

3RD ANNUAL GLOBAL PROCUREMENT AND SUPPLY CHAIN MANAGEMENT FOR THE OIL AND GAS INDUSTRY

ADAPTING PROCUREMENT STRATEGIES TO EASE THE PROBLEM CREATED BY THE DEPRESSED MARKET AND MAINTAIN A COMPETITIVE EDGE

Houston, USA

22nd – 23rd June 2015



In the current climate it is essential that companies reconsider their procurement and supply chain management strategies to help reduce costs, but continue to create value for their company. The key challenge for companies is understanding how they can adapt their strategies rapidly to avoid losses and remain competitive. Traditional issues remain important; logistical headaches still need to be smoothed out and companies need to understand how to optimize their talent management

This **GFMI** conference will provide oil and gas operators and their contractors with the opportunity to compare, debate and discover what procurement and supply chain management strategies will work best for them to help them cope with the downturn in the market.

Interactive Workshop on 22nd June

Negotiating skills for deals that benefit all parties

Led By:

David Jacoby

Independent Consultant

Key Learning Benefits

- Gain valuable insights into how to **adjust and adapt your procurement strategy** to cope with the depressed market and **remain competitive**
- **Mitigate the dangers** of establishing a supply chain in a new location
- Understand how to **effectively use KPIs and benchmarking** to enhance your PSCM
- Realise the importance of **building strong relationships with suppliers** as a method of **mitigating the impact** of the depressed market

Learn from Key Practice Case Studies

- **Spectra Energy** discuss how best to optimise supplier relationships and reduce costs through renegotiating
- **Marathon Oil** examine the best technologies to use to enhance procurement strategies
- **Weatherford** provide solutions to logistical difficulties within the supply chain
- **Schlumberger** share their expertise on leveraging inventories to prevent costs escalating
- **Cameron** tackle issues of how to deal with and minimise risks within the supply chain to prevent unexpected costs

“With many companies in **crisis mode** over the crash in oil prices it is essential to **make savings and remain competitive** to effectively manage the downturn in the market”

In the Chair

William Le Sage

CEO

OFS Portal

Expert Speaker Panel

Tom Longmire

VP PSCM, CPO

US Lower 48 Onshore

Chris Bloxham

Corporate Director Project Risk Management

Cameron

Melissa Bohannon

Director of Logistics, Global Supply Chain

Weatherford

Luis Rivas

Head of Category Management

AP Moller – Maersk A/S Drilling

Scott McKinnon

CPO

Valerus Compression Services

Robert Cataldo

Director of Procurement

C&J Energy Services

Paul Hines

Global Procurement Systems Development Manager

Marathon Oil

Alan Hubatka

Global Supply Chain Manager

Schlumberger

Robert Goss

Global Supply Chain Management

Southwestern Energy

Francois Trofim-Breuer

Director, Supply Chain Management

Spectra Energy

Janice Hamilton

Global Supply Chain Management Process

and Technology Lead

Talisman Energy

Constantyn Chalistsios

Senior Director, Global Supply Chain

Baker Hughes

Scott Kraynak

Regional Head of Supply Chain, North America

Aker Solutions

Jason Casper

Director, Supply Chain Management

Rowan Companies

Doug Johnson

VP Global Supply Chain

Emerson

Juan Carlos Agoglia

Director, Supply Chain

Tenaris

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Global Solutions for Supply Chain Risk. CREATING VALUE

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08.30 Registration and Coffee

08.45 Opening Address from the Chair

William Le Sage
CEO
OFS Portal

COPING IN A TIME OF CRISIS

09.00 Case Study

**Optimising supplier relationships:
Renegotiating agreements**

- Using historical data as a precedent
- Negotiating discounts to ease strain in the supply chain
- Balancing quality, cost and delivery time
- Renegotiating agreements in the current market: How to get the best deal

Francois Trofim-Breuer
Director, Supply Chain Management
Spectra Energy

09.45 Case Study

Standardization to enhance PSCM: A Subsea Roadmap

- The current state of things: Key drivers of customization
- Standardization case study
- Standardization road map
- Considering the value of standardization for improving PSCM strategies

Scott Kraynak
Regional Head of Supply Chain, North America
Aker Solutions

10.30 Networking and Refreshments Break

10.45 **Speednet***An excellent opportunity to speak directly with your peers and network effectively. Exchange your views and business cards.*

11.00 Case Study

**Building a culture that drives mutual value creation
for both parties: Strategic alliances**

- The importance of building strong relationships for the future of the supply chain
- Knowing your opportunities and your limits
- Assessing your strategic position
- What happens when an alliance breaks up: Preparing for this eventuality

