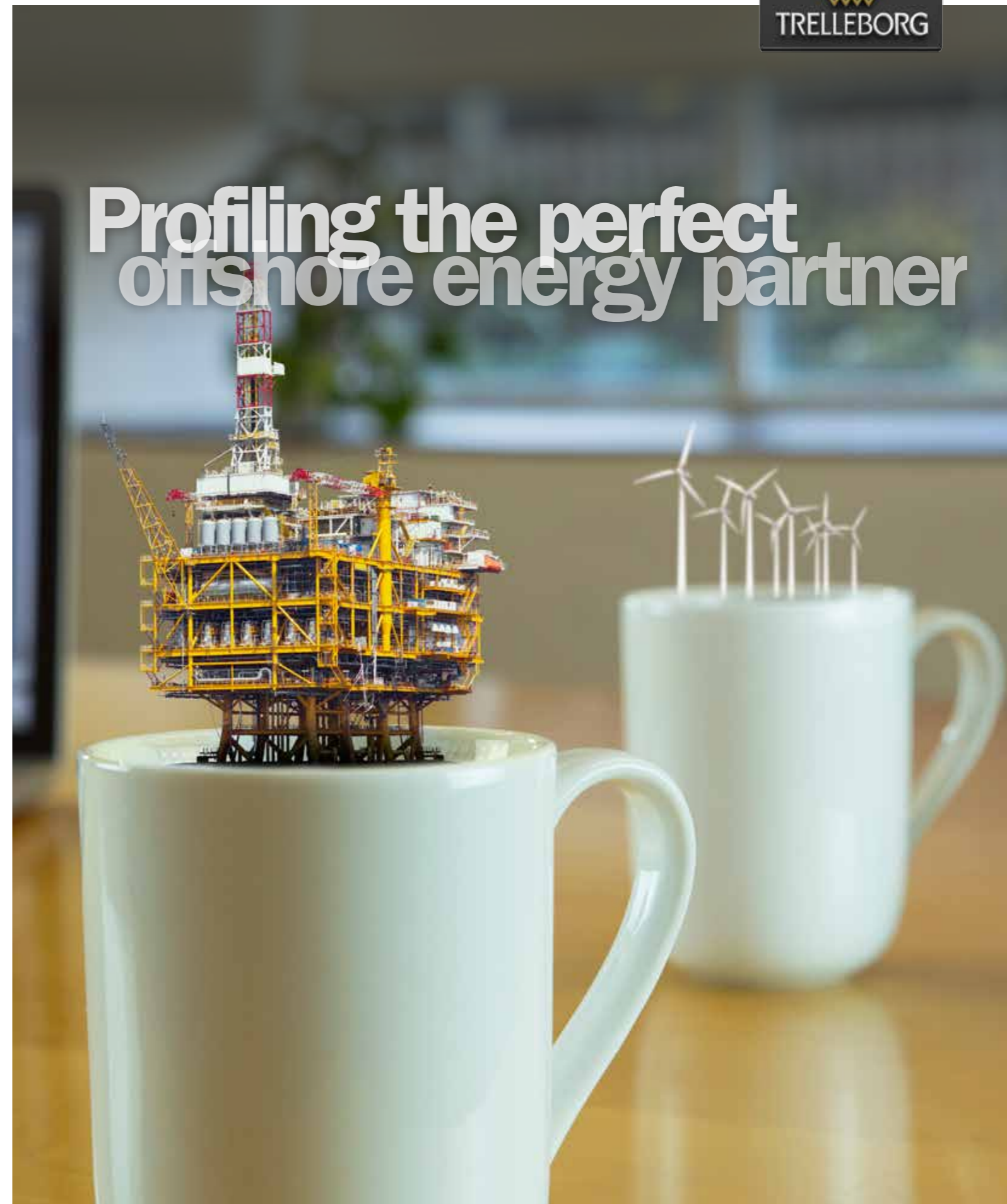




Part of the Trelleborg Offshore & Construction business area of Trelleborg Group, Trelleborg Engineered Products is a leading global developer, manufacturer and provider of engineered polymer solutions to the energy, infrastructure and mining industries. Performing in some of the harshest environments on earth, its principal products are sealing systems for tunnels, a wide range of bearings, polymer solutions for floatover technology and wear resistant products for the mining industry. With local support, a track record of over 100 years and its everyday ingenuity, customers can rely on Trelleborg Engineered Products to deliver innovative polymer solutions that significantly improve the quality, safety and efficiency of its customers' operations worldwide.

WWW.TRELLEBORG.COM/ENGINEEREDPRODUCTS

Profiling the perfect offshore energy partner



Introduction

Trelleborg Engineered Products are a global supplier of advanced polymer solutions. With vast experience and many successful partnerships in the offshore oil and gas industry, we've created this eBook to share our knowledge with you.

Having the right processes in place is key to providing a top-level service. That's why you should seek a supplier who puts its clients and their projects firmly front of mind and ensure they can cater to tight timelines, varying budgets and harsh offshore environments.



You need a supplier with quick and efficient response times, removing supply chain concerns of performance or delivery. Products that have been put through a stringent testing regime will guarantee performance and reliability every time.

The offshore industry demands that only the highest quality products and services are delivered on time and within budget, otherwise the consequences could be devastating. It is the industry's duty to respond quickly, communicate efficiently and deliver high performance solutions that endure in the long run. A supply chain that can ensure stringent testing procedures, warranties and customer references will breed confidence and security throughout.

