

PULSE OF THE INDUSTRY

ECC – THE FORUM OF OWNERS, CONTRACTORS & SUPPLIERS FOR EXCELLENCE IN CAPITAL PROJECT DELIVERY

A LOOK BACK AT THE 47TH ANNUAL ECC CONFERENCE

Mahesh Thadhani,
47th Conference Chair

On behalf of the ECC Executive Board of Directors, we would like to thank all of the attendees for participating in the 47th Annual ECC Conference in San Antonio, Texas. We had a record-setting number of attendees with 1007 and matched last year's record for number of sponsors with 99. We would also like to thank you for your positive feedback in the post conference survey indicating your continued interest in the format, speakers, and venue. The Board carefully reviewed the survey results as it started planning for this year's conference in Palm Desert, California.



Last year's conference theme was "Complexity, Ambiguity, and Volatility – Leading in the New Normal" focused on the challenges and unpredictability of our industry. With capital expenditures declining, owners, suppliers, and contractors are looking to find new ways to drive down project costs and improve predictability in a complex and volatile business environment while trying to

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From The Chair



Stephen Buras,
ECC Board Chair

The 47th Annual Conference set new attendance records with more than 1000 registrants in San Antonio. It was another hugely successful conference! Once again registrants shared their insights, networked with colleagues and had the opportunity to interact with industry professionals from around the world. The 2015 Chairman, Mahesh Thadhani, the Executive Board, the Executive Advisory

Committee, and the events production team delivered an exceptional program that drove home the message "Complexity, Ambiguity and Volatility – Leading in the New Normal."

I am deeply humbled to be the Chair of this year's ECC Executive Board. It is truly an honor and a privilege to work with this group to produce a world class conference dedicated to our industry. Our 2016 Annual Conference is going to take us to a beautiful oasis in Palm Desert, California at the JW Marriott Desert Springs Resort. The conference, on September 7-10, will be limited to 800 attendees this year. Please plan on registering early to make sure you secure your spot. The Executive Board is developing a program to build upon previous successes with this year's theme "Today, Tomorrow and Beyond – Leveraging Leadership, Diversity and Innovation."

Now moving into its 11th year, the Future Leader Program has established itself as a key component of the overall value of the ECC Conference. It provides a vehicle for industry professionals to further their knowledge with special programming to

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Interview with 2015 Keynote Ian Bremmer

We recently followed up with Ian Bremmer, 47th Annual ECC Conference Keynote, to get his perspectives on the global landscape and what's changed since he joined us at ECC.

ECC: In September, you expressed worry that the size, breadth, sophistication, and funding of ISIS, along with the fact that countering their activity is not a top priority for the US, would result in more terror attacks. You appear quite prescient in that you mentioned France specifically, and the larger fear of what attacks in Germany, and the resulting impact on Chancellor Merkel's influence, could mean to global politics and economics. Three months later, we have experienced significant attacks in Paris, and very recently, at home in San Bernardino, California. Do you envision significant change in US policy regarding ISIS? Do you think this issue will significantly affect the US Presidential election? Is your view of the threat different today than it was three months ago?

Ian Bremmer: I don't see a big change coming in the Obama administration approach to ISIS. There has been a lot of bombing, and there will be a lot more. The US will help the Iraqi military with information and advice. But unless there is a game-changing attack inside the US, something a lot closer to 9/11 than to the attacks in San Bernardino, Obama will not put ground troops into Iraq or Syria. He's convinced that the costs, short- and long-term, will outweigh the benefits.

Events since September reinforce two things for me. First, ISIS will take and lose territory in Iraq and Syria. The successful Iraqi assault on Ramadi shows that. Second, if ISIS's weakness is its attempt to construct an Islamic State, its strength lies in its ability to inspire alienated young Sunni Muslims around the world that their cause is just and the caliphate is worth building. That means more progress on the ground against ISIS

in 2016—and more ISIS-inspired attacks outside the Middle East. We know the US is vulnerable. Europe and Russia are much more vulnerable, given their sizeable—and mainly unassimilated—Muslim populations and their proximity to the Middle East. As for the US elections, Republicans will certainly try to use the ISIS threat to portray Obama and Clinton as soft. Success will depend on what ISIS can do over the next 10 months.

ECC: Much of your presentation in September was focused on China. You predicted that Xi Jinping “will kick the can down the road” (continued stimulus investment by the Chinese Government) which would, by the end of this year, result in rising global commodity prices. You also expressed the opinion that there is effectively zero chance that the Chinese economy slowing could lead to world-wide recession. Do you continue to hold this view? As commodity pricing has not begun any recovery, do you see it delayed by months? quarters? Is Chinese expansionism the same immediate threat you envisioned in September?

IB: We're already seeing an official Chinese commitment to looser fiscal and monetary policy. Beijing is highly motivated to avoid a hard landing for China and has the tools to keep kicking that can. One factor I didn't anticipate back in September: the lifting of the US oil export ban. I don't believe the recovery in commodity prices will be all that sizeable, particularly when it comes to oil and the impact of the end of sanctions on Iran in 2016. There are also other factors at work. But at Eurasia Group, we do expect that inventories and other factors will provide a modest recovery in oil and other commodity prices in the second half of 2016.

ECC: You spoke about fragmentation of the (currently) US led Internet market. What do you expect the tangible results of that fragmentation to be? What is the timeframe you envision for this transformation?

