



Subsea Product Categories & Leaders

Remotely Operated Vehicles

Oceaneering's line of ROVs enjoys impressive market leadership due to the company's history and technical expertise. Its underwater workhorses garner particularly strong marks for their performance, HSE features and technical soundness.

Umbilicals & Controls

Failure of these electronic and hydraulic lifelines and control components can convert high-tech ocean-floor systems into relatively unintelligent iron. **Oceaneering** and **Cameron** enjoy the most robust ratings in this oft overlooked category.

Manifolds, Flowlines & Connectors

Manifolds, flowlines and connectors provide vital inter-connection of many of the components that comprise today's sophisticated subsea networks. **Cameron** currently enjoys the highest customer satisfaction rating among major suppliers for these products.

Wellheads & Trees

Subsea wellheads and trees are big business for a number of the industry's best-known suppliers. However, it's under-the-radar **Dril-Quip**, with its no-nonsense style and focused product-line, that makes the biggest splash with survey respondents.

Risers & Flexible Joints

Whether it be drill pipe, fluids or chemicals, or oil and gas, risers and flexible joints facilitate the conveyance of materials and hydrocarbons between the ocean bottom and surface facilities. **Cameron** garners the top marks in this segment as well.

Blowout Preventers

GE - Hydril rates first in subsea BOPs, a category burdened with the lowest overall ratings of any subsea segment we cover in our surveys. The large gap between ratings for surface-based BOPs and those for subsea BOPs is particularly noteworthy.

A SEA OF DISCONTENT

The *wisdom of the masses*. It's a concept that contends that information collected from a group of individuals is generally more reliable than information gathered from any single individual within that group. If true, what has the industry been saying *en masse* about the types of equipment and materials being used to develop offshore oil and gas wells, particularly those at greater depths, prior to the Deepwater Horizon/Macondo incident? Analysis of data compiled via EnergyPoint Research's industry-wide surveys suggests oilfield customers have been significantly less satisfied with the equipment and materials available for subsea and deepwater projects than for land- and surface-based applications. In fact, since 2005, subsea equipment has received the lowest overall customer satisfaction rating of the multiple oilfield product segments tracked by our independent surveys.

IMPROVEMENTS CLEARLY WARRANTED

As the industry searches for ways to avoid a repeat of the current catastrophe in the Gulf of Mexico, it may prove helpful to develop a more thorough appreciation of what drives the conspicuously low scores for subsea equipment.

Customer satisfaction, to a large degree, is a matter of meeting or not meeting expectations. Accordingly, survey respondents' evaluations suggest that subsea suppliers and their products have fallen short of customers' expectations virtually across the board compared to their surface-based peers. The ratings shortfall is most acute in the areas of in-house quality control, post-sale support, and product availability and delivery. One survey respondent summed up the situation from his perspective as a "lack of adequately trained personnel, long delivery times for even routine spares, arrogant responses to technical queries, and exorbitant cost[s]..." The industry's dissatisfaction with subsea products is clearly exacerbated by the significant growth of the sector over the last several years. This growth has caused some suppliers to spread thin their organizations as they attempt to service greater numbers of projects globally while simultaneously developing more technologically sophisticated and expansive offerings. The data indicate customers see subsea BOPs, risers and flexible joints, and wellheads and trees as particularly lacking, followed by umbilicals, controls, manifolds and flowlines.

POINTS OF LIGHT

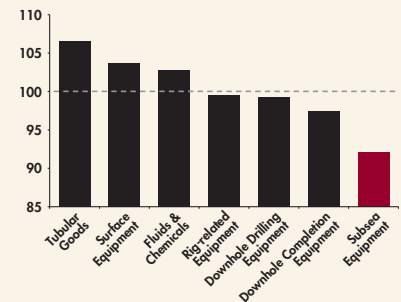
Remotely-operated vehicles (ROVs), the robotic submarines currently performing the high-profile and yeoman's task of taming the Macondo well, received the highest long-term ratings of any subsea product category we track. Ergo, the industry can take some refuge in the notion that the equipment used to deal with problems on the seafloor is more highly regarded than the categories of products used to prevent such troubles in the first place. Not surprisingly, ROV manufacturer Oceaneering is one of two major suppliers with subsea ratings that exceed the broader industry average. The other is Dril-Quip. Cameron Intl, FMC Technologies, GE Oil & Gas, NOV and Aker Solutions all rate below average.

