

The Smart Way to Buy Marine Fuel



OceanConnect.com is an Internet company born of the recognition among major fuel oil suppliers that eCommerce will almost certainly alter the basic relationship between buyers and sellers of fuels and all marine services and products.

OceanConnect.com was founded by BP Marine, Shell Marine Products and Fuel And Marine Marketing LLC (A joint venture between Texaco and Chevron). It is a fully independent company with a dedicated management team catering to all suppliers and buyers of marine fuel. To ensure OceanConnect.com evolves into a truly independent venture, additional partners from the marine industry and the information technology sector will be encouraged to participate in the venture through ownership and on-going development work.

The goal of this new venture is to combine an understanding of marine logistics and supply with the dynamic new business opportunity afforded by eCommerce to offer the premier marine web based Market Space.

The marine industry is a 24 hour a day 7 day a week Global Market with a total size of \$115bn where speed and efficiency of operation are critical to maximise ship's performance. Few, if any, existing resources overcome the cultural, geographic and time zone barriers to provide ship-operators with world-wide products, services and information.

eCommerce by its very nature facilitates the process of breaking down these barriers; changing and challenging every industry it touches. It uniquely presents new opportunities or enables changes already foreseen but which could not be delivered with the traditional business model.

Efficiency through innovation

Marine fuel is typically the highest single operating cost incurred in ocean going powered vessels representing some 30-50% of the total operating cost. Fuel prices are extremely volatile and have

"Recent developments in many industries - notably the airline and steel sectors - have demonstrated that a website jointly owned and governed by several companies is an effective means of ensuring an open, unbiased venue for the exchange of products and information. We believe an opportunity now exists in the marine fuels marketplace to replicate the commercial success of other, similar websites through OceanConnect.com"

Tom Reilly, CEO of OceanConnect.com

varied in the last two years from around \$50 to \$120 per tonne for heavy fuel oil in major supply ports. This coupled with varying geographical availability and quality challenges the risk management and purchasing skills of every procurement department.

OceanConnect.com works with a variety of transaction models ranging from the more traditional sealed bid process to the optimum dynamic pricing of a reverse auction. Both of these mechanisms allow purchasers to invite selected participants, specify the time and place of the transaction and customise their product specifications and requirements.

Innovative use of Internet technology has enabled OceanConnect.com to provide an easy to use, time efficient, price efficient and wholly transparent mechanism to select the preferred bidders and complete the transaction.

OceanConnect.com will provide heretofore unparalleled information on pricing levels and product availability.

Trading on OceanConnect.com is scheduled to commence in the second quarter of 2000.

While initially concentrating on marine fuels, OceanConnect.com will aggressively expand into other marine products and services. This expansion will be driven by a combination of the evolution of customer demand and focused delivery.

The OceanConnect.com advantage	Buyers	Suppliers	Information providers
Time Efficient transaction process	✓	✓	
Price efficient business model	✓	✓	
Transparent pricing	✓	✓	
Access to a larger supply base	✓		
Access to a wider customer base		✓	
Access to real-time actual price data	✓	✓	✓
Access to industry information	✓	✓	✓