

# Fabricom

## Introduction

Fabricom operates in the oil & gas industry, and employs around 1 000 people in Norway. The company is engaged in the complete EPCI value chain, Studies, Engineering, Procurement, Fabrication, Installation, Commissioning, Operational support and Decommissioning.

Fabricom is a member of the operating unit Fabricom Oil, Gas & Power within the GDF SUEZ group. GDF Suez is one of the leading energy providers in the world, employing more than 200,000 people worldwide and with a turnover of €79 billion.

## Challenges

Prior to Fabricom started using Contiki ECM, their contracts were administrated and followed up in different locations, lacking overview and transparency, as well as preventing fruitful synergies. Fabricom purchasers, administrating the contracts, faced obvious challenges to find and administrate these in a structured manner. The Procurement team experienced challenges when trying to stay in control of all contractual obligations. With Contiki ECM in place, both administration and archiving of contracts is considerably improved.

The development of ITT documents used to be bothersome, took too much time and was difficult to follow up. Fabricom wanted to distribute and interact electronically on the same platform with regards to development of ITTs. When Contiki ECM is being used, internal collaboration on documents and approvals regarding tendering processes are now easily administrated by the person responsible for the process.

Communication with bidders and suppliers resulted in lots of emails going back and forth. However, by using Contiki's Sourcing module, all external communication can be done via the web portal. Fabricom can distribute tendering documents via the portal, and the possible bidders can upload tendering documents and questions to the same web portal – integrated with the Contiki ECM and always updated for Fabricom.

Administrating and archiving contract related templates and documents have been a challenge in Fabricom, since there was no specific system to handle this. In Contiki ECM template administration is core functionality, ensuring that correct templates and documents are used at all times. Thus, Contiki ECM supports risk management and compliance in Fabricom.

There was also a challenge to perform bid evaluations and supplier assessments, since Fabricom had no dedicated system for this. With Contiki ECM, evaluations and assessments are performed efficiently as an integrated part of the process.

## The Solution

Fabricom's procurement teams are the main users of the solution in its first stage, and Fabricom's main challenges for contract administration have been solved by using Contiki ECM. Now, when initial success has been achieved, the Procurement team can continue to utilize new functionality and the Contiki solution can be rolled out to other user groups in Fabricom.

Implementing a new tool for contract management also means new and more efficient processes for contract related work. Therefore, management commitment, close cooperation between the parties and comprehensive user training are equally important to make the implementation of Contiki ECM a success story.

Using Contiki ECM the procurement teams are now picking up speed every day, and they all went through comprehensive training before starting to use the solution. The key users are impressed with the functionalities and the results they have achieved by using the Contiki solution.

Contiki ECM is a standard it-solution with many possibilities for customer based configuration, workflows, integrations, reports etc. Fabricom has put a lot of effort into adapting the solution to their specific needs, this being very important for user satisfaction.

## Benefits and outcome

Fabricom aiming to utilize as much of the solution as possible in the future. Contiki ECM is being used by several major companies in the Oil and Gas industry, including oil companies, contractors and subcontractors. The experience gained from cooperating with these leading players provides useful best practice knowledge that Fabricom can benefit from.

*"Implementing Contiki ECM in Fabricom has not only given us an easily accessible overview of the company's contractual obligations, but also full control of the ITT execution and the creation and administration of contracts. We have high expectations to the eSourcing module where we can collaborate with external parties via web interface, both with bidders and later with the subcontractors in active contracts. This makes improvements possible, with regards to both quality and process – which in turn is expected to create substantial results on the bottom line."*

- Geir Danielsen  
Supply Chain Manager at Fabricom

During 2012 Fabricom will start using the eContracting module, to further improve collaboration when developing documents and negotiating contracts with their counterparts. Fabricom had an advisory role when this module was developed, and Fabricom also wishes to influence future development of Contiki modules in other areas – which is positive for the Contiki ECM solution.

- One central archive for all contracts, with full overview of contractual obligations.
- Higher quality in monitoring and reporting of contracts and documents, with good visibility and traceability.
- More efficient document collaboration processes – both internally and externally.
- Handling paper copies is not necessary any more.
- Best practices can be reused.
- Full version control and audit trail on documents.
- Contract templates are easily archived and reused.
- Emails, drafts and all other historic documents are stored on “contract”.
- Historic “Corporate memory” is archived when staff leaves Fabricom.

#### ABOUT EXARI

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Exari delivers the most complete Enterprise Contract Lifecycle Management platform, used every day by market-leading companies to understand all aspects of their contract ecosystem worldwide. With Exari, customers can reduce contract risk and improve operating efficiency with 100% Contract Certainty™.