Juan Carlos Agoglia
Director, Supply Chain
Tenaris

11.45 Panel Discussion

Broadening the supply chain to reduce costs

- Developing new sources of supply to reduce costs and save time
- Knowing when you should move away from old suppliers and look towards new sources
- Remaining competitive in a challenging market

Robert Cataldo
Director of Procurement
C&J Energy Services**Robert Goss**
Global Supply
Chain Management
Southwestern Energy**Tom Longmire**
VP PSCM, CPO
US Lower 48 Onshore**Constantyn Chalistsios**
Senior Director,
Global Supply Chain
Baker Hughes**Doug Johnson**
VP Global Supply Chain
Emerson

12.30 Networking Lunch

13.30 Case Study

Leveraging your inventory to limit costs and add value

- Establishing and maintaining a strategy for knowing exactly what stock is held
- Working with suppliers so they're able to have stock readily available: Keeping inventories as low as possible
- Reusing supplies and machines for new projects: How to make the most of what you already have

Alan Hubatka
Global Supply Chain Manager
Schlumberger

ENCOURAGING VALUE CREATION IN PSCM

14.15 Case Study

**Effective use of KPIs and benchmarking for PSCM
enhancement**

- Downturn analysis: KPIs and benchmarks to understand exactly what's going on
- Using benchmarks to improve your procurement strategy: Best practice in using this information to improve your procurement strategy
- Using KPIs to demonstrate the value of procurement as part of overall business strategy

Scott McKinnon
CPO
Valerus Compression Services

15.00 Networking and Refreshments Break

15.30 Panel Discussion

Overcoming the challenges of working in new locations

- Political issues: Understanding local policies and regulations
- Working with unfamiliar customs laws
- Making sure communications are thorough and increasing transparency
- Logistical difficulties working in inaccessible locations and in locations with poor infrastructure

Jason Casper
Director, Supply Chain Management
Rowan Companies

16.15 Closing Comments from Chair and End of Day One

Business Development Opportunities

Business Development Opportunities

Does your company have solutions or technologies that the conference delegates would benefit from knowing? If so, you can find out more about the exhibiting, networking and branding opportunities available by contacting:

Angelica Anselmo, Marketing Executive, GFMI
Tel: +1 312 757 6194
E-Mail: Angelicaan@global-fmi.com

NEGOTIATING SKILLS FOR DEALS THAT BENEFIT ALL PARTIES

- 16.20 Registration and Coffee
In light of the recent drop in oil prices it has become necessary for contracts to be renegotiated to help operators cope. Negotiating in any market environment can bring up unexpected challenges. This workshop will focus on how to successfully negotiate a contract within the current market which satisfies all parties.
 Led By:
David Jacoby
 Independent Consultant
- 16.25 **Carefully planning and preparing for negotiations to get more value from established relationships**
- Knowing exactly what you want to get from the negotiation
 - Assessing all parties' bargaining powers
 - Communicating clearly and maintaining transparency throughout the project
 - Understanding that the operator-supplier relationship is two-way
- 18.00 Networking and Refreshments Break
- 18.15 **Issues to consider while negotiations are taking place: How can these be effectively dealt with?**
- Exploring the requirements of both parties
 - Establishing expectations so all parties know where they stand
 - How to cope with unexpected requirements
 - Ensuring reliability and quality of goods and services
 - Closing the negotiation
- 19.15 Closing Remarks from the Masterclass Leader

Testimonials

- "Good and well organized event with excellent participation and topic covered"**
 Sr. Mn. Category Management
Halliburton
- "Good solid agenda, high level professional speakers and presentors. Wide range of SCM topics. Good Job!"**
 Director of SCM
TIW
- "Was a high-quality conference overall helpful for better understanding of oil and gas specifications."**
 Project Manager
The European Institute of Purchasing management
- "Event was very informative and added huge value to knowledge with good knowledge sharing."**
 Senior Strategic Buyer
Maersk Oil Qatar
- "Great selection of speakers, great staff"**
 Materials Procurement Superior
Aramco
- "Thanks. Look forward to attending this event next year."**
 Procurement Manager
Baker Hughes