ABOUT THE DATA

This report is derived from 5,600+ customer evaluations of oilfield product suppliers collected via EnergyPoint Research's independent surveys since 2005. In exchange for participating, respondents were provided survey results in the form of our MarketPartners® Reports and Updates, past versions of which may be found at www.energypointresearch.com. To learn more about EnergyPoint Research and our surveys, contact us at info@epresearch.com or +1.713.529.9450.

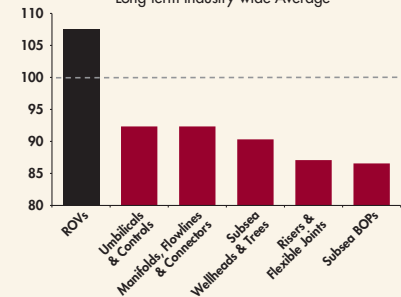
Subsea Equipment Ratings Have Significantly Lagged Other Oilfield Categories Since 2005

Category Ratings as a % of Long-term Industry-wide Average



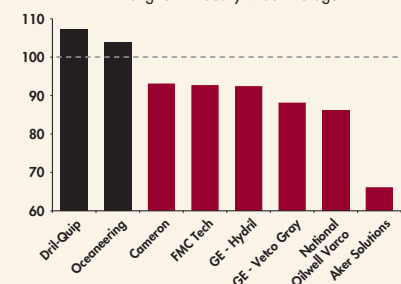
Multiple Subsea Product Segments Seen As Falling Short

Category Ratings as a % of Long-term Industry-wide Average



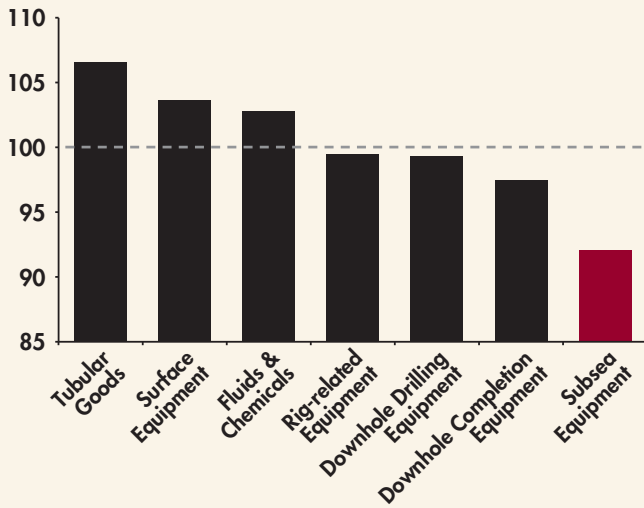
Lower Scores for Subsea Products Among Most Major Suppliers

