

ENTERPRISE 50

# Oilfield equipment firm diversifies to fuel growth

Oilfield Services & Supplies looks for new areas to apply its expertise

**By Siti Aisyah bte Mohd Jeffri, Sabiqah Shahirah bte Noordin and Michelle Chua Xiao Juan**

BEYOND its core business of drilling tools and components, Oilfield Services & Supplies (OSS) is transforming for a greener future. In early 2022, it invested in Dutch climate startup FlexBase International – which has a Singapore office – for a pilot floating platform project.

FlexBase International develops floating structures in a way that minimises the use of concrete and steel, thus reducing the carbon footprint of such structures. OSS business development manager Kenneth Loh said: “We believe that FlexBase can leverage its technical expertise and experience in prior projects to establish successful operating models in Asia.”

OSS manufactures, services and provides rental of drilling tools and components for the oil and gas industry. But the FlexBase move was part of its diversification strategy: identifying solution providers which are focused on key future themes such as climate change adaptability and environmental sustainability.

The “ability to diversify its business in a dynamic and fast-paced environment” was what earned OSS the Enterprise Transformation Award in the Enterprise 50 (E50) Awards 2021. That year, OSS also received the special Five-Year Award, for being a five-time E50 awardee.

Said Loh: “After the 2016 oil crisis, we began to look at adjacent industries where we could leverage our core competencies of precision

machining and surface engineering capabilities to value-add into existing supply chains.”

OSS has grown at a compound annual growth rate of 6.8 per cent over the past decade, and expects to achieve 8 per cent revenue growth annually for the next five years.

## From repair workshop to international player

OSS began in 1999 as a repair workshop in a rented Jurong factory space. The founder, Peter Ong, had previously worked as a repair and maintenance manager for the upstream segment of a multinational service company. After the Asian financial crisis resulted in his retrenchment, he used his exit package to start his own business.

One key challenge in the beginning was uncertain cash flow, but after four years of operations, OSS managed to establish a solid foundation.

Due to Singapore’s lack of natural oilfields, offshore expansion has always been the principal growth strategy for OSS. Its approach when entering a new market is to build trust and a relationship with an experienced local partner, to better understand the local language, circumstances and regulations.

Over the years, the company has established partnerships in Thailand, India, China, Indonesia, Malaysia and Kazakhstan. Today, OSS has more than 220 employees spread across its Singapore headquarters and eight satellite workshops across Asia, handling service companies and drilling contractors in Asia, Australasia, Eur-



From left: Oilfield Services & Supplies general manager Michael Lim, managing director Kay Ong and business development manager Kenneth Loh at the Enterprise 50 Awards 2021 ceremony. PHOTO: OILFIELD SERVICES & SUPPLIES

asia, the Middle East and Africa.

## All in the family

Peter Ong died in 2016, but the business remains family-run. His nephew Kay Ong, who is managing director, said: “I have prior experience working with my uncle before, so I am able to align to the same goal since the beginning, to make the company successful.”

He and Loh – who is the late founder’s son-in-law – are able to “align values and goals” for OSS due to the collaborative, familial nature of the company’s leadership.

This familial atmosphere extends throughout the company. Ong noted that his late uncle had

developed a genuine connection with his employees, building a supportive environment within the workforce and treating them like family.

During the 2016 oil crisis, OSS strove not to cut its workforce. Instead, it introduced a pay reduction system in which the management team took the largest pay cut, followed by managers, administrative employees and direct workers. When oil prices recovered and the company got back on its feet, OSS reimbursed employee pay cuts.

OSS also seeks to upskill its employees whenever possible, and places importance on having conversations about their goals and

career aspirations.

The company, too, is improving itself through innovation. It has partnered the Agency for Science, Technology and Research’s Advanced Remanufacturing and Technology Centre to research how to increase resistance to wear and tear, so as to lengthen the lifespan of the tools that it manufactures.

Said Ong: “I think being a Singaporean firm has given a lot of SMEs (small and medium-sized enterprises) like ours a great leverage, as there are strong institutes here with top brains that are able to help SMEs innovate, grow, and invent through research collaboration.”

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Kenneth Loh,  
business development manager, OSS

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