IB: The US maintains effective control of Internet governance, but a transition away from US dominance is inevitable. It's not clear whether the Obama administration wants to make this transition a final-year priority. There are those who say the transition doesn't matter much because the US isn't really exercising its control of Internet governance, but resistance in Congress to a move to change the current regime will lead other governments, friends and foes alike, to take a cynical view of US benevolence, particularly in a post-Snowden world. It is feasible for foreign countries to simply grab control of Internet governance, but doing so would create a lot of friction costs in how the Internet (or Internets)





operate and wouldn't make economic sense. But we all have to look at the political factors that lead governments to make decisions that don't always make economic sense. It's definitely an issue to track in 2016.

ECC: You were quite bullish on India, which you said was dramatically different from your point of view one year ago. Are you in the same place three months later?

IB: Absolutely. There will be more delays to the all-important goods and services tax. Modi can't simply do whatever he wants. But he continues to move forward, with executive action and state-level focus on reform, to bring about much-needed changes. I'm very bullish on India.

ECC: You stated that predicting the outcome of the US election was not your area of expertise. But, you also opined that Trump had zero chance to secure the Republican

nomination, and that there did exist some risk for Clinton that the email/security issue would unravel on her, and ultimately affect her chances in a national election. Trump is still with us, and more revelations roll out about Clinton's email security issues seemingly weekly, yet her popularity seems somewhat unaffected. Any change in your point of view?

IB: I think Trump will impact the race even if he can't win the nomination. He'll take some delegates and use them to make demands. The July convention is bound to be a spectacle. Clinton is on track to be the Democratic nominee unless she's charged with a crime, and I don't see much likelihood of that. I wouldn't go much further than that toward picking winners. It's early days for the horserace, and I'm more interested in the impact of America on the world--and of the world on America.

ECC: What have we missed? What is going on in the world that we should be interested in and asking about?

IB: One reason that I expect we'll see healthier commodity prices is that China has to have a place to send all that excess industrial production. That's a big part of "one belt one road" and big projects like the Asian Infrastructure Investment Bank. China will spend big on infrastructure in a larger number of countries than ever. The benefits for Beijing are both economic and political.



Fresh Perspectives Help the Future Leaders Program Grow.

By 2016 ECC Future Leader Board Liaisons Brian Davis, Day & Zimmermann; Jacob Barnett, Jacobs; Lamont Johnson, S&B; Kristie Pickering, BASF

After 10 years, the ECC Future Leader Program continues its success in connecting and engaging emerging professionals industry wide. The program has grown considerably, program value is ever prominent, and the Future Leaders continue providing valuable thought leadership with a “fresh” perspective. Celebrating these successes and the 10th Anniversary of the Future Leader Program, we thought we’d share perspectives of the program through the lens of the founder of the Future Leader Program and Future Leader Alumni.



John Dalton, who is recognized by many as the Founder of the Future Leader program, gives some perspective on the intent of the program. “The original vision of future leaders was to provide a new and fresh perspective to

the mature ECC conference, expand diversity of ECC, and engage the “new leaders” within the industry while providing knowledge transfer and networking opportunities for the Future Leaders. The Future Leaders organization has not only met, but exceeded each of these expectations over the past 10 years.”

While the program is focused on developing Future Leaders, Mr. Dalton also comments that the “energy, insight and commitment of the Future Leaders have been a continual driving force in working with the Board to improve the overall conference experience. I continue to be impressed with the next generation of leaders we have in our industry...the industry is in great hands for many years to come.”

FUTURE LEADER ALUMNI UPDATE

Recently, we caught up with one of the Future Leader Alumni, Mahesh Thadhani, to get another perspective of the program. Mahesh is the Vice President – US Business Development for Amec Foster Wheeler, and the immediate Past Chairman of ECC.



ECC: What impact did participation in the FL program have on your career?

M.T.: One notable impact the FL program had on my career was that it gave me the chance to meet industry professionals from owners, suppliers and other contractors allowing me to build my network. The program also exposed me to the ECC organization and the board members who inspired me to become an active member of the organization. Prior to the FL program, I attended a few ECC conferences but felt like just another attendee in the crowd.

ECC: What did the FL program mean to you?

M.T.: Being a part of the program, was a great opportunity for me. Not only did I meet an impressive group of young professionals, it was also encouraging that my company thought highly of me to nominate me as their first future leader. It was amazing to be a part of something in its infancy and see it grow to what it has become today.

ECC: Why would you recommend the FL program to others?

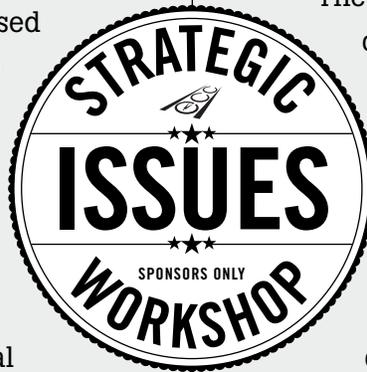
M.T.: There are a lot of people that work in the capital projects industry. The ECC gives us a chance to reconnect with leaders in the industry and the future leader program gives us the chance to be a part of our industry early in our career and grow into it. I encourage anyone who is offered the opportunity to participate to do so. It’s a great deal for everyone!

Project Scheduling: Why Are We Not Meeting Our Schedules

The 2015 Conference featured a Strategic Issues Workshop focused on “Project Scheduling: Why are we not Meeting our Schedules.”

Across the engineering and construction industry, projects are routinely overrunning their estimated