

FROM OUR PARTNERS . . .

“The HEP process helped us identify and quantify the value of what our capabilities mean to our key clients.”

Alf Jan Wik, Sales & Marketing Manager, Peak Well Solutions AS

“The HEP process and business plan development was a valuable tool in obtaining Board approval for our U.S. Gulf of Mexico business.

Through the HEP process, MPM has reduced our risks and increased our likelihood for success.” *Hans Olav Hide, CEO, MPM AS*

“I recommend this program to all companies entering a new marketplace. The business plan and all of the knowledge developed through the HEP process was a key resource in our company’s recent acquisition process .” *Odd Gustav Kvalvag, Commercial Manager, GTO Subsea*

“By going through the HEP process we learned that 2008 was too early for IKM Elektro to enter into the Gulf of Mexico market.” *Geir Hoiland, Managing Director, IKM Elektro*

HOUSTON ENTRY PROGRAM PRIMES 5 COMPANIES FOR U.S. MARKET

More than half of all companies entering the Houston Gulf of Mexico markets from outside the United States return to their home countries within the first five years, after spending hundreds of thousands of dollars on a venture doomed to failure. Experience shows that most of those companies tried to enter the market without thoroughly evaluating and planning for local conditions.

That’s why five Norwegian companies chose to participate in the 2007-2008 INTSOK Houston Entry Program (HEP), developed and led by John Hurter, INTSOK’s Oil & Gas Advisor for the United States.

INTSOK’s Mandate

A partnership between the Norwegian oil and gas industry and the Norwegian government, INTSOK through its HEP program works with Norwegian companies to minimize uncertainties and risks while increasing the likelihood of success as they expand their businesses internationally.

Werner Karlsson, Regional Director for the Middle East, USA and North Africa, states, “With the HEP program, INTSOK is providing well-structured and systematic preparation for the very competitive U.S. marketplace.”

The benefits of HEP are clear to GTO Subsea, a Norwegian supplier of dredging services. “The HEP model, its

methods and its tools gave us a practical process allowing us to learn and make changes along the way,” says Odd Gustav Kvalvag, Commercial Manager. “The HEP approach was very disciplined and gave us the mindset of looking at and evaluating all the options. I am convinced that our company has never been more prepared to make business decisions.”

Achievable Goals

Along with GTO, the companies who participated in HEP training in 2007-2008 are IKM Elektro AS, instrumentation, engineering and construction products and services; MPM Multiphase Meters AS, high-performance flow meters; Peak Well Solutions AS, gas tight well barrier products; and TCO AS, barrier plugs. These companies needed:

- ◆ A systematic analysis of their readiness for the U.S. market
- ◆ Entry strategies suited to their resources and potential customers
- ◆ A business and implementation plan that their Boards of Directors would approve
- ◆ A sales, marketing and networking plan

With HEP training, these companies were prepared to achieve their goals. The HEP process begins with an in-depth discussion between Hurter, the

program developer, and the company, so that both parties understand the company's culture, experience and plans for the future. In this first confidential session, Hurter operates as an extended member of the management team.

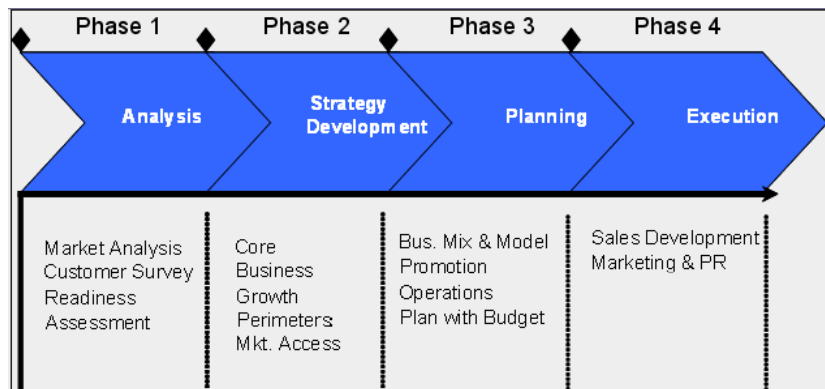
A Four-Phase Process

With this common understanding in place, Hurter guides each company through the fundamental four-phase HEP process. Each phase begins with a packet of information and questionnaires that provoke discussion and readies each company for what needs to be accomplished by the end of that phase.

The companies enrolled in HEP then come together in a roundtable format to discuss common, nonproprietary issues. The roundtables help build a trusted team that can provide mutual support in the intense Houston marketplace. Roundtable sessions include guest expert speakers who have an intimate knowledge of current local conditions.

Private Workshops

As the program continues, each company receives a private workshop in each of the four phases of the HEP



program. These workshops are made up of interactive modules using tools designed to help each company examine and address the key fundamentals of market entry:

- ◆ Market position and potential
- ◆ Entry and positioning strategy
- ◆ Implementation plan
- ◆ Plan execution support

“Each workshop becomes more and more focused upon the company's unique situation based on what we have learned so far. It's an additive process that uses everything we learn along the way,” says Hurter

Practical Results

“These companies are doers,” Hurter explains. “They must continue to do business while they are integrating what they learned and are working on the HEP market entry program. So it is absolutely critical that we remain flexible to their changing needs and prepare them in a very practical way. We lay the groundwork, we give them the process and the tools, and then we help them address the potential problems that they've uncovered.”

By the end of the HEP process each company is fully equipped to decide

whether or not to enter the Houston marketplace. Each company has a Board approved business plan, a forecasted profit and loss statement and a prioritized activity plan—all conditioned to the current local market dynamics.

“We help them define their share of the market compared to the local competition,” Hurter states. “We talk about local qualification requirements, OSHA and other regulatory issues, and appropriate branding, sales and marketing strategies.” With their new understanding of the Houston market and their own company strengths, HEP graduates are positioned to enter and grow in the U.S. energy sector.

“The way HEP uses real examples to demonstrate key elements throughout the market entry process gave us confidence in what we were doing,” says Kvalvag. “The various tools, such as the SWOT analysis, brought to light key issues, allowing us to make important changes to the company. INTSOK's HEP program added credibility to our company's activities.”

Based on the successful results of this program, INTSOK is offering this value-added service to its partners on an annual basis.

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