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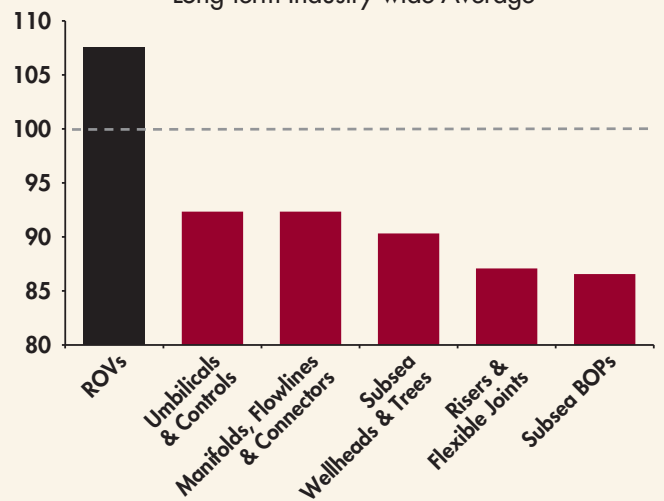
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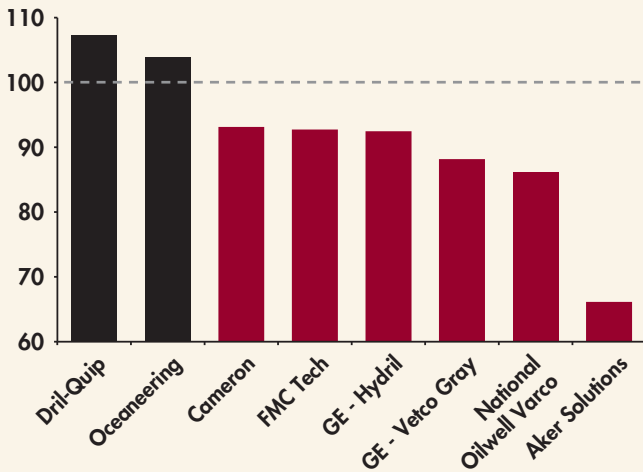
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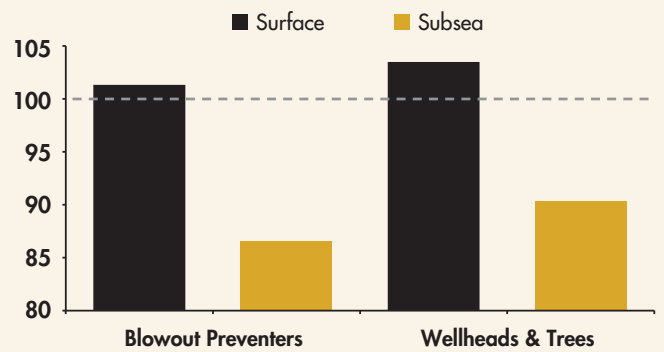
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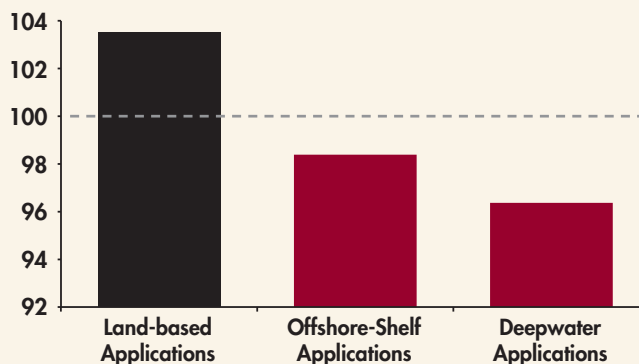
BOP & Wellhead Ratings Favor Surface-based Applications

Category Ratings as a % of Long-term Industry-wide Average



Product Quality, Support & Delivery Drive Stronger Ratings for Land-based Equipment & Materials

Category Ratings as a % of Long-term Industry-wide Average



ABOUT ENERGYPOINT RESEARCH

EnergyPoint Research provides independent research regarding the oil and gas industry's satisfaction with the products and services it purchases and utilizes. The firm offers industry professionals and their employers opportunities to provide comprehensive and confidential feedback to suppliers through objective and independent evaluation processes. In return for participating in surveys, respondents and their employers receive complimentary survey results in the form of EnergyPoint's *MarketPartners*® Reports and Updates. Through the *MarketPartners*® Program, EnergyPoint regularly surveys significant cross-sections of experienced industry participants involved in the selection and utilization of oilfield products and service providers. Survey participants range from managers at some of the world's largest energy companies to field personnel at independents and regionals. To learn more about EnergyPoint Research and our benchmark surveys, go to www.energypointresearch.com or call the company in Houston at +1.713.529.9450.

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