Strategy to diversify pays off

By CHIN YUHONG, NG LI QIN and TAY SIANG BOODH ANDY

It’s through the university of “hard knocks” that offshore support company Rotating Offshore Solutions (ROS) realised what all customers want—quality, good customer service and integrity.

“We have had our growing pains in the early years of our start-up,” says ROS managing director Victor Lim. ROS is a multi-disciplinary specialist provider of detailed engineering, procurement, construction and commissioning services to the offshore oil and gas and power plant industries. Its principal business is in the fabrication of process modules for offshore/offshore and floating production systems and power plants.

The company has established strategic partnerships with prominent global principals in the market, Dresser-Rand, American based global suppliers of rotating equipment solutions; and Johnson Controls, a global diversified technology and industrial leader; one of the strategic partners of ROS. Being a newcomer to the oil and gas industry, and yet able to establish a solid partnership with the two global principals, speaks volumes of ROS capabilities.

Over the last seven years, ROS has had a proven track record in this business and has successfully completed over 60 modules. Their customers are mainly located in Asia Pacific and the Middle East and include the world’s largest oil majors, owners of Floating Production Storage and Offloading (FPSO) vessels, and large engineering, procurement and construction (EPC) Contractors.

All these would not have been possible if ROS did not have the foresight to diversify its product offerings since its outset. Knowing that they could not compete on price with neighbouring firms outside Singapore, they focused on their advantages on highly engineered products, a market that Mr Lim shines in niche and few competitors to find off.

Since the birth of the company in 2004, ROS has been winning customers by its prompt responses and personal touches, which are lacking in some of its companies. Being customer oriented, ROS is always ready to go the extra mile to meet customers’ needs.

The company listens to the customers’ requests and designs customised solutions that meet and exceed their expectations. The company views the holding of a long-term relationship with customers through integrity as crucial and vital to its sustainability.

On top of that, ROS believes that efficiency is highly sought after and represents one of its strengths. Through experienced in-house engineering expertise and quality control measures, the company has been able to deliver the modules to their customers in record time.

When questioned how ROS could consistently apply these personal touch and efficiencies, Mr Lim explained: “We realise that we cannot achieve much without a good team, many of the members have been with us since day one. We value their dedication and engineering creativity and believe in rewarding them based on performance. We also never spare on training as we believe in maintaining our knowledge-based advantage over our competitors.”

ROS currently has about 100 staff among them are 40 qualified engineers. The company is now looking to recruit more to keep up with its exponential growth.

In addition, ROS is also in the process of acquiring 200,000 sq ft waterfront yard. The waterfront yard will house semi-automated fabrication equipment and will shorten production lead times even further and enhance consistency in product quality.

Mr Lim and his management team are also expanding ROS’s global footprint by setting up offices in Australia, Brazil and Middle East. This will bring the company closer to its key customers in these high growth regions.

“Unfortunately, there is no such thing as remote management,” says Mr Lim.

The current outlook for deeper waters offshore exploitation is promising as the reserves in existing fields are depleting. More than 100 FPSO have been built worldwide in the past five years. With the expansion both locally and overseas, ROS is in a favourable position to meet the increased market demands for its process modules.

Managing director Mr Lim is delighted at ROS being among the awardees of the Enterprise 50 award. Winning the award proves that ROS is one of the top enterprises in Singapore and it shows that our company has a sustainable business model, healthy balance sheet, good management and corporate governance.”

Since winning the E50 award, ROS has grown its revenue by more than 30 per cent. The company is confident that ROS can further increase its revenue to US$100 million in 2015. They are also looking forward to expand its business capability from providing customised compressor, power generation and pump packages to building up the entire FPSO Topside by 2012.

Armed with a clear strategy and backed by a confident management team, the future looks quite rosy for ROS. “We do not see any difficulty in ROS staying at the forefront in the international market,” says Mr Lim.