



Cripps Sears & Partners

Minutes : Aberdeen North Sea
Forum

Thursday 15th March 2018

CRIPPS SEARS
& PARTNERS

1 Chancery Lane
London WC2A 1LF

T: +44 (0) 207 440 8999
F: +44 (0) 207 440 8999

Aberdeen North Sea Forum

Marcliff Hotel

Q – Has anyone “strangled a lawyer” when they play the Competition Law card?

- People hide behind it.
- Who is actually going to take you to court on this?
- The risk of being fined is really slim.
- Often played by the Majors.
- Used to avoid collaboration.
- OGA didn't have the horse power to resolve this when it came up before.
 - Will OGA tool up?
 - Guidance on this and Area Plans hasn't helped.
 - OGA's role and intent is still unclear.
- Don't just blame lawyers.
- Senior managers either don't understand what it is (and therefore being risk averse ask the lawyers) or they do understand it and are using it to block collaboration.
- Behaviours are the problem – legal, commercial, managers.

Q – Collaboration – we all talk about it, but what has really changed?

- Analysis show lots of scope to save money – up to 50% being wasted.
- Toolkits are out there, but no one appears to be using them.
- Great gains could be made from sharing knowledge.
- Capital projects – Lessons Learned have all been lost – despite there being technology now to extract them from the reports.
- What about other industries? Good examples of peer to peer collaboration – railways, automotive, fashion. (Latter covered at recent OGTC event).
- Have to trust each other.
 - How do we reverse the pervasive mistrust?
- OGTC project on sharing data – Data Lake.
 - All technical, security and anonymity aspects dealt with;
 - Last hurdle is fear of losing “competitive advantage”.
- Trust/collaboration come from having a high enough shared objective and critical mass.
- Industry is getting older and less inclined to socialise.



Q – How can we anchor and sustain the O&G supply chain in NE Scotland?

- Can SC diversify or internationalise?
- How divorced are operators from supply chain and technology plans?
- Operators miss the knowledge of the product and its value.
- Operators still reluctant to share their economic drivers.
- How can you/should you try to anchor a residual industry base?
Houston has,
- NE Scotland very successful at tech start-ups.
- Have to repurpose the supply chain – great potential for inward investment – industry has to accelerate digitisation.
- Don't have to have the business and customers in same location – Dundee & Games.
- Can we repurpose NE Scotland?

Q - Corporate Strategy and business planning, are companies on top of their futures?

- How is collective industry doing? Badly.
- If there is a strategy how often is it underpinned by appropriate decision making?
- PE is much better, they relentlessly check their strategic delivery and strategy.
- Scenario Planning is a lost art in O&G.
- People tend to build their strategy away from where they are today – how far can I get with what I've got?
-

Q – Evidence of competition for human resources starting to drive rates up again?

- Yes in some disciplines.
- Retention is now a worry.
- Companies are getting busy again, but it tends to be doing more of the old stuff rather than the result of innovation or investment. Hence, the people coming back are the ones discarded before and now looking for claw back.

Q- New tech adoption in O&G, keen to hear about the top concerns and plans that Operators may have.



- OGTC just now starting to get sight of Operators Technology Plans (part of last year's Stewardship Survey). Some are good, others aren't.
- OGTC well placed to know all about the solutions side of the equation. Difficulty is getting the problem/issues side.
- A lot of TPs aren't UK generated.
- For a lot of operators it appears to be about waiting for the right salesman to turn up, rather than sharing their barriers.
- Big companies tend to have their own technology teams and they are more open. Are small companies too busy or think they can beat the problem by being agile?

Q – Brexit – good or bad?

- Majority on the fence!

PL

March 2018

