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**Chevron Wins Boston Strategies International's
2010 Award for Lean Six Sigma Implementation in Oil and Gas Operations**

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Boston Strategies International (BSI) has awarded Chevron a 2010 Award for Lean Six Sigma Implementation in Oil and Gas Operations.

BSI has conducted an in-depth global operations management benchmark study in the oil and gas industry since 2008. This year it screened over 300 candidate operations and supply chain management improvements among National Oil Companies (NOCs), International Oil Companies (IOCs), Equipment Providers, and Service Providers. The award was conferred at OFS Portal's annual retreat in Houston.

Chevron Corporation (USA) won for its effective in extending its internal Lean Six Sigma techniques to its suppliers. The first pilot project in 1999 reduced operating costs at a California water treatment plant by 30%. Lean Sigma, which officially started as a grass roots initiative in year 2000, validated financial benefit of \$250 million in 2008, \$400 million in 2009 and is projected to exceed \$500m in 2010. Hundreds of projects across the US, UK, Angola, and Indonesia contributed to the achievement. An internal consulting group led by Stephen Turnipseed helps facilitate the Chevron businesses in starting and maturing their programs. As the SBU programs mature, Chevron actively engages their supplier / contractors in improvement projects and in development of similar continuous improvement programs.

Examples of improvement projects include the streamlined truck routing for KS Industries (a piping installer), affecting more than 200 employees, and standardized the vehicle fleet for Braun Electric Co, which installs Chevron's electrical systems for oilfield pumps. The initiative has reduced average drilling time, reduced workover rig cycle time, and reduced the lead time for engineering drawings.

Chevron (chevron.com) is one of the world's leading integrated energy companies. It has 58,000 employees and conducts business in more than 180 countries. Chevron operates across the entire energy spectrum – producing and transporting crude oil and natural gas; refining, marketing and distributing fuels and other energy products and services; manufacturing and selling petrochemical products; generating power; and developing and commercializing the energy resources of the future, including biofuels and other renewables. Chevron is based in San Ramon, Calif..

Boston Strategies International (bostonstrategies.com), founded in 1998, offers global supply chain consulting, global cost and pricing intelligence, and hosted procurement applications to the oil and gas industry to create global growth opportunities through strategic supply chain management. OFS Portal (ofsportal.com) provides standardized electronic information to B2B trading partners to facilitate eCommerce in upstream oil and gas products and services.

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