

## PROFILE

# Cadcentre expands operations

MSC-status Cadcentre Asia Pacific Sdn Bhd, a subsidiary of Aveva Group Plc, opens its new 'centre of excellence' and is all set to provide support to the group's business activities in the region.



*Longdon... confident about growth in the Asia Pacific region.*

**C**adcentre Asia Pacific Sdn Bhd, a UK-based lifecycle engineering IT consulting provider recently increased its profile in Malaysia with the opening of their new 'centre of excellence' in the Petronas Twin Towers. A subsidiary of Aveva Group Plc, Cadcentre's latest office in KL is expected to support its existing operation in the Asia Pacific region.

Currently, their 16 employees at their KL operation will complement their business activities in China, Singapore, Korea, Hong Kong and Australia. Richard Longdon, chief executive of Aveva Group Plc, said Cadcentre already has an install base of 20,000 systems in 54 countries. Their Malaysian operation, Cadcentre Asia Pacific Sdn Bhd, recently received its MSC status on the April 11, 2002.

The KL office is the third 'centre of excellence'; the first in Cambridge (UK) and the other in Delaware (US). It will provide technical expertise, sales and product implementation services to the Malaysian market. Longdon said Cadcentre's business model calls for them to sell their products and solutions direct to the customer. "We

prefer to sell directly to our clients since we provide mission critical applications. Customers want to establish trust and confidence before they entrust anyone with their projects,” he said.

Aveva’s opening of their Cadcentre office in KL is in line with the company’s focus on creating a global presence. “Since customers, products and suppliers may all be in very diverse geographical locations, it is important for us to provide our range of services in a consistent way across geographic boundaries,” he added. Aveva will also be opening an engineering centre in Bangalore, India.

#### Implementation

Currently, Longdon said Cadcentre’s involvement with design and process engineering covers everything from the initial design and planning, to plant management and even possibly the decommissioning of the plant after it has reached a useful service life. Many of Cadcentre’s clientele operate in ‘mission critical’ industries including oil and gas and power generation. Aveva already has 13 clients in Malaysia including heavyweights Petronas, Shell, Malaysia Shipyard & Engineering, Nippon Oil and Perunding Ranhill Worley.

The strength of Cadcentre’s solution lies in its database-backed system, which offers many tangible benefits to designers and process engineers. “Some of our clients in the nuclear power generation business need data that they can read in 50 years time when they decommission their plants,” he said. Longdon added that unlike many other solutions, customers need not throw out their existing systems to get the graphical functionality offered by Cadcentre. Their ‘Vantage’ solution, which offers

anything from plant design to project resource management is currently their main product. Cadcentre has been accredited as an approved license vendor of Petronas and is being recommended as a common standard for the Malaysian petroleum industry.

The president of Cadcentre Asia Pacific, Peter Finch said that the

engineering platforms are usually varied and may even run on different hardware. “Integrating the engineering side of the business is a very difficult job and there aren’t many companies out there that can help engineering companies do that. We see that as a business opportunity,” he added.

The implementation of Cadcentre solution in Asia has been relatively easy since many companies in the region already use SAP, which makes implementation easier.

...Peter Finch

implementation of Cadcentre solution in Asia has been relatively easy since many companies in the region already use SAP, which makes implementation easier. Aveva’s consulting business also offers managed services, which will allow clients to outsource IT activities that are not core to their engineering business. “This includes hosting, infrastructure and even an IT help desk,” he added.

Another large consulting area includes integration with existing systems from JD Edwards, Baan, Oracle, Peoplesoft and SAP. Longdon said most large engineering firms already have existing ERP systems for their business operations which run on a common platform, but their

#### Developing sectors

Longdon said that their traditional 3D design and visualisation software still represents 70% of Cadcentre’s business but they are currently expanding their business into process plant and engineering solutions and services. “Design is still an important part of our business but we are looking at providing more solutions to anyone from large blue chip companies to small engineering firms,” he said.

Longdon said their engineering consulting expertise in this niche sector has a very positive outlook. “About 60% of our business is centered on offshore oil and gas and marine engineering,” he said. Prominent international clients include BP, Exxon

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Mobil, Petronas Carigali and Shell. Cadcentre also serves the fossil and nuclear power generation industries and more recently, spent nuclear fuel reprocessing. Alstom Power and Electricite de France are among their customers in the power generation business.

Aveva is also been trying to have a greater market presence in onshore oil and gas, which is currently dominated by their competitor, Intergraph PPO. Six years ago, Cadcentre also entered a new industry; pharmaceuticals. Currently the pharmaceutical giant Merck is one of their largest clients in that market segment. Aveva has also been providing solutions to other industries in the paper and pulp business, industrial chemicals and heavy industries.

"We have many clients switching from Intergraph but we haven't lost any of our customers to them," he said. Large clients like DuPont, Kvaener have since switched from Intergraph to Cadcentre's solutions. The platform of choice is Windows because of its low costs and availability. Cadcentre previously used Silicon Graphics and mainframe systems as their platform. "Now you can run our solutions on a PC you can buy downstairs," Longdon said.

### Moving on

Longdon said another area of business they are looking at is the hosted application service model (ASP) which will allow companies to access their applications from a central server. Industrial giant, DuPont, currently uses such a system in-house. "Making the service available via an ASP is the

best way to go for engineering companies. It may take some time to take off because of bandwidth issues and technical reasons but we are already getting our applications web-enabled," he added.

Cadcentre started 34 years ago in 1967 as a lab in Cambridge funded by the British government. It

remained a government concern until 1984 when it was privatised. Meanwhile, Longdon has a positive outlook for Cadcentre's presence in Malaysia after securing a vendor license from Petronas. The KL office is expected to increase its operational size from 16 employees to 30 employees by 2003. ●



Finch... high usage of SAP in Asia makes implementation easy.