

Fuelled Set to Capture On-line Energy Equipment Sales

By Heather Douglas

Buying used energy equipment used to be hard. Some buyers showed up at auctions while others travelled to the field where the equipment was either stored or decommissioned. Still others depended on equipment brokers or sold their equipment to their buddy at another producing company. That's old economy thinking. Today's buyers no longer have that drudgery. In the e-commerce economy, they can get what they need in just one click of the website www.fuelled.com. Fuelled also provides additional services such as, Fuelled Logistics which handles everything from disassembly, hauling and brokering to create a turn key solution for buyers.

jump jacks, seven pumps, five refrigeration plants, 61 separators, two sweetening skids, 52 tanks, five treaters, one tubular and one VFD (variable frequency drive), and the company has a backlog of over 200 pieces of equipment yet to be catalogued.

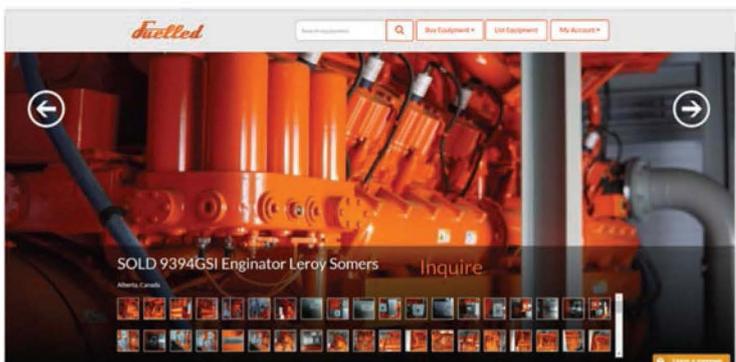
Fuelled's business model is centred around growth, while focusing on the customer experience, providing a lower cost structure, and lower prices. "As the traffic increases on the website, it encourages more sellers to list their equipment with us," says Singh. "More traffic means more buyers and sellers and that enables us to give a great customer experience, while easing their pain, and we like to think -- increasing the sellers' cashflow."

The company was launched five years ago and has worked hard to build a network of sellers and make the website user-friendly and easy for customers to find exactly what they're looking for. "They like the convenience we offer," says Singh, "they find the prices are very competitive, and as our selection grows, we hope to become the go-to place to purchase used oilfield equipment. E-commerce has allowed this technological shift and we have capitalized on it."

The customer experience is also good, adds Singh. "In their personal lives, they're used to self-service and are pleased we're bringing it into their professional lives. As we grow, we can offer the economies of scale that large, retail sellers have perfected."

Singh's business hero is Jeff Bezos, president and CEO of Amazon and he sees Fuelled as a mini-version of today's Amazon. "They are almost impossible to avoid or boycott and could become the world's first trillion-dollar company," he says. "Whether you want to do business with them or not, we live in a world they dominate, their business model is fascinating. They have a market growth of 20 per cent annually and a market capitalization of \$432.98 billion (US). Bezos has made huge investments to reduce costs, give greater selection, and make the deliveries faster."

Today's buyers like the ease of using a web portal to do business. Truly it's the wave of the future.



According to Raj Singh, Fuelled's president and CEO, his company has invested in giving the buyer the kind of on-line pictures and videos which accurately show the equipment's upkeep, condition, and if it needs repairs. "We pride ourselves in accurately portraying the state of the equipment and have invested heavily in our logistics capability. We will dismantle the equipment, package it up, ship it to the buyer, and assemble it at their preferred site."

In 2017, the company averaged about 100 sales annually and has strong ambitions to triple its sales in 2018. It has attracted some heavyweight sellers including Encana, Obsidian, and Zedcor. The buyers tend to be juniors or intermediates with more capital to invest and are looking to buy used or new surplus, and save their cash to drill more wells and increase their production volumes. On the purchasing side, Fuelled deals with more than 20 E&P companies and several brokers across North America, with 65 per cent of all sales leads generated online through their platform.

Fuelled currently lists: one air compressor, two amine plants, six bullets, 33 camps and accommodations, two coil tubing rigs, 77 compressor packages, three coolers, nine dehydrators, five flare knock outs, seven flare stacks, three free water knockouts, nine gas plants, 32 generators, one header package, two heat exchangers, eight light towers, 22 line heaters, eight master control centres, three metre runs, 19 metres skids, 44 miscellaneous items, two nitrogen vaporization packages, four pressure vessels, 11

