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CASE STUDY #454



Pressure Vessels 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

- Long lead time complex equipment and services
- Significant disparities in lead times and prices between buyers for similar products
- Supplier price increases above cost inflation

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

- Refinery and petrochemical reactor vessels (e.g. catalytic cracking, hydrotreating)
- Coke drums
- Distillation columns, reformers and stripper towers (e.g. demethanizers, debutanizers)
- Other vessels: slug catchers, knockout (surge) drums, digesters, separators, and deaerators.
- Tanks
- Chemical Injection Units (tanks, pumps, controls, valves and instrumentation, and piping)

Project Approach

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

Financial Benefits Realized

- $20-$40 million of potential hard (cash) savings through lower upfront cost, based on 18-month period ending in 2016

Operational Benefits Realized

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

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