TANK STORAGE

SPEARHEADING THE DIGITAL REVOLUTION
Discover how Odfjell Terminals US is progressing with its digitalisation projects

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SPEARHEADING THE DIGITAL REVOLUTION

Fresh from his ORBIE award win, Aldrich Varilla, IT director for Odfjell Terminals US tells *Tank Storage Magazine* about the company’s digital initiatives.

**A HOLISTIC STRATEGY**

Odfjell Terminals is a global provider of independent tank storage solutions for the chemical industry, with a track record in developing, owning, and operating tank terminals for more than five decades. With four tank terminals across the world, two in the USA in Houston and Charleston, the company has positioned itself in a strategic position, offering a total of 1.32 million m³ of storage capacity across 450 storage tanks.

‘It’s undeniable that the world continues shift and transform. We’re continually thinking of new ways to approach old problems by becoming more effective and efficient. Automation is part of how any company has to operate to stay competitive in current markets,’ says Varilla. OTUS’s digital transformation includes implementing terminal management systems, assets management, data warehouse and business analytics, and more.

‘Automation is more than just new equipment and systems. When thinking about holistic solutions, the operational philosophy, organisational change management, people, and processes are all important. We have to view the entire journey map and elevate every stakeholder involved, to work in concert. Unlocking that gives us real automation,’ says Varilla. With this in mind, the digitalisation strategy cannot be left to just the IT department. ‘It takes a unified approach with all departments and parties,’ says Varilla. ‘Realising that early and attacking it from a holistic mindset unlocks boundless benefits.’

**IN 2021, Odfjell Terminals US** (OTUS) launched a multi-year digital transformation programme at its US terminals. The ambitious programme aims to harness the latest technologies to help maintain the highest safety standards, boost efficiency, and provide a future-proof foundation for business scalability and growth.

Two years on, Aldrich Varilla, IT director, received the Corporate ORBIE for organisations with up to $300 million (€273 million) annual revenue. The ORBIE Awards is the leading technology executive recognition program in the United States. ‘Just making it through the preliminary rounds of the ORBIE awards is a huge accomplishment,’ says Varilla.

The finalists are chosen through an independent peer review process, led by previous ORBIE winners, which adds to the awards’ credibility and integrity. The nominees are then subjected to a rigorous evaluation process and their efforts must be documented and confirmed by coworkers and employers, leaving nothing to chance.

This year, the jury received over 180 nominations from a range of business areas and industries. ‘The calibre of the nominated CIOs and CISOs demonstrates the high level of digital expertise in Houston,’ says Varilla. Of the 180, 36 finalists were elected, and by that recognised by their peers as the best in their field. Varilla was announced as the winner of the HoustonCIO ORBIE for 2023 in April.

**DIGITAL TRANSFORMATION**

‘Digital transformation never really ends. It’s a philosophy and woven into the fabric of an organisation’s culturescape,’ says Varilla. ‘We’re constantly looking at new ways to execute and innovate.’

Before beginning the implementation of the digitalisation project, the majority of operational and administrative processes at OTUS were highly manual. Data capture was limited, and most documentation was done through excel...
spreadsheets and paper forms. Now, workflows will become streamlined, safer and with fewer manual errors. Tasks will be carried out more efficiently, leading to reduced costs, and data collection will be highly automated.

‘I can say our digital transformation stage is essentially set in perpetuity but understanding we’re bound by economic means, we’ll approach it through our project governance prioritised by risk and benefits,’ says Vanilla. ‘Even then, we’ve still unlocked tremendous benefits so far that have helped feed our continued transformation journey.’

OTUS also recognises that the digitalisation strategy has led to improved safety performance and increased customer and employee satisfaction. Vanilla says: ‘Our mission is to provide value to our customers through safe, reliable and efficient operations.’

MEETING STRATEGIC OBJECTIVES

OTUS focuses on meeting its set strategic objectives through sustainable means:

• Safety
• Cost control
• Commercial growth and:
• Service excellence

Vanilla refers to these as the pillars of the business, and therefore the key priorities when it comes to decision-making. ‘This allows the team to draw a prioritised business capability-driven map of our company’s gaps and challenges aligned to their functional areas, with hard benefits tied,’ he says.

‘In the short term, we always think with a ‘small wins, big gains’ strategy,’ continues Vanilla. ‘Target the low-hanging fruit within the strategic objectives: easy wins, drastic gains.’ In terms of a digitalisation strategy, it starts with small applications that can still make a big difference to the way people work.

‘We start with things like low code applications, digitalising process workflows, electronic signatures, electronic visitor check-in, modern workplace, stable communications, modernising our physical badging and security system, upgrading our data centres, rationalising costs and catching up overall on our low-hanging technical debt items,’ says Vanilla. ‘This all leads to building momentum for the greater changes.’

Tackling these short-term challenges paves the way to approach larger projects. ‘In other words, there’s no shortcuts or short-term thinking. Transformation isn’t easy; it takes extreme perseverance if you want to realise recurring benefits.’

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LOOKING TO THE FUTURE

Growth, excellence and expansion are on the agenda for OTUS’s future, according to Vanilla. ‘We must think in terms of longevity and ability to maintain this for the long haul. Our strategic roadmap and solutioning is shaped by this. Long-term, I can only imagine having our terminal operations as best in class,’ he says. ‘I think the fact that we’re already undergoing a tremendous transformation journey and putting hard investments into it show case our commitment to customers, ourselves and securing our future.’

Vanilla gives more concrete example of how the digital transformation will likely impact terminal operations long-term: ‘Tactically, this is an emulsification of process-automation, data democratization, heavy internal and external system integrations, high cybersecurity posture, Mobility Field Services, led by proper governance and organisation maturity to play at it professionally.’

However, Vanilla recognises that OTUS is not the only terminal looking to digitalise. ‘While the act of transformation isn’t going to stand out in a competitive market, the yield results of what we are expecting and delivering will,’ he says. ‘These include a better customer experience with integration and customer portal capabilities, stable and effective operations to ensure we facilitate a crucial part of our customers supply chain, and knowing that by focusing on our safety and effective operations, our customers product quality retain best quality due to the consistent services we provide.’

Odjell is an award-winning activist in ESG and already seen as leaders in sustainability. ‘We’re constantly thinking of these areas and our digital transformation initiative removal of paper is just one example of helping our environment,’ Vanilla says.

He stresses the importance of cross-company collaboration and a holistic approach to digitalisation. ‘I can speak for our terminals in that the IT and OT space are drastically converging. I’m fortunate that our IT and engineering departments are heavy partners and work closely together in unison. There’s been many areas that traditionally, in our industry, may have been a strictly engineering function, but with more focus on cybersecurity, data and automation through systems, networking, infrastructure and mobility, we see IT really coming in to help elevate it all.’

For more information:
www.odjell.com