

Lupatech sets up company for oil field activities

Lupatech has announced the opening of Lupatech Oilfield Services, a subsidiary to render intervention services for oil wells.



Photo: Petrobras Agency

THE RESULT OF THE UNION of Lupatech and Penta Oilfield Services, this petroleum services company has brought together professionals from the industry from companies such as Schlumberger, BP, Petrobras and Repsol – including Cesar Paolini (ex-vice president of Schlumberger Latin America), Carlos Portela (ex-chief operating officer of BP Colombia), and **João Carlos de Luca** (ex-director of Petrobras,



ex-president of Repsol and current president of the Brazilian Institute of Petroleum, Natural Gas and Biofuels - IBP). The new company plans on being an

important regional player in the services segment of the Latin American oil and gas industry.

Lupatech holds an 85% stake of the new company. Penta holds the remaining 15%. The company's business plan includes initial activities in Brazil, Colombia and Mexico. "These

markets were chosen for their expanding growth horizons", explained Cesar Paolini, company CEO.

"Lupatech already has a wide array of equipment and is a major player in services not related to well intervention. Now the company will have access to new markets", assesses De Luca.

Lupatech Oilfield Services will start operations in Colombia, where had acquired the operations of the Colombian company, Hydrocarbon Services (HS), which had net revenues of US\$ 11.7m and IBITDA of US\$ 2.25m in 2009.

"The creation of Lupatech Oilfield Services represents a new phase for the Latin American industry, since it now may count on a regional player in the specialized oil and gas services segment", stated



the Lupatech CEO, **Nestor Perini**.

According to Perini, among the competitive advantages the company

offers is a project aligned with an industry need to comply with local content, and the new company will offer services with speed, quality and competitive costs.

The new company will receive initial investment capital of US\$ 16m in acquisitions. "Future investments will be made according to the market opportunities that the company identifies within its strategy", commented the financial director of investor relations for Lupatech, Thiago Alonso de Oliveira.

With activities in three business segments – Energy Products – Flow Control and Metallurgy – Lupatech was founded in 1980 upon the creation of Microinox, a company specialized in the precision casting process (micro casting) for manufacture of cast components for valves. In the last few years, the group has grown substantially and has increased its participation in the oil and gas industry.

Last week, the company signed an agreement with Petrobras to supply special internal casing to protect against corrosion in steel tubes.

The contract, which also includes oil well services and technical assistance, is valued at R\$ 150m, and is renewable for another three years. ■



Photo: Keystone Image Bank

Flying higher

ASEL-TECH HAS BEEN MOVING ahead with its internationalization plan. After signing its first contracts for exporting its Leak Detection System for pipelines in Ecuador and Chile, the company has been preparing to fly even higher. For the past year, the company has been investing to qualify its own technology together with Saudi Aramco of Saudi Arabia. As part of the process, a technical committee in the engineering area for Saudi pipelines visited the company headquarters in São Carlos (SP), as well as the real system facilities.

"The Asel-Tech plan for the Middle East is to create a company with headquarters in Saudi Arabia, the region's main producer, in association with a local company in order to comply with local content and support in the "king-

dom" of Saudi Aramco", explains **Julio Alonso**, founder and CEO of Asel-



Tech. According to Alonso, besides panel manufacturing and applied engineering, commissioning and post-sales technical assistance will also be done from Saudi Arabia, and

expanding to other countries of the Middle East.

A testing loop of 1.4km is currently in the final phase of construction in the city of Dammam. The loop has similar characteristics to those Asel-Tech already has in Brazil, which will serve as a demonstration platform, for tests, commissioning and training operators. ■

