It's All About Data

Photo: Jane Whaley

"Our ability to accumulate and add value to data underpins our business," says Dr. Richard Fowler, Managing Director of Fugro Robertson, the North Wales based data and information company. He tells GeoExpro about recent developments in one of the oldest service companies in the UK oil industry.

Fugro Robertson is one of the world's leading geoscience companies, providing services and products to the upstream oil and gas industry. The Managing Director, Richard Fowler, has spent his entire working life with the company, having seen it through a few different names and aliases and a number of changes of ownership and structure. It is now part of the giant Dutch engineering and geotechnical group, Fugro, which Richard thinks is "the right home for Robertsons."

From new ventures to biosteering

"Our work is concentrated in two main fields" Richard explains "We undertake our traditional geoscience and technical work, and we also have the new Fugro Data Solutions business.

The established geoscience and engineering sides of Fugro Robertsons business covers everything from new ventures to asset valuation. "Tellus is our flagship product. It is a global exploration database which focuses down from region to basin and then to play, the final components being detailed play fairway maps," explains Richard.

"Another product is EOS (Exploration Opportunity Screening), where we use our extensive database to study selected countries each year, chosen by a 'club' of 10 companies. Interestingly, in the past these clients tended to be small independents, but as companies have divested themselves of their research groups we now have the majors involved."

Biostratigraphy and geochemical analysis is core to the business, but even they have changed a lot in the last 10 years. Richard says "Conventional well stratigraphy has declined recently, but 50% of our biostratigraphical revenue now comes from well biosteering, where zone biostratigraphy is used to keep a well within the right part of the reservoir. This has proved a very cost-effective way of steering horizontal production wells. For example, when a well crosses a fault, how do you know whether the reservoir has moved up or down? If you know the stratigraphy of the horizontal zones, it is easy to tell where you are in the reservoir. At the moment this technique requires two people working on a well, but we are looking into the feasibility of undertaking the analysis remotely using a downhole camera."

Richard Fowler is Managing Director of Fugro Robertson, the North Wales based data and information company, and has worked or the company for nearly 30 years.

New Directions and Intelligent Storage

In addition to the traditional geochemical and consultancy work, Fugro Robertson has branched off in new directions, adding value to existing data by a variety of means. An example of this is what Richard Fowler refers to as "intelligent storage".

The company consolidates, stores and catalogues the hard data archives for oil companies. When the client requires a particular dataset, Fugro Robertson rapidly finds, scans and digitises the data and creates a web portal, so the client can access everything it needs digitally. "Our first contract was with BG" says Richard. "56 large lorries full of data arrived here for us to sort out. And it wasn't just data; we found everything from dead plants to a gorilla suit in those boxes! We are using the high quality skills we hold in-house to understand this data, such as great web skills, cutting edge GIS, scanning and digitisation. This part of the business has been hugely successful. Ten years ago we had 5,000m^2 of storage space – next year we expect to have more that 200,000 m^2. Because we hold the data we are also able to offer additional value adding data services to our clients."

Richard goes on to explain their exciting new product, Merlin, which concentrates on source rock prediction. "This is a revolutionary product, in that source rocks are treated as sediments, rather than as a collection of geochemical features," he explains. "Understanding why a source rock is where it is and from that predicting where else it could be is crucial. You need to look for area of low or non exiastant tidal rip, high preoductivity and certain climate situations. We have incorporated client data with palaeoclimate data from the Meteorological Office and palaeotidal information from the Proudman Oceanographic Centre to identify climate patterns and areas of high productivity conducive to the formation of source rocks. It uses very complex algorithms and had to be run on the huge Met Office and Proudman computers. The output is an interactive series of paleoclimatological maps of the world through geological history, virtually on a month by month basis. This is serious 'blue sky research' undertaken in conjunction with a very select group of subscribers.

