Abstract

The challenge and opportunity for the specialist vendors is to provide quality and flexibility in detailed analysis which allows the Client user to add value to the modelling environment provided by the "Wal-Mart"s of the vendor community. However, it is the specialist vendors who frequently carry the innovation and need to be at the sharp end.

There are both commercial challenges as well as technical ones that must be met for specialist vendors to be successful. This presentation outlines how Midland Valley is meeting this challenge.

Commercially the environment has changed dramatically over the last two decades particularly in the last few years. Oil Companies are now investing less in joint projects; expect much higher quality, lower unit prices and much more flexibility in terms of access. So the old models of single site/user licenses look much less attractive to the industry while cost of code remains the same whether the client has one seat or a thousand. This means a much harder sell against the "IT value police" and be only be achieved in partnership with in-house product champions.

Technically, expectation of code quality and stability as well as performance is an ever-moving target. The challenge of evolving or rewriting older product to take the needed advantages of cheaper, faster machines and the ever-increasing data sets is the same for all of us. Midland Valley has adopted a strategy of buying in best of class solutions from out with the industry to help meet these technical and cost challenges. As with many specialist vendors we have specific technical needs, which are not met by adopting the dev kits from the Wal-Mart’s as these are frequently based on ten plus year old technical solutions.

Developing successful strategies as a specialist vendor is not an option, if we fail do this and if we fail to recruit our client support while we develop for a small user base our industry will lose the genetic diversity of vendors, products and technologies that we need to meet the challenges of more challenging exploration and production targets. Midland Valley believes that this represent opportunity not threat.