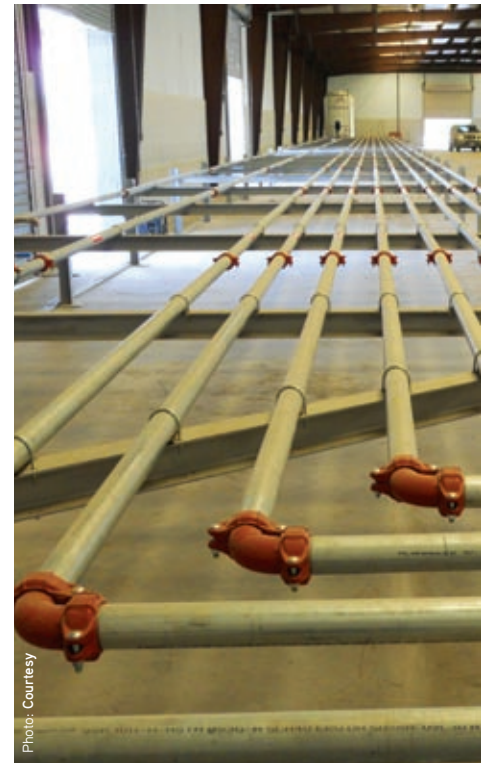


Photo: Courtesy

Swire Oilfield Services

Pre-salt attracts investment from Swire Oilfield Services

SWIRE OILFIELD SERVICES, the world's largest supplier of specialist offshore cargo carrying units to the global energy industry and is a leading specialist in helicopter fuel systems and chemical handling services, has more than 45,000 units around the world, and has landed in Brazil this March with its eye on the pre-salt market. Strategically located in the main oil & gas production markets, Swire Oilfield Services plans on participating in the growing South American market, due to the discovery of the pre-salt layers.

The pre-salt will create new business opportunities in the supply chain segment, such as supplying containers, baskets and offshore tanks for transporting chemical products. This service is paramount to the perfect functioning of the supply chain in the industry. Since Brazil plans on adopting strict norms and procedures for Health, Environment, and

Safety (HES) policy, the strategy of Swire Oilfield Services is precisely to offer units certified by Norma DNV 2.7-1, globally recognized as offering total integrity in transport equipment and complete safety for their operators.



"Exploration in the pre-salt will require even more effort from the supply chain segment, including the supply of containers, baskets and offshore tanks constructed within much stricter norms, which is an advantage Swire Oilfield Services already possesses. These norms are already used in all oil producing nations, except in Latin America, which has been more flexible, and therefore, the local units have been less robust and demand more maintenance", explains



Marcelo Nacif, Business Development of Swire Brazil.

The group plans on manufacturing equipment in Brazil in compliance with national rules regarding local content. The goal is to produce 6,000 offshore container units by 2015. Swire Oilfield Services is mostly present in Northern Europe, where it operates eight established bases, four of which are in the UK and Norway, and has partners in Denmark and the Netherlands. The company also has operations in Australia, Nigeria, Angola, Russia, the USA, and Trinidad and Tobago. ■

Over the crisis

Açotubo betting on increased demand for steel bars and tubes

AFTER HAVING SURVIVED the worst part of the financial crisis, Açotubo, one of the domestic market's largest distributors of steel bars and tubes, is betting on the growing demand for its products and services in 2010, especially from the sugar and ethanol market, considering maintenance activities in sugar and ethanol mills.

Due to global concern regarding environmental questions, there is growing demand worldwide for biofuel alternatives that are less aggressive on the environment. Thus, Brazilian ethanol mills are today a socio-economic development factor that is at the center of a change in the world's energy paradigm. With annual production at almost 25bn liters of ethanol, the National Fuel and Lubricant Distributors Union (Sindicom) estimates ethanol's return to lead fuels at Brazilian service stations, due to higher oil prices on the world market.

A significant increase in demand for carbon steel bars, slabs and tubes will accompany the recuperation of the ethanol market. According to Açotubo, the sugar and ethanol mills will make the larger investments in the maintenance of their facilities and machine construction this year, now that the worst of the financial crisis is over.

The marketing manager of Group Açotubo, José Carlos Palopoli, explains that the sugar and ethanol mills gener-

ally do their preventative maintenance in the months of December and January. Due to the global financial crisis last year, many of these investments were postponed and maintenance fell, with the exception of extreme cases that could not be avoided. "For 2009, we estimate that the volume of products sold will be much higher, pushed by booming sugar exports from Brazil to cover the demand of the international market on the occasion of the failed sugar harvest in India".

Of the new order for the sugar and ethanol industry, it is estimated that 70% are from mills that are already in operation, while new mills are responsible for the other 30%. In order to meet the demand, the companies of the Group: Açotubo, Incotep and Artex, have high stocks of specific products.

Founded in 1974, Açotubo has just completed 36 years of service of the best technical and operational structure in the industry. A traditional player in this market, the company holds a high



Photo: Courtesy

level of administrative and strategic principles that have made it a business and leadership case study with its streamlined and high level services that are its differential. Its commitment to the quality of its products is certified by Det Norske Veritas (DNV), with the Inmetro seal in ISO9001, as well as its commitment to social responsibility which is also certified by DNV with the SA8000 - making it the first company in the steel products industry to have obtained such certifications. ■

Aker Solutions

Risers for the Gold Star rig

Aker Solutions delivers a new set of risers, made-in-Brazil, to the Rio das Ostras plant, founded in June 2008

The rig, Gold Star, contracted by the Queiroz Galvão company, received 95 sets of 75ft risers, 5 pup joints and a connector fill-up valve from Aker Solution, all of which are approved by DNV. Besides these connectors which are the Brazilian scope of the project, tools for moving and

manipulating had also been delivered, which are part of the Norwegian scope of the project.