“A supply chain that can ensure stringent testing procedures, warranties and customer references will breed confidence and security throughout”

Optimum offshore processes

A guide to choosing the right partnerships and processes for assured performance of offshore oil and gas projects, while reducing risks, costs and downtime.

Sector shifts

Onshore production has levelled-out; now 30% of the world's oil production comes from offshore areas¹. However, more exploration and production activity is taking place in deeper waters, more remote locations and harsher climates. Whereas production platforms resided at distances of 10km from shore back in 1970, now projects such as the Husky's SeaRose FPSO in Canada is based a significant, 350km from shore.

As a result, supply chains are facing increased pressure; oil companies, contractors and consultants driving them are looking for the highest performance, reliability and expertise from their suppliers, to deliver on time and to budget.

Refined procurement practices and framework agreements do help but under the extra pressures, it can be easy to lose sight of the bigger picture. While 'box ticking' criteria help to level the playing field to analyze the best supplier for the project, it could also be creating restrictions. Contractors may not be aware of all the suppliers in the market, and by working with only what they know, they run the risk of overlooking experienced suppliers that can deliver on quality, performance, cost and responsiveness.

It's the fundamentals that help to drive best practice and consideration of the following elements will aid supply chain management.



“30% of the world's oil production comes from offshore areas”

Perfect partnerships

“Less risk means fewer liabilities and anxieties; a supply chain that can ensure stringent testing procedures, warranties and customer references will breed confidence and security throughout.”



“Contractors must seek to work with the supplier most suited to the job; old or new.”

Sustainability

The nature of a challenging offshore environment means that only the very best products must be used; ones that are built to last and cater to the demands placed on them. The peace of mind provided by a product manufactured to meet requirements for the long term is invaluable – especially in such risky surroundings.

A manufacturer that can reduce or even remove risk of product failure or replacement, will guarantee that concerns for downtime, safety and unplanned costs are significantly reduced. For example, if a Leg Mating Unit (LMU) used during a floatover operation was to become faulty, the time and expense of replacing it would be huge.

Trelleborg Engineered Products design advanced polymer solutions with sustainability in mind. We understand the importance of supplying products that can endure in challenging offshore conditions.

Cost

While initial cost outlay is an important factor, it must not be the only driver of specification decisions. Buy cheap, buy twice, really isn't an option here as the time needed to replace an FPSO/FLNG's Structural Elastomeric Bearing system for example, could cause significant and colossal delay. In order to guarantee the highest performance and best value from the project, contractors must properly evaluate the lifecycle costs of each component part across the supply chain.

Similarly, there are suppliers out there who can combine very competitive component prices and high performance – contractors must seek to work with the supplier most suited to the job; old or new.

Finance

For a supply chain to guarantee strong financial security and stability, it must be made up of individual businesses with adequate scale and financial protection. A supply chain consists of a sequence of links, so individual suppliers must all be able to provide financial security, because if just one fails it impacts on the whole process and the project.

Will your partner be around in 10, 20 years to correct, repair or replace a faulty installation? If so, can you rely on them to make good on their promise?

Risk

Against the backdrop of everyday stresses and strains presented by increasingly challenging offshore environments, contractors can transfer more of the risk to suppliers. Less risk means fewer liabilities and anxieties; a supply chain that can ensure stringent testing procedures, warranties and customer references will breed confidence and security throughout.

Take testing as an example; the source of a solution – the manufacturer is more likely to get it right as they are more familiar with the product and its requirements. Making use of manufacturers that have their own in-house facilities will remove the need for a third party testing house.

Contractors who branch out to build a portfolio of trustworthy suppliers that can deliver these elements, will provide greater security and therefore reduce project risks.

Corporate social responsibility (CSR)

Similar to factors like financial strength and testing capabilities influencing the reputation of the company, another factor is CSR which impacts on the perception of the brand and its strength.

“With the ability to offer elements such as credibility, recyclability and compliancy, suppliers will tick boxes for strict framework agreements and will also demonstrate to contractors that they’re able to offer more than just the service they’re hired to deliver.”

Response times

A quick response from the initial point of contact must not be compromised. Against often tight timeframes and a high level of competition, contractors require the most proactive suppliers, but also the most reactive.

“From the first point of contact through to final delivery, communication is key and speed is paramount, but must not be at the expense of performance.”

Localization

While a global reach is important, on the ground personnel is vital to provide local, technical support and guidance. It is this function which helps to bridge the knowledge gap between the supplier and the installers on the project that may need guidance. And it is this level of local understanding and communication which helps to reduce the risk of a poor or delayed installation or floatover operation, making the likelihood of downtime much less.

Similarly, a manufacturer with local factories or distribution centers can quicken the delivery process and remove product availability concerns or delays.

Conclusion

Many contractors are relying more heavily on their supply chain for obvious benefits: cost savings, risk reduction and quality improvements, but all too often they mismanage the processes and relationships. Similarly, inadequate upfront planning, poor communication and selecting from a limited set of suppliers, can put the project in jeopardy.

“The supplier will protect and manage the whole project life cycle”

That means selecting sustainable products which are unlikely to need repairing or replacing, and seeking out alternative quality suppliers with a strong track record, that can offer longer term warranties, a good financial backing and aren't simply the cheap and unreliable option.

A knowledgeable and valuable supplier will be able to answer the specification, but also offer added benefits as mentioned above, to bring real, long term return.

¹ <http://www.gaselectricpartnership.com/HOffshore%20Infield.pdf>