

# COTEEL

HARD WORK, FAITH AND FAVOUR



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*Trinidad has a well developed oil and gas industry, a fact that has enabled the emergence of COTEEL, a small, agile service company that is determined to stay ahead of its larger competitors*

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Supply, installation and commissioning of D3306 crane engine on an offshore platform

The story of COTEEL is a classic tale of entrepreneurship. Entrepreneurs are defined as people who see an opportunity and seize it: but to be realistic they also need the skills and technical know-how to deliver to the customer base they have identified. It was in 2011 that it dawned on husband and wife team Selvan and Tricia Ramnarace Moonan, each of them a high flier in their different fields, that they could do a better job for the Caribbean oil and gas sector than the incumbent service providers. Less than three years later they are showing they were right.

Selvan is a career engineer with 30 years' engineering knowledge and experience in reliability techniques behind him: Tricia is a qualified accountant and an expert in business intelligence systems. "We were at a stage where we were essentially providing consultancy services to the large organisations we worked for." Like true entrepreneurs they sat down one day and wondered why they were working for someone else when they could be doing it for themselves, bringing their combined expertise to the local Trinidad & Tobago market, the Caribbean Region, and in time perhaps to an international client base.

Above all they had direct knowledge of the local hydrocarbon sector, and were only too aware that the big players were getting a less than ideal service from their existing supply, support, service and maintenance partners. "They no longer really understand

the O&G industry," says Selvan regretfully. "They suffer from big company syndrome. As the older people retire and younger people have come in they have lost touch with their customers. That is the main reason why we have been able to penetrate that market."

The requirements of the O&G market itself have not changed that much, he adds. It is more a question of the service sector not keeping up, but the problem is a serious one that manifests itself right across the sector, clients and service providers alike. COTEEL was set up to remedy this deficiency. And the timing was serendipitous: a time when

the brakes were on the whole industry thanks to the global recession was an opportunity to get the documentation, the service proposal and the technology right, then seek to capture some key clients.

As a new entrant, it was vital to get things right from the get-go, says Tricia

Moonan. Ok, the company was a start up, but 400 percent turnover growth in the second trading year and another 400 percent in the third year to date is a powerful indicator that COTEEL was on the right track. "Our current customer base is three times bigger than when we started," she adds. "All the customer feedback so far is that the service level from COTEEL is a breath of fresh air compared with past experiences. The overriding comment of all new prospective clients is that they are not pleased with their current service providers in this sector and they are looking for alternatives." The company is

**50%**

Of local platform operators are COTEEL clients

growing a portfolio of strategic partnerships in the sector and among others holds the rights to distribute Adicomp Compressors, FCI watermakers (desalination being seen as tomorrow's solution for offshore installations), Randolph and De'Rand gears and is a reseller of Weir Minerals' pumps and valves.

Its strategy was to get an initial contract, not worrying too much about margins, in order to prove its mettle. One such opportunity was to overhaul nine engines: in the year that COTEEL was able to deliver this job to the complete satisfaction of the client, its regular partner was only able to partially overhaul one comparable engine. "That is what we do well," says Selvan. "We do the complete package, not just the engine."

By the whole package he means the engine itself, its cooling system, generator, instrumentation and controls. These may be supplied by different dealers. COTEEL can be described as a 'one stop shop' that is equipped to handle a complete package, onshore or offshore. This approach gives COTEEL a competitive edge in the industry – and it does the job quickly including recommissioning and testing so that downtime is cut drastically. "Getting the first job is tough: getting subsequent jobs is a lot easier. Once we have our foot in the door, we have a client!"

One of the more interesting projects he recalls was to dismantle and relocate a fire water pump from one deck level of a platform to another. "We handled the entire

**"WE ARE ABLE TO MAKE QUICKER DECISIONS AND MOBILISE A TEAM MORE RAPIDLY THAN LARGER AND MORE COMPLEX ORGANISATIONS"**

project including dismantling the existing pump structure, modifying the design and reinstalling and recommissioning the pump. Another project of ours that sparked the interest of a new client involved installing and commissioning a new engine for a crane located on an unmanned platform. The engine required minor modifications and an ingenious approach to installing it due

to location restrictions." All of this COTEEL was able to do, to the customers' complete satisfaction, in just three short days.

