

Oilfield



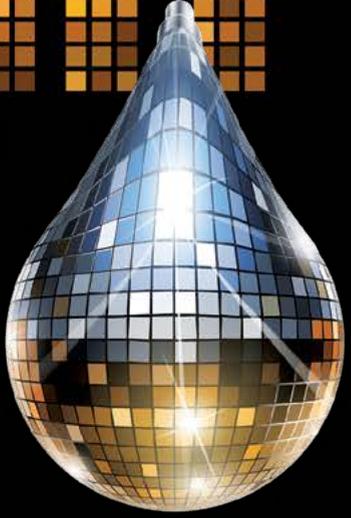
PULSE

VOICE OF THE OILFIELD HUB COMMUNITY

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THIS ISSUE
HOW TO SURVIVE
AND STAY ALIVE

STAYING ALIVE



HOW TO STAY ALIVE & WELL IN TODAY'S ECONOMY

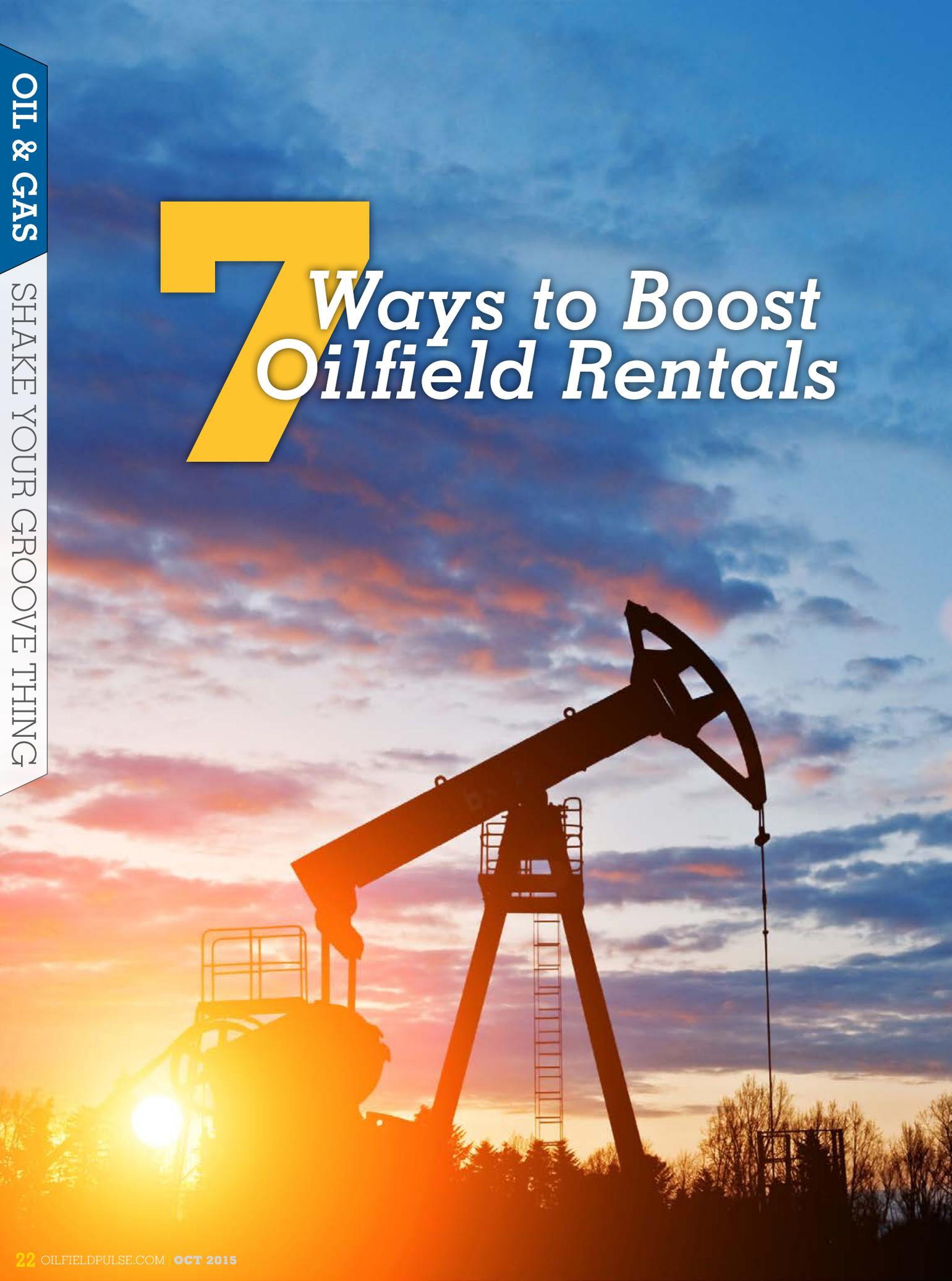
FEATURING:

CAPLA - MEETING THE ECONOMIC DOWNTURN HEAD-ON | TRYING TIMES | SURFING THE TSUNAMI
START-UPS TODAY | THE PLAN TO WITHSTAND | SURVIVE TO THRIVE | COMMODITY PRICES
STAYING ALIVE WHEN THE PATCH IS BREAKING AND SHAKING AROUND YOU

AND

OPEN FOR BUSINESS ON THE HUB | SHUT UP & VOTE | CANCER CONQUERORS
SURPLUS EQUIPMENT | ALBERTA STRONG | BOOSTING OIFIELD RENTALS | HUB HEADLINES
INVOICE DISCOUNTING | SAFE COMMUTING FOR WOMEN | FESTIVE FEASTS | ATTACKING ACNE

7 Ways to Boost Oilfield Rentals



WHAT OILFIELD RENTAL COMPANIES SHOULD CONSIDER RIGHT NOW



Oilfield rental companies across Western Canada and the USA are faced with low commodity prices and low operational activity. Experienced business owners and managers must know the importance of adapting quickly and acting strategically.

Successful oilfield rental companies can get through downturns such as this by having a clear focus on two tasks: optimizing financials and preparing for the next phase of the market cycle. The first task includes cutting costs and credit checks; the second task includes innovative products, scalable solutions, and workflow improvements.

Acknowledging the downturn may help to correct the numbers, but it will not fix the entire trend. The rental segments of the oilfield service could potentially grow in the next few years. We will see market consolidation and restructuring. M&A activity is growing now.

Doing nothing and waiting for a recovery is simply not an option. The oilfield services business requires proactive steps to make rental operations stronger. These steps include penetrating the market with new products, researching advanced technologies, developing relationships with clients, hiring more talent, and building an effective team!

TODAY IS THE BEST TIME TO ACT!

The rapid development of ICT and automation technologies brings an increasing number of automatic applications to the oilfield. Successful oilfield rental companies have a good tradition of utilizing disruptive technologies to improve operations efficiency.

The best time to implement new oilfield rental software, like RigER (www.riger.ca), is now. The industry downturn and low seasonal activity brings an ideal condition for software implementation. People have time to learn and implement new technology.

BELOW, WE OFFER SEVEN SIMPLE WAYS TO IMPROVE OILFIELD RENTAL BUSINESS VIA IMPLEMENTING A NEW INNOVATIVE SOFTWARE SOLUTION:

INVOICE IMMEDIATELY

An accurate and efficient invoicing system is important for an oilfield rental business. Rental days counting can be very challenging when you have a significant number of rental units constantly moving. Rental and service companies using paper based systems or spreadsheets to track rental equipment usually spend 10 to 30 days preparing and sending invoices to their clients.

An efficient invoicing process is essential to maintaining a healthy cash flow. Smart invoicing can significantly shorten the time between when you complete a field project and when you get paid for it. It can also reduce the time spent sending invoices and handling payments. No

matter what your current invoice process is, you can take steps to help improve both timely payments and customer relations.

Delays in invoicing always costs the company extra money. Sending invoices the day a field project is completed or as soon as an item is shipped can be a huge improvement. By waiting even a few days, you may miss a customer's payment cycle and significantly extend the time it takes to receive funds.