Most successful floatation ever

But why is a company working largely in the oil and gas sector based in North Wales, many miles from the centres of the industry like Aberdeen and London? "Robertson Research was founded by Frank? Robertson back in 1961 before the UK oil industry had even started." Richard Fowler explains. "Frank owned a shipping company which was involved in ferrying rock from the quarries along the North Wales coast. When the quarries fell on hard times, he was offered ownership of them. Knowing nothing about the business, he drafted in a top geologist from the University of Glasgow and established a non-profit making organisation, Robertson Research Company Limited, both to service the quarries and also undertake contract research in various geotechnical disciplines. This explains our existence here in this beautiful part of the country."

Then in 1972 the first well was drilled in the North Sea and Robertson Research expanded into the petroleum sector, which rapidly became core to the business. The company grew fast and in 1978 Richard Fowler, who hails from the Glasgow area originally, joined the geological

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Robertson Research are based in North Wales close to the Snowdonia National Park. The mountains can be seen from their elegant Head Office in Llandudno.

team, having already been sponsored through his Ph.D. in Sedimentology in Aberdeen University by Robertsons. "It was perfect timing", says Richard. "First oil had just arrived from the North Sea and the Sedimentology Division – indeed the whole of Robertsons – enjoyed a huge growth curve in the early 80s. I became Manager of the Sedimentology Group in less than 2 years and built it up from 7 to about 25 people by 1986. All the big fields were coming on stream, and Robertson Research were the geological consultants for the major privatisations such as the formation of Britoil, and the creation of Enterprise Oil for the oil assets of British Gas. They were great, exciting times! We were doing jobs which Robertsons had never done before, and doing them well. On the back of that I became a Robertson Research International Director in 1986."

In fact, Robertson Research were doing so well that they floated on the London Stock Exchange in 1984. "At the time it was the most successful floatation ever! Richard laughs. "It was something like 167 times oversubscribed!"

Successful MBO

However, the floatation was followed in 1986 by the oil price crash and then in 1987 by the stock market crash. Robertsons responded to this by attempting to diversify out of the oil industry. "We looked at our talents and strengths and worked out what else we could do with them. For example, the drawing office moved into publishing and the labs started a successful business analysing engine oil. Four main divisions were set up, covering the fields of minerals and water, environmental analysis, agriculture and petroleum geoscience. We also moved into acquisition mode, and eventually bought 18 companies in as many months, mostly small UK consultancies."

"Of course, if you try to merge lots of small consultancies together, you inevitably end up trying to force lots of different personalities to make a coherent company – a very difficult task!" as Richard points out. "By 1991 the share price was moribund and the company was sold to Simon Engineering, a Stockport based company which was keen to establish itself in the environmental and oil and gas industries."

Simon made a few changes, including losing the long established Robertson name, but it ultimately proved to be an unsuccessful venture and eventually Richard and the management staged a successful MBO for £12.5 million in 1996. The revamped company, reverting to the name of Robertson, proved much more successful, paying off the debt in less than 3 years. By 2001 the company was up for sale again, and was snapped up by the giant Fugro Group for £63 million. Richard was the only one of the original MBO team who decided to stay with the company because "(Richard - could you supply me with a sentence here?)

Fugro Robertson is now the biggest private sector employer in North Wales, with over 300 staff. It has offices around the world, including Houston, India, the Middle East, Indonesia and Australia, often using the Fugro worldwide offices as a jumping off point.

Innovation in the service sector

Richard Fowler has some interesting thoughts on the relationship between the oil companies and the service industries. "Oil companies are very keen on good value from the service companies, and can sometimes tend to squeeze maybe a bit too hard. This can push risk down the value chain and potentially create a few problems. I think that, although they don't realise it, a significant portion of the success of oil companies is actually due to the fact that the service sector is fleet of foot and innovative and are also prepared to take risks themselves."

Although Robertson has changed its name and undergone various metamorphoses over the past nearly 50 years, Richard thinks that one thing remains unchanged. "Data differentiates and underpins our business," he says." The ability to accumulate data and add value to it, with copyright and brokerage rights, is fundamental to our success. Never underestimate the value of data."