COTEEL is a small company that acts like a large one, with robust Standardised Operating Procedures (SOPs) and Business Continuity Planning in place: time after time every work activity in COTEEL is done consistently and all data and documents are backed up at a secondary fireproof location. All data entry is standardised and centralised. When a report is generated, all data elements have a uniform look with no duplicate or obsolete information in the system. This produces more effective reporting and more efficient decision making.

This level of operation has gone down well with customers. Within the two and a half years in which COTEEL has been in operation it has built up excellent relationships within the energy sector - and specifically within the energy sector that operate offshore platforms. It has established business relationships with almost half of the platform operating companies in Trinidad and Tobago, supplied mechanical services to 12.5 percent of them and supplied watermakers and parts to 25 percent of companies in this sector.

By identifying the long waiting times, indifferent service and costly downtime that was the bugbear of the local industry, COTEEL



Refurbished CAT 3508 diesel engine transported back to offshore platform for re-commissioning

was shown an open door: it could contribute to de-risking the customers' operations – as long as it could get the first job right the first time. “Because we are small we are able to make quicker decisions and mobilise a team more rapidly than larger and more complex organisations,” says Tricia.

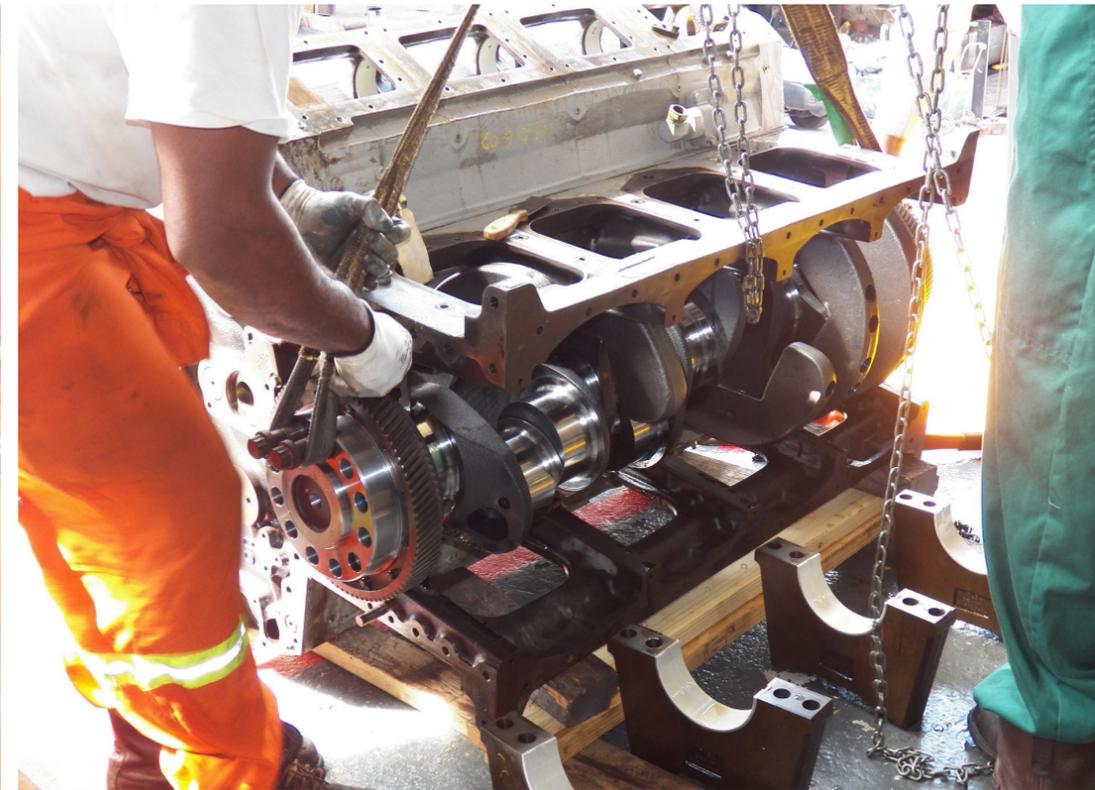
Being able to quote, get a team together, and execute quickly helped clients make a quick decision. Their understanding of the post service-reporting regime in the industry was another advantage. As part of the company set-up process Selvan and Tricia standardised the reporting procedure and simplified the forms so they are more understandable for COTEEL's and its client's employees alike, while still satisfying regulatory requirements.

