



SUPPLY CHAIN  
CONSULTING

IADC Chapter Meeting

>> Logistics Impact to your Bottom Line <<

## Agenda:

1. About Us
2. Logistics in Oil & Gas
3. Statistics and Key Facts
4. Present Situation
5. Improvement Opportunities
6. Q & A



# 4D | About Us

4D Supply Chain Consulting (*a deugro group enterprise*) is an independent logistics and supply chain consultancy providing **unique expertise to solve clients' end-to-end logistics and supply chain challenges.**

Offering globally an experienced consulting team with the ability to support key focus industries, including oil and gas, power, wind and mining, where major CAPEX and OPEX initiatives **heavily rely on secure, transparent and adaptive supply chains.**

We deliver our consultancy following highest **HSSE** and **Compliance** standards.



# Logistics in Oil & Gas

# 4D | Logistics in Oil & Gas

'I want my boats, I want my choppers!'  
Conversation with an Offshore Drilling Mgr of major IOC  
Gulf of Mexico - 2011



# 4D | Logistics in Oil & Gas

## In the (recent) past logistics was seen as:

- An **'orders taking'** function providing 'commodities' services (e.g. PSV, RW, Transport) needed but not liked
- Not adding **value** to business
- Pointed finger to in case of operational **disruptions**

## Additionally:

- Underestimation of actual OPEX & CAPEX **spend**, often fragmented
- Involved **late** (if) in development & planning of new Projects
- No **visibility** of performances
- **Lack of understanding** of its HSSE exposure, impacts on bottom line and Non-Technical Risks elements
  - Logistics skill pool as **'low-career appeal'**, usually neglected and with aging workforce
  - Limited **system & technology** investments



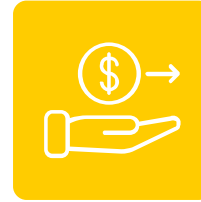
# Statistics and Key Facts

# 4D | Statistics & Key Facts

## Logistics in statistics:



**End to end logistics costs** 8% to 15% of total major CAPEX (up to 25% for challenging locations)



**70% of HSE** operational issues (LTIs/fatalities)



**70% of project logistics execution** costs **influenced** during Pre-FEED/FEED phases



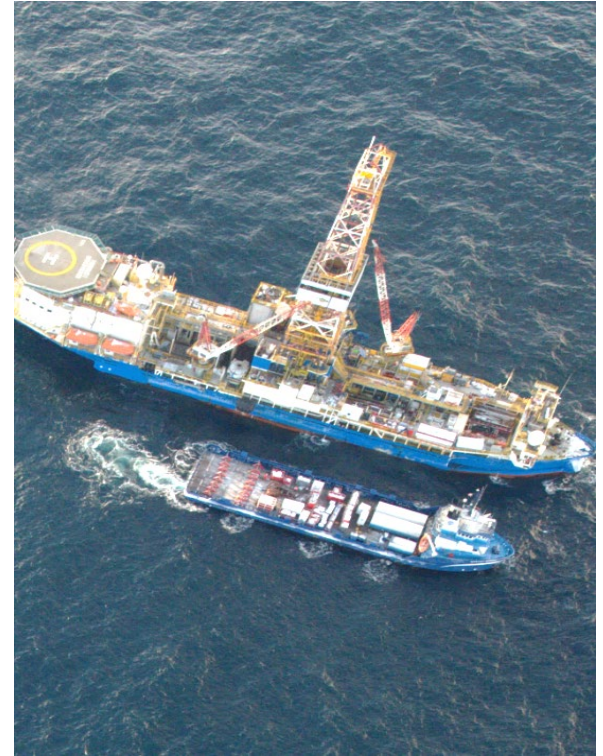
**15%** of schedule **delays**



# 4D | Statistics & Key Facts

## Logistics in key facts:

- Growth of Logistics into new challenging environments, often with **constrained logistics infrastructure**
- Traditional sourcing strategies are focused on **rate** reductions
- Increasingly **stringent** reporting and compliance requirements
- **Non-technical risks** impacting schedule, reputation and potentially social license to operate
- Logistics workforce **aging** , with no adequate knowledge transfer of technical expertise



# Present Situation

# 4D | Present Situation

## Nowadays:

- Growing **complexity** of global supply chain, **rising** logistics costs, and **challenging** operating areas
- Logistics & Supply Chain processes **critical** success/failure factors in Oil & Gas industry
- Appreciation on the potential **opportunities** of costs savings, Service reliability and HSSE reduced exposure
- Evolving **Turn Around** strategy
- Increase in **Decommissioning** and **Restoration** Projects



# 4D | Present Situation

## Furthermore:

- **'Sweating'** existing assets operations
- Increased need of performance **visibility** and benchmarking
- Growing interest in adoption of **4PL** models (LMS, MLP, etc.)
- Logistics **synergy** opportunities
- Logistics (few) **talent development**



## In essence:

Logistics has become a key contributor to **stronger** revenue growth, **better** risk management, **greater** flexibility, **higher** consistency in quality and **increased** customer satisfaction.

# Improvement Opportunities

# 4D | Improvement Opportunities

**Logistics is in the spotlight to deliver significant improvements in the most reliable, cost effective and timely manner**

- Early involvements of Logistics in projects development
- Readiness Assessment \ Assurance
- Health Checks and relevant improvement plans
- Logistics Strategies for Turn Arounds & Decommissioning
- Intelligent' outsourcing



## Supply Chain Support

- Pre-Execution
- Execution
- Operations



## Manpower Provision

# 4D | Improvement Opportunities

**Logistics is in the spotlight to deliver significant improvements in the most reliable, cost effective and timely manner.**

- 'New' 'Logistics models (4PL, LMS, MLP, etc.);
- Logistics competences upskill;
- Performances Management and Gap to Performances identification.



Training



Competence  
Development



Supply Chain 4PL  
Models



Benchmarking

Interested to read more about 4D Supply Chain Consulting?

Do you want more information on our Client Services?

Do you have clients that may be interested in what we have to offer?

## **4D Supply Chain Consulting**

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