About the Master Class leader

David Jacoby has been consulting for over 20 years in operations strategy and performance improvement, especially in the oil, gas, and power industries. He wrote *The Economist Guide to Supply Chain Management* (The Economist, 2009), and *Optimal Supply Chain Management in Oil, Gas, and Power Generation* (PennWell, 2012). Formerly, he taught Operations Management at Boston University's graduate school of business, served as a contributing editor at the Economist Intelligence Unit, and consulted to the World Bank. While based in Brazil, Hong Kong and France, he consulted on strategic sourcing, purchasing and outsourcing, shipping, and capital investments. He holds an MBA from the Wharton School, a Masters in International Business from Lauder Institute and a Bachelor of Science in Finance and Economics from the University of Pennsylvania. He is also a Certified Fellow in Production and Inventory Management (CFPIM), Certified in Supply Chain Management (CSCP, Certified in Integrated Resource Management CIRM, Certified in Purchasing Management (Lifetime C.P.M.), and Certified in Transportation and Logistics.

Who Should Attend

CPOs, VPs, Directors, Heads and Managers of:

- Procurement
- Supply Chain
- PSCM
- Materials Management
- Category Management
- Sourcing
- Contracts
- Commercial affairs
- Logistics
- Projects

From:

- Oil and Gas Operators
- Oil and Gas Contractors and Sub-Contractors
- Oil and Gas Equipment and Material Suppliers

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SupplyChainBrain, the world's most comprehensive supply chain management information resource, is accessed year round through a wide range of ever evolving multi-media formats by hundreds of thousands of senior level industry executives. In addition to addressing the fundamental principles of supply-chain management, SupplyChainBrain identifies emerging trends, technologies and best practices, forward thinking ideas and cutting-edge solutions-and continues to write and report about these as they evolve and mature.

08.30 Registration and Coffee

08.45 Opening Address from the Chair

William Le Sage
 CEO
 OFS Portal

EVOLVING PROCUREMENT STRATEGY

09.00 **Effectively minimizing supply chain risks**

- Predicting and mapping potential risks
- Mitigating and measuring risk for new partners and contracts
- Identifying risks involved and prioritizing which risks to reduce in the supply chain
- Working with suppliers to ensure quality of services

Chris Bloxham
 Corporate Director Project Risk Management
 Cameron

09.45 **Case Study**

Reducing the risk of logistical difficulties throughout the supply chain

- Increasing collaboration, transparency and communication with all parties involved in the supply chain
- Logistical optimisation through thorough planning to streamline the supply chain
- Dealing with strikes, weather risk and the increasing cost of air freight

Melissa Bohannon
 Director of Logistics, Global Supply Chain
 Weatherford

10.30 Networking and Refreshments Break

11.00 **Case Study**

Category management: Creating deeper categories for easier management of the supply chain

- Implementing category management strategies for a more efficient supply chain
- Building a strong team of category managers
- Understanding the position of the category within the supply chain and within the company as a whole
- Rethinking the category management approach: Taking a more strategic approach and considering exactly what should be included in each category

Luis Rivas
 Head of Category Management
 AP Moller – Maersk A/S Drilling

11.45 **Panel Discussion**

Using joint ventures to mitigate risks and develop your supply chain

- Understanding the shared vision of operators and suppliers
- How is risk shared between the parties involved?
- Building data protection and IP into contracts
- Who is responsible for the overall success or failure of the project?

Roberto Cataldo
 Director of Procurement
 C&J Energy Services

DEVELOPING YOUR PSCM WORKFORCE

12.30 **Hiring, training, engaging and retaining a talented workforce**

- Best practice in finding qualified candidates at the right price: Recruitment strategies and vetting processes
- Forming and educating new teams to cope with the difficult market environment
- Retaining talent: Ensuring skilled employees are happy and engaged

13.15 Networking Lunch

14.30 **Utilising technologies to enhance procurement strategies**

- Keeping up to date with the technologies available to aid PSCM
- Innovative technologies for streamlining procurement strategies
- Integrating new technologies into your business: Education and training

Paul Hines
 Global Procurement Systems Development Manager
 Marathon Oil

15.15 Networking and Refreshments Break

15.45 **Round Tables**

These roundtables are an opportunity to discuss some of the most important topics within procurement. Discussions are lead by top industry professionals and provide an opportunity for open debate.

Table One

Understanding the global market: What's happening with the oil pricing?

Melissa Bohannon
 Director of Logistics, Global Supply Chain
 Weatherford

Table Two

Using software to streamline your procurement procedures

Janice Hamilton
 Global Supply Chain Management Process and Technology Lead
 Talisman Energy

Table Three

Debating different procurement strategies: Shale, onshore unconventional and offshore

Luis Rivas
 Head of Category Management
 AP Moller – Maersk A/S Drilling

16.45 Closing Comments from Chair and End of the Conference