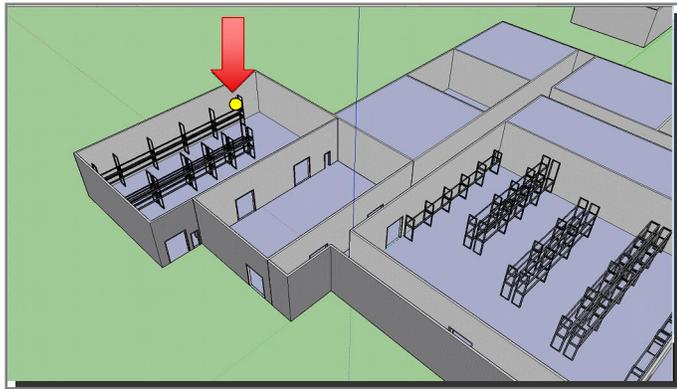


Knowledge Ops, Inc. is a partner with TASC, Inc., bringing advanced solutions vetted by major enterprises such as the Department of Defense and other organizations responsible for significant balance sheets to the oil and gas industry. Knowledge Ops, is uniquely positioned to provide the industry with vetted, enterprise wide field operations solutions already tested and proven in the harshest global environments- such as those faced by the upstream petroleum industry. This case study demonstrates how TASC provided one of its clients with almost \$1 million in inventory cost avoidance.

### Real Time Inventory Management

Using the depot driven RFID enabled CAPITAL ASSET MANAGEMENT SYSTEM developed in response to the requirements of field operations, as opposed to the traditional %behind the corporate firewall+ back office accounting focused system, a global enterprise automatically reconciled their physical inventory resulting in cost avoidance of \$800,000 during one inventory cycle.



Previously, inventory was reconciled manually in accordance with organizational policy. This new solution automatically reconciles the warehouse physical inventory on an ongoing basis. Moreover, the solution allows those responsible for asset management and tracking to precisely know, in three dimensional (3D) space, the location within the depot or warehouse of the capital assets.

Using Passive Radio Frequency Identification (pRFID) readers or antennae strategically located throughout the warehouse and/or yard, RFID tagged components are automatically counted. This reduces the amount of manual oversight required during the ongoing inventory process. For example, as the component is moved within the facility, its new position is automatically updated.

Finally, the RFID tags used in this solution have been widely used in industrial environments

### Lessons Learned

In addition to the ONE-TIME COST AVOIDANCE of \$800,000 as a result of a single automatic inventory reconciliation cycle, the following long term value was derived by this customer- resulting in more comprehensive *Operational Knowledge*.

- Handheld RFID readers are useful in identifying the individuals conducting the inventory updates. One drawback to handheld devices is the level of uncertainty that is inherent between inventory updates. Additionally, there is the possibility of an incorrect assumption that components have not moved, as the records do not provide that level of granularity.
- ❖ Passive Radio Frequency Identification (pRFID) readers at choke points (portals) can assist with material movement. However the %a or out+ direction of a part transitioned through a portal may not be available.
- ❖ Real Time Location Systems (RTLS) allow the users to see in %ear real-time+ (approximately every 5 minutes) where a component is located. This allows users to have a high level of confidence that the parts are physically in a warehouse and/or yard, and an approximate bin location.

- ❖ RTLS have the following advantages over handhelds/portals:
  - Continuous near real-time inventory
  - If a tag becomes blocked or damaged, an alert is sent to a user to replace the tag.
  - If a tagged item is reported in a wrong location, an alert is sent to a user to properly relocate the tagged item.
  - Automatically reconcile the inventory in near real time. With hand-held devices, the inventory only occurs when a user is conducting the inventory.
  - Ability to identify wrongly-shipped goods by identifying items that should have been shipped but still on the shelf.

## Balance Sheet Management

In the current economic environment, corporate balance sheets are more important than ever. Those firms that can aggressively manage their balance sheets and attain a lower WEIGHTED AVERAGE COST OF CAPITAL (WACC) are better positioned with the capital markets, as well in their competitive landscape. Moreover, critical items such as Blowout Preventers require higher levels of Integrity Management and the anticipated new regulatory requirements may well hold the CEO personally liable, much like the Sarbanes Oxley legislation.

Real time management of costly, mission-critical capital items is not just vital, it's mandatory. The corporate License to Operate may well be determined by the sophistication of its TOTAL ASSET VISIBILITY that insight or KNOWLEDGE about its OPERATIONAL environment.

## About TASC

TASC <http://www.tasc.com/> has a broad portfolio of proven services and solutions that help solve real-world security challenges and threats. Its mission-focused end-to-end systems engineering and analytic expertise enhances operationally deployed systems, guides the acquisition of complex systems under development, and architects systems and technologies of the future.

## The Knowledge Ops Solution

Designed by, and for, field operations personnel, Knowledge Ops, Inc. enables all parties from the board room to those men and women in the field operations arena, their supply chain partners, and regulatory agencies with the identical and current information needed to make rapid and well informed decisions. Our solution not only provides a real-time system, we also deliver *TOTAL ASSET VISIBILITY* for critical aspects of your business.

Combining decades of knowledge from upstream information driven processes, with the current Department of Defense global maritime asset deployment thought leadership, Knowledge Ops, Inc. is pleased to support this critical industry with:

**TOTAL ASSET VISIBILITY!**

**CAPEX ERROR COST AVOIDANCE—BOLSTER YOUR BALANCE SHEET!**

### For More Information

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