

Making a deal: the supply chain role in the NSTD

Group CEO for Proserv David Currie explains why the North Sea Transition Deal marks an important step on the industry's transitional journey, and how the supply chain can contribute.

Having joined Proserv in May 2018, group CEO David Currie has overseen a period of significant change at the controls technology business. The past few years have seen David steer the company through a restructure – creating two distinct divisions, Gilmore and Proserv Controls – and develop a new five-year strategy to grow a client base outside of its core base in oil and gas.

In addition to guiding Proserv into new territory, David is well versed in the diversity of the wider energy supply chain. As an active member of both OGUK and Subsea UK, and previously as a member of the Offshore Wind Industry Council (OWIC), he has helped shape and implement the direction of the sector in recent years. In the latter case, the Council helped oversee development of the Offshore Wind Sector Deal, while more recently David has been involved with government and OGUK on what would become the North Sea Transition Deal (NSTD), announced in March 2021.

He says publication and support for the NSTD marks “a major step on the journey,” though emphasises it’s a path the oil and gas industry has already been on for some time. “I think everybody understands the journey we have to make, and the effects in the world today, but they also understand the need for a balanced energy approach and oil and gas has a future in that mix,” he tells *Wireline*.

“I think the industry has been working at different levels with the move forward, but I think what the NSTD does is bring the main players together; it gives us something to glue ourselves to. Industry and government working together is a focal point we can all feed off... It’s about sharing how we all improve together, and the government is putting things in

place to support us to do that.”

Two elements of the NSTD are particularly exciting from his perspective: “The discussion around supply chain, and the discussion around bringing people and skills with us is fantastic. We employ a lot of great talent in our industry, both mature and young, and they have so much to offer this transition - it’s the technology and knowledge that we have to bring with us into this new all-energy world.”

Start local

Harnessing that technology and expertise from within and without Proserv has been a key component of its strategy for diverse growth. David draws attention to one project, a subsea cable monitoring system, which has received government support during the R&D stage. Aimed primarily at offshore wind, this is being accelerated through a strategic alliance with Synaptec, a Scottish university spin-off which has developed a unique passive distributed electro-mechanical sensing (DES) technology, and BPP Cable Solutions. The combined system will help enable faults and failures to be identified pre-emptively, and the consortium is now in positive talks with developers looking to deploy it on demonstration sites.

Proserv has also drafted a new ESG policy in the wake of the NSTD and the UK’s net zero target. More than 35 volunteers from across the business helped draft the policy, with a particular focus on the environmental component. “It’s to make sure we get to be carbon net-zero ourselves by 2050 or sooner,” David explained. “It’s trying to set realistic and achievable goals yet make them aspirational as well.”

While this will focus on the company’s emissions,



Component design at Gilmore's facility in Houston.

it will also build in support for Proserv's own supply chain. David sees this as another vital role for the supply chain in supporting the NSTD and the wider push for decarbonisation. "It's incumbent upon us to move that forward with our own supply chain; their carbon footprint is our footprint. You have to join the dots as a combined chain."

"I think that links neatly with what the NSTD is about," he continues. "It's not about looking only at your own company. We all have supply chains and we have influence with them, they want to support you as their customer. When I get asked to meet key suppliers one of my key questions will be to have a chat about their ESG policy, ask what they're doing, and say: 'This is what we're planning.' And share our own ideas and actions. That type of dialogue should be encouraged in industry, so we can help and learn from each other."

This dialogue also extends to the solutions companies offer their clients. David says Proserv is good at constructively challenging clients, asking whether other approaches have been considered or suggesting solutions beyond the scope of the request. It's clear that real collaboration is as much about the ability to push back and suggest alternatives as it is about finding compromise, and

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it is only through these kinds of conversations that ambitious decarbonisation can be delivered.

Sharing the journey

To help guide its diversification, Proserv has also set revenue targets within its five-year strategy, most notably to generate 25% of revenue from sources outside of oil and gas by 2025. David says progress on this has been encouraging, and has helped develop thinking around the services that it offers. “It made us start then to look at how we evolve our company further into that new energy space, and we’re still working on that. We’re re-presenting [the strategy] this year and I would now change that goal to 50%. If all the actions we’re looking at now bear fruit, I think we could even be at 25% by next year.”

Targets like these are important from a governance perspective, but more than that, David says they help show staff where the company is headed, and how it will get there, especially if that may be in territories or markets that have been historically unfamiliar. “That’s what we forget sometimes I think,” he notes. “We have about 850 people around the world and all of them are desperate to know more about our steps into new energy and our efforts in the digital space, how we will pivot. Sharing your journey and your future is very important.”

If employees are behind the journey, is the same enthusiasm seen on company boards? He thinks so: “Every board meeting I have it’s now an agenda item... There are people who doubted the journey in the early days, and that has changed dramatically in the last 18 months. Whatever the catalysts are and whatever the messages have been, there is without doubt a clear belief now in the journey this industry is on.”

This is vital as younger staff and new graduates enter the workforce. The NSTD will help to support the creation of up to 40,000 new energy jobs, but it also emphasises the importance of helping the UK’s existing energy and industrial communities throughout the energy transition.



Equally, David sees a wealth of transferrable skills in the graduates emerging today, especially with regards to data and digital: “I think we’re seeing a shift in the fundamental knowledge base of an individual – they are much more comfortable around the analytical data side of information than we were five years ago. There is a more holistic approach to that type of technology than there was before.”

That’s important when Proserv looks to the future of its workforce. He continues: “For our business in controls, a lot of that is eminently transferrable, it’s the same technology just applied in a different



manner. I think as companies we have to be courageous with our people, we need to take risks with talent quicker and promote from within. That knowledge base is within all levels of our company so I think we should be brave with these people and let them have at it.”

Looking to the immediate future, David expects an uptick in business as the global economy unlocks, and a significant ramp up in activity towards the end of 2021 and into 2022. He also makes a particular point of recognising the work of the company's COVID operating committee and their “fantastic

job” keeping all staff safe and informed through the last 15 or so months.

And amidst its strategy for growth and diversification, it's also clear that the commitments of the NSTD will help guide the direction of Proserv in the coming years. David affirms: “Having a government, an industry body and forward-looking companies work together, it gives that glue that allows us to take what we've done so far, make sure we're on the right path and add to it. Bringing the present into the future is an integral part of the journey.” 