Long delays in providing post service reports, and in some cases altogether failing to provide them, was another common experience among clients' existing service providers. The same thing happened at the other end of the process. It could take months to get a quote – another place where COTEEL could change the game by turning round quotation requests within days, and providing a full and professional report immediately the job has been completed.

STOW-TT certification is a prerequisite to working in the Trinidad O&G sector.



Overhauling and reinstalling a fire water pump on an offshore platform



Installation of new crankshaft in CAT 3508 diesel engine

Short for Safe To Work, STOW was initiated in 2004 by the Trinidad & Tobago Energy Chamber after hearing the complaints from its members in the energy service sector, who were experiencing challenges in meeting the range of health, safety and environmental (HSE) requirements among the major O&G operating companies. This made it difficult for companies to prequalify for work and fully explore

business opportunities in Trinidad and Tobago's leading industry.

This is a costly process as well as one that requires in-house expertise at a deep level and COTEEL has grasped it head-on; something that will differentiate it from other small companies that might compete. “We want to perform at the highest level,” says Selvan. “Being small we have to make sure we have everything in place - our larger competitors still have a lot of clout and would cut us out unless we have all the boxes ticked!”

Environmental performance is increasingly important to clients. COTEEL has elected to pursue a procurement policy that favours chemical and other products that have a low impact on the environment, even if higher priced. Employees are encouraged to deposit

domestic recyclables in the office bins. “Change begins with individuals and this culture starts at home,” is the Moonans' mantra.

While he could recruit experienced personnel, Selvan is keen not to import the laissez faire culture and poor working practices too often found in the incumbent providers. “Our strategy is to hire qualified people and train them the way we want them to be trained. It used to be the case that only one percent of the population had a university degree: nowadays there are many more opportunities for tertiary education. That means we have more choices in getting better qualified people who are willing to tackle the training that they need to function in this industry.”

Selvan Moonan believes that recognising good performance is one of the best ways to

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Supply, installation & commissioning of FCI watermakers on NGC platforms

motivate employees. “We have implemented a process that aims specifically to reward employees for achieving or surpassing identified objectives both in Operations and Health and Safety – and also in achieving an extremely high level of customer satisfaction.”

This concern for people extends to the wider community. In support of promoting healthy sporting activities as an option for young adults in its local environment, COTEEL co-sponsored a local cricket team, Hillpiece Cricket Club. The team, like COTEEL itself, turned out to have a winning strategy as it won the final match at the City Sports 30-Overs Sunday League, at Guaracara Park, Pointe-à-Pierre in June 2013. It also won the Independence Sports Club 20-20 Men’s Windball Cricket, at Scott Road Penal, in August 2013.

While the O&G sector is always going to be the central focus for COTEEL it has not shrunk from seizing other opportunities that present themselves. In a significant diversification of its portfolio the company obtained the exclusive distributorship in the Caribbean for a product line which Tricia and Selvan Moonan expect to be strategically important in the growth of the company. This is a well-known brand of garden machinery, for which there is a lively and growing market among the many garden hobbyists in the Caribbean. COTEEL will not only operate within its core energy market but offer premium products within the agricultural industry as well.

At this moment then, COTEEL is consolidating its position in the vibrant Trinidad & Tobago hydrocarbon market, led by local companies such as Petrotrin and its partners among the global majors, while

keeping a close eye on all opportunities that are a good ‘fit’ with its competencies and regional market knowledge. Looking further ahead Selvan hopes to expand into other regional English-speaking markets where the local O&G market is expanding – Suriname might be a case in point. There is a need for more reliable proactive maintenance solutions such as oil sampling and vibration testing – activities well within COTEEL’s expertise. “Optimising the maintenance cycle also increases the client’s environmental performance and the efficiency of the machines. It is a benefit to the customer if he can spend less and have the machine running longer,” he says.

COTEEL is already becoming a well-known name in Trinidad & Tobago, where it is growing as much by attraction as by promotion. Its achievements over the short period since it was founded are solid, well resourced and repeatable. If its founders’ energy and entrepreneurship are anything to go by, this is a company that will be significantly penetrating the market in the sectors in which it operates. As Selvan Moonan says: “Hard work, faith and favour with God have brought the company this far - further than other companies less than three years old have gone! We intend to never let go of that winning combination, to the benefit of our customers, employees and to ourselves.” **BE**

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