

CGGVeritas Merger A Success!



Robert Brunck with Perth staff at the recent Pegasus awards ceremony.

The merger of CGG and Veritas in January this year marked the dawning of a new era for two giants of the seismic industry.

The CGGVeritas integration process was outlined to employees via a world wide satellite hook-up with Perth included, at the Burswood Hotel earlier this year.

Merging two big companies like this is no easy task, CGG and Veritas have both been independently successful companies, with one strong focus in common: valuing their people. It is this common focus that Robert Brunck believes made both entities so successful and will continue to make CGGVeritas successful in the future.

"It's not by chance that Veritas and CGG have been true survivors of the seismic industry. Veritas values its talented people as does CGG. With CGGVeritas, one of our ways of showing this value is to be very close to our people. I for example, spend a lot of time out there on the vessels, with our processing centres and with our land crews. It's a big part of my job. That's why I like it."

Using Pegasus as a symbol of the integration and teamwork, the project was introduced as a way to facilitate a smooth transition from two companies into one new entity. Pegasus covered the planning, implementation and results of the merger and was also the name given to the intranet website which kept employees and stakeholders up-to-date on the merger progression.

Brunck explained it is not easy to conduct a merger while creating added value, which is why the Pegasus project was launched. "We see Pegasus as 'the way' and we took it very seriously to make sure CGG and Veritas came together in an orderly manner, focusing our

people on the clients and the operations", Brunck said. "We didn't want employees to forget the past, their history, but also to look forward and together build a new team to become a strong geophysical leader."

Brunck's background and experience is long and varied. Educated as a mining engineer, he also went through business school and in terms of his professional experience he has been involved with the mining and energy businesses for many years, including the nuclear industry in France. Enjoying the mix of what he terms "high technology and geology" he enjoys the geophysical aspect of his work. "High technology plus geology equals geophysics."

His increased involvement with Australia's division of CGGVeritas is fairly recent: it's only his second visit here in three years. As he explained, "we started to be involved as we purchased the seismic equipment division of Thales Underwater Systems (TUS) which is located in Sydney and produces the Guardian solid streamers".

"In 2003 we invested in Marine and it took off tremendously, so today it's a huge part of our company. Marine equipment through our Sercel division has been a big part of the group's growth."

Brunck has been talking up the company's presence in Australia and the Asia-Pacific region too, pointing to CGGVeritas' strong global presence in research and technology. "This is a very important part of the world. Australia, Vietnam, Malaysia and Indonesia are very open. The oil and gas to be found here is what I call 'technology oil'. With consumption being high, technology making oil more accessible and governments making it easier for the oil and gas companies to invest, it is a tremendous incentive", he said.

The CGGVeritas boss believes the huge amount of growth and opportunity in the region will continue. "We have a plan to staff our CGGVeritas presence here with more research people and create more technology presence in different countries", Brunck said.

He will readily admit he has ambitious plans for the company's future in the region. "Yes, I have an ambitious plan, but I think it is realistic. I have the year 2010 in my sights. 2007 is all about integration, 2008 we put our plans together and we start developing and by 2010 we shall have a very, very strong presence, not just in terms of operation, but in terms of research, technology and being very close to the universities and those who make things happen."

CGGVeritas' involvement in research is already well established in Asia and Australia with 'equipment' being one of the main focuses. "We already have a joint venture with China to produce equipment and we have a manufacturing site in Sydney where we produce solid streamers. So equipment is an important part of our research. For example, our Sydney research centre is a strong contributor to solid streamer technology. The research centre in China is a strong contributor to geophones and sensors", Brunck said.

Brunck also sees a significant role for the company in the development of subsea technology. "I can see South East Asia becoming an excellent centre for subsea and strengthening our already strong presence in Singapore with our work on imaging. Research and technology is not just about having products and solutions but to bring them down to the geology in the different basins. I think for a group the size of CGGVeritas, to achieve our ambitions; we have to be in the various countries, all working together. ■