Include all necessary details (LSD, PO#, job #, AFE, etc.) on your invoices while still maintaining clarity and readability. Include your contact information as well as that of your clients. A tracking number should always be listed on the invoice as well. List out the products or services as clearly as possible, along with unit prices, quantities, taxes, applicable discounts, and the final amount you are looking to collect. The easier it is for your client to understand your invoice, the more likely you are to get paid quicker.

ORGANIZE CRITICAL DATA

To help you increase your chances of being paid on time, it is important to know who your customers are. The Oilfield Rental Software lets you organize your customers' details. Everything from their contact details to their rental and service history to their invoicing and payment history can be included with this software. Think about your operational CRM (Customer Relationship Management). Does it categorize clients, locations, and contact information? Does it structure critical business data, including

\$8.6B
(2013)

\$17.3B
(2018)

**Last September
MicroMarket Monitor's
research report predicted
that North America
Oilfield Rental Market
would double in 5 years.**

equipment and serial numbers, prices and discounts, quotes and rental agreements, etc.?

IMPROVE RENTAL FLEET UTILIZATION

Rental units' utilization is one KPI (Key Performance Indicator) in the rental business. You can run utilization reports to analyze rental fleet time and dollar utilization. Dollar utilization is an annual or annualized rental income divided by original fleet cost. During a downturn, oilfield rental companies struggle with dollar utilization rates from the low 15 percent range to the mid 40 percent range. The reason is obvious. The demand is down, supply is up, and rates are low. Of course, lower drilling activity and lower rates have had a tremendous effect on driving the utilization down. However, doing a regular utilization analysis by equipment type, locations, customers, etc. can help effectively manage your rental fleet. On the other hand, low asset acquisition costs can give you an opportunity to update rental fleet and improve fleet structure.

PROTECT ASSETS

Lack of tracking damaged, or missing equipment can have a significant effect to a rental business. Track your equipment's every move.

Investing in GPS technology is probably the most effective way to protect assets and collect data. The system tracks rental units automatically with no human input, so accuracy is very high. However, there are two things to watch out for. First, it can be an expensive investment. Second, it can require integration with your existing systems. Overall, GPS is a great solution for your big and expensive equipment.

SCHEDULE EFFICIENTLY

Dispatching field service and rentals requires an advanced schedule solution. Managers need to track work orders throughout the day and update all information in real time. Field technicians should track their own schedules throughout the day, week, and month.

Scheduling for rental units preventive maintenance can help extend equipment life. This

automated system can also track recalls, service campaigns, and pending operations as part of the vehicle's service history.

Thanks to the increased visibility into what's happening with your assets, you'll be able to bundle service events together and reduce the number needed between preventive maintenance appointments. Fewer service appointments means more time hauling freight and a higher asset utilization percentage.

ANALYZE PERFORMANCE

With the current commodity prices, oilfield service and rental companies are seeking out new ways to increase efficiency and trim costs. Software, specifically in the field service and rental automation, is proving to be a great method for getting data quicker, streamlining rental operations, securely sharing data, eliminating waste, creating customized data forms, reporting information, and integrating with back-office systems. Integrate planning and analytics processes across your company to help get the performance insights you need to reduce operational losses and optimize asset utilization.

BUILD ONE TRANSPARENT SYSTEM

A transparent management system allows business owners and managers to run their business remotely and understand who does what at any given moment. This can help your dispatchers manage rental operations and field services easily, efficiently, and accurately.



Boost oilfield rentals!
Have a great drilling season! 

By Michael Maltsev, MBA
FOUNDER AND CEO
RIGER - OILFIELD RENTAL
SOFTWARE

ABOUT RIGER - RigER – Rig Equipment Rentals – oilfield rental operations management software designed for Oil and Gas industry. RigER manages entire oil patch operations: from client service request and service schedule via field tickets to final service invoice. RigER helps small and medium size energy servicing companies in Canada and USA boost oilfield rentals.