"In August of last year we delivered the Olinda Star project, the first with Aker Solutions technology to be manufactured in Brazil and entirely approved by a certi-

fier. Now, after delivering this project, we are working to finish the production of two more orders - the Lone and Alpha Star rigs - that are already under construction in our factory", states Jonas Marquesini, vice-president of Drilling Risers of Aker Solutions Brasil.

The risers for the Gold Star rigs are more than 2,000 meters deep and should start operations in this first quarter. ■

MAN Diesel to equip thermoelectric plants of the Bertin Group

AN IMPORTANT INTERNATIONAL conglomerate on the international scene, Grupo Bertin ordered electromechanical equipment for six thermoelectric plants from MAN Diesel, including 120 large motors and generators brought from Augsburg, Germany, which together will form the core of the installations. The value of the MAN Diesel order is the largest ever from a South American client at €300m (R\$ 770m).

MAN Diesel will supply the GenSets, sets of large diesel motors, 18V32/40, together with the respective generators and components for power mills. The six thermoelectric mills will generate a total of 1,000 MW of energy from a location near the city of Salvador (BA), which will come online by 2011. The Bertin group is already MAN Diesel's the largest South American client and its biggest truck fleet in Latin America, with 1,500 vehicles manu-

factured by the commercial vehicles division.

Georg Pachta-Reyhofen, CEO of the MAN Group, considers the companies strategy regarding power mills: "Power plant business development, as well as the shipbuilding industry, are strategic business fields for MAN Diesel", he pointed out. "Latin America is not only important as a market for MAN Diesel, but as a strategic project from which the entire MAN can grow".

Klaus Stahlmann, CEO of MAN Diesel SE, commented on the success of sales. "An order of this size is much more than welcome, and, especially in the context of the global economic crisis, it is extremely important to keep up our capabilities and thus the utilization of our Augsburg factory", he says. "We are now reaping the benefits of the investments we made in modernizing our integrated production."

This concession contract opens up the possibilities for MAN Diesel to fulfill other orders, such as the construction of other power plants for the Bertin Group, due to the sheer dimension and importance of this project. The possibility of supplying them with Man Turbo steam turbines is already being studied, since they can be powered by the heat coming from other motors, optimizing installations. Here, the newly-founded company, MAN Diesel & Turbo may apply its integrated technology in plants run on diesel Diesel Combined Cycle turbines.

Supplier of large diesel Motors for marine vessels and power plants, MAN Diesel has developed two- and four-time Motors, auxiliary Motors, regulation helixes and complete propulsion systems, produced by the MAN Diesel Group and its dealers, which generate between 47 to 97,300 kW of power. ■

Emerson

Daniel supplies city-gates for Gasbel

PETROBRAS IS ACQUIRING TWO city-gates from Daniel/Emerson for the Gasbel II natural gas pipeline. The city-gates will be installed for the cities of São Brás do Suaçuí and Betim (both in the state of Minas Gerais). The move consolidates Daniel's position as one of the main suppliers of this kind of equipment for Petrobras.

The contract as signed with Petrobras encompasses the supply of project materials and services, construction, assembly, tests, conditioning, inspections, training, pre-operation and op-



erational assistance for the city-gates, which will be manufactured in modules.

Assembly will include all the civil and mechanical construction, tubes

connecting the filtering module to the branch valve, besides all the electric, automation and instrumental work necessary to integrate the system.

The Gasbel II gas pipeline will duplicate the flow of Gasbel I and meet the demand of Gasmig, and especially the Steel Valley and greater Belo Horizonte metropolitan region. The 270km pipeline will connect the city of Volta Redonda (RJ) to Queluzito (MG). The 18" nominal diameter pipeline will have a transport capacity of 5m m³/day with pressure of 100.0 kgf/cm².

Rosemount Radar is now Wireless

ROSEMOUNT TANK RADAR HAS JUST RELEASED its new wireless option for the Rex and Pro lines of radars. The meter radars, whether new or in-use, can be configured with an antenna to communicate data within a wireless network – thus making it possible to monitor tanks in remote or difficult access locations, increasing the safety at a lower cost.

