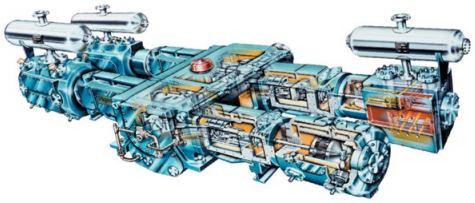
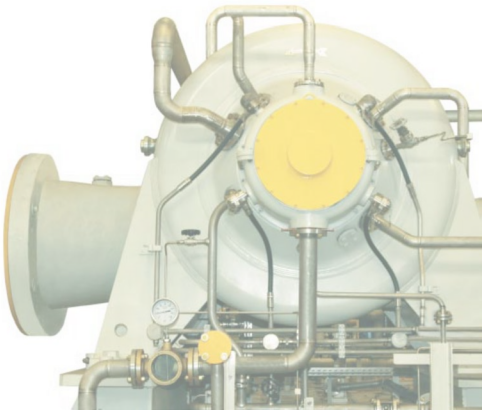
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CASE STUDY #452



Compressors Supply Market Analysis & Outlook



ABOUT THE CLIENT

Industry	Oil and Gas
Revenues	Hundreds of billions of dollars
Employees	Tens of thousands
Location	Middle East
BSI Product	Market Outlook

Key Challenges
- Critical, long lead time, engineered equipment
- Potential capacity shortage
- Supplier price increases above cost inflation
- Significant disparities in lead times and prices between suppliers of similar products

Why BSI was Selected
- Leading edge analytics
- Highly accurate economic forecasting model
- Fact-based, numbers-driven analysis
- Clear, simple, and objective reports
- Customized XML delivery format
- Reliable adherence to project schedule (100%)

Project Scope
- Centrifugal Compressors
- Reciprocating Compressors
- Process Screw Compressors
- Air Compressors

Project Approach
- Economic modeling and forecasting
- Primary and secondary market intelligence
- Sourcing recommendations
- Savings calculation tools
- Quarterly updates

Financial Benefits Realized
- $37-$40 million of potential hard (cash) savings through lower upfront cost, based on 18-month period ending in 2016
- Higher savings 10x higher on backlog avoidance in certain prior years due to prices and demand during those business cycles.

Operational Benefits Realized
- Quicker delivery of equipment by identifying pockets of supplier capacity, thereby reducing capital project critical path

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