

FEATURES

Satellite Service Providers and the Battle for the Oilfield Customer

How Application Focused Technologies are Changing the Market

By Alan Gottlieb

For VSAT providers, few markets are as attractive as the Oil Industry. Offshore and Land Drilling, Production, Well Logging, Pipeline and other Oil Service support and infrastructure operations are often located in remote areas far from fiber networks

making satellite the only realistic communications alternative.

Unlike other markets that will ultimately be served by terrestrial links, this market offers a secure promise of long term growth for

those VSAT providers dedicated enough to learn the industry's requirements. Many such providers have recognized the industry's potential and are intent on market entry.

At Gottlieb and Company, we are seeing more and more clients seeking to expand their knowledge

of the Oil Industry and build a market position. Long term players like Sola, Petrocom, Stratos, Schlumberger, Invsat, RigNet and Polar are finding themselves competing against aggressive newcomers like MTN, Verestar and in some cases, the satellite



operators themselves. Providers vary in what they offer. Petrocom offers a high-end, turn key service package while other providers on the satellite side tend to work with third party service providers. In addition to new market entrants, new technologies and customer requirements are changing the industry.

Companies who have researched the industry have already recognized that it is a large and complex market composed of many segments, each with its own requirements. Offshore and land rigs, Logging, Infrastructure

Construction and SCADA applications each have different requirements.

Understanding user the user's needs and applying the most appropriate technology solution is fundamental to success in the marketplace. Some examples include the rig owner's desire to offer their own satellite services to their sub-contractors through a single antenna and modem, a service requiring VLAN tagging. In Well

Logging, the need to

uplink large amounts of data from dispersed locations makes a strong case for the shared bandwidth technologies.

Some of the newer technologies employed in the Oil Field include iDirect, DAMA, Inmarsat's Regional BGAN and Iridium's data service, solutions offered to satisfy the