The network uses the same Emerson wireless technology already approved for other locations in both Brazil and abroad. The mesh net-

work reaches great distances safely, regardless of the environmental conditions or other interference.

The instruments can read data such as level, fluctuation rate, temperature, pressure, as well as several alarms, via the wireless network. This information can be incorporated into a management system for configurations and diagnostic tests.

The wireless network is yet another option available from the line of radar meters of Rosemount TankRadar. Rosemount is a company of the Emerson Group, represented in Brazil by Fluxo Soluções Integradas. ■

On track

The operational profit of Wärtsilä is at its all-time high

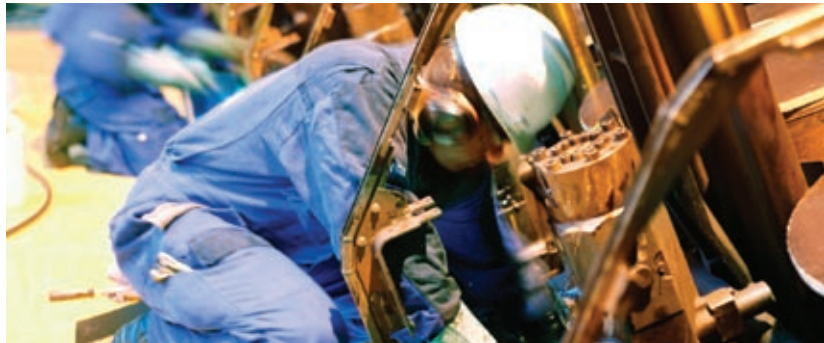
DESPITE THE GLOBAL FINANCIAL crisis, Wärtsilä, supplier of energy solutions for the shipbuilding and power generator industries, closed 2009 with some impressive figures. The Finnish company's net sales reached €5.260m, a growth of 14% compared to the previous year, while operational profit hit an all-time high of € 638m, 12.1% of sales.

"Wärtsilä was quite successful in 2009 in many ways. Net revenues of the Group grew 14%, together with operational profit on the rise", states **Ole Johansson**, president and CEO of the multinational.



"The demand from power plants continues at a healthy level, as well as our Services division. The global outlook sees the need for flexible and environmentally-friendly energy, as well better energy efficiency and safety, which is an inspiration to the work of Wärtsilä", he observes.

The recovery of the financial market has pushed orders in the last quarter. The situation for the services market remained steady. In some market segments, fuel conversion, modernization



and other larger investments have been postponed, while clients have focused on essential maintenance and repairs. The demand for electric power services remained stable.

In Brazil, the business of Wärtsilä is at full steam. In 2009, three new plants were constructed, and the operations and maintenance contracts for Viana (ES) and Geramar I and II, located in Miranda do Norte (MA) also went to the company. These two power plants will together generate a total of 320 MW of electric power for the national grid, whereas Viana will contribute with 174 MW, enough energy to supply 400,000 residences. Wärtsilä will supply all the needs of the Geramar I and II plants under the 5-year Operations & Maintenance agreement (O&M).

As a result of the stable environment of the Services segment, the company



Photos: Courtesy Wärtsilä

foresees a great demand for power plants and capacity adaptation in 2010, and an operational profit between 9% and 10%, well within the company's long-term goal.

Company operates three new power plants in Brazil

Upon operations of the Viana, Geramar I and Geramar II power plants in January, the multinational will surpass the 1.0 GW mark for installed capacity within its Brazilian operations.

BESIDES CONSTRUCTING THREE new plants, the operations and maintenance of the Viana plant, located in Viana (ES), and the plants of Geramar I and II, located in Miranda do Norte (MA) also went to Wärtsilä, a global leader in supplying energy solutions for the shipbuilding and power generator industries.

The 1.0 GW Mark for installed capacity is a major step, considering the Finnish company will be celebrating 20

years of providing made-to-order solutions for the thermoelectric and ESCA (engineering, supply, construction and assembly) segments.

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The Wärtsilä's O&M contracts are adapted to the needs of its clients, aggregating the value of its solutions. The program is to cover all the management and operational needs of the plants, including the O&M planning, day-to-day operations, maintenance, administration, human resources, technical support, and logistic and safety management. This global program allows the plant owner to focus on the core business, while Wärtsilä guarantees the complete cycle of the power plant for as long as it is operating. ■