



# International Association of Drilling Contractors Supply Chain Committee Meeting

21 June 2013

IADC - Houston, TX

## SUPPLY CHAIN COMMITTEE MEETING MINUTES

21 June 2013

**Location:** IADC

**Crown Center 1 & 2 Conference Rooms**

**Call to Order:** The Chairman welcomed everyone in attendance at the Supply Chain Meeting, and reviewed the purpose of the meeting. John Pertgen was introduced as the IADC committee liaison.

**Safety Briefing/ Anti – Trust Guidelines:** Mr. Pertgen provided the building and emergency response information. He also reviewed the Anti-Trust Guidelines hand-out. Emphasized the core of anti-trust law is the prohibition of business collusion, and that the actions of collusion have the effect of restrained trade.

**Supply Chain Committee Mission Statement:** The Chairman next reviewed the mission statement and functions of the committee that were agreed upon at the previous meeting. Cooperation between drilling companies and vendors make the industry better and helps it develop. This is our opportunity to change this industry.

**Review of Committee Establishment Guidelines:** The Chairman summarized key features a committee must have in order to be successful. The committee cannot take on everything at once, but must identify the problems and define the actions needed to be taken to solve the problems. The group is a champion, but each subcommittee must also have a champion to move the group forward and ensure tasks are being completed. Also, in order to be successful, there needs to not be segregation between onshore and offshore. Everybody in the industry needs to be included. Invite colleagues from the onshore side to the next meeting.

**What Good Looks Like:** The Chairman next gave an overview of the goals the Supply Chain committee would like to achieve over the next few years.

The group discussed needing to define “on time” in regards to 95% on time delivery. It is easier for products to arrive on time internationally because of the slot system they use. Maybe we can use that information to help the oilfield achieve a higher on time rate. One factor in deciding if something is on time is deciding which date to use. Do you use the date they give you when you order? That is just an estimate, may need to change the way companies calculate delivery estimate dates in order to raise on time rate. Projecting demands going forward will help, but that is for planned needs. What about

unplanned needs? A subcommittee will be formed to get down to the metrics; define “on time”, invite manufactures and vendors for discussions.

#### **DISCUSSION OF SUB-COMMITTEES:**

The Chairman then reviewed the previously approved sub-committees, discussed those sub-committee goals and objectives, and prioritized sub-committee initiatives and vendor appearance as indicated below:

**1.1 IADC Vendor Performance Metrics Sub – Committee:** Develop and define a set of vendor metrics to be used to trend vendor performance over time, improve vendor efficiency and performance on delivered product, and reduce administrative lead time.

The group discussed creating a vendor recognition program like the IADC Incident Statistics Program (ISP).

We are beginning to see a two way metrics system. Vendors are also working on creating a metric system that measures us.

Brent the subcommittee Chairman reported on the first sub-committee meeting (see slides)

**1.2 Joe Turner on Global Trade Compliance Presentation (see slides):** What is global trade compliance discussion of effective global supply chain, companies meeting regulatory requirements? Discussed import and export compliance and the data required. Also discussed third party logistics provider filing AES .

**1.3 Expeditors Presentation on Electronic Information Filing from the Freight Forwarders Perspective (see slides):** This discussion included definition of export, key agencies that regulate exports, why we should regulate exports.

**1.4** The group elected a Logistics and Trade Compliance Subcommittee Chairman (Joe Turner) and also a co-Chair (Boris Kos).

**1.5** The group also elected a Quality Subcommittee Chairman (Ted Mitchel). Mr. Mitchel will present a Quality Presentation on behalf of the Quality SC at our next meeting.

#### **OPEN DISCUSSION & COMMENTS**

The group discussed inviting non-industry personnel to subcommittee meetings. Participants are encouraged to invite drilling contractors, onshore and offshore, to attend the meetings. The more input we have, the more successful this committee will be.

#### **Next Meeting Date and Venue:**

**11:00 – 2:00 Friday, 26 July 2013, IADC Crown Center 1 & 2 Conference Rooms**

#### **Proposed Agenda Meeting #4**

- Report from the Vendor Metrics SC
- Report from the Logistics & Trade SC
- Quality Presentation (Ted Mitchel) to introduce the Quality SC to IADC members

### Attendance Sheet

<b>Name</b>		<b>Company Name</b>
Jorge	Lebrija	<b>Ensco plc</b>
Theodore	Mitchell	<b>Ensco plc</b>
Tom	Schexnayder	<b>Ensco plc</b>
Boris	Kos	<b>Ensco plc</b>
Rodney	Barretto	<b>Ensco plc</b>
Adam	Rogers	<b>Helmerich &amp; Payne</b>
John	Pertgen	<b>IADC</b>
Holly	Shock	<b>IADC</b>
Lindsey	Hust	<b>IADC</b>
Joseph	Turner	<b>Maersk Drilling USA Inc</b>
Rod	DeVersa	<b>Noble Drilling Services Inc</b>
Eric	Bartz	<b>Noble Drilling US LLC</b>
Mark	Mascarenhas	<b>Ocean Rig</b>
Wayne	Mason	<b>Patterson UTI</b>
Brent	Shinall	<b>Rowan Companies</b>
Andy	Poosuthasee	<b>Vantage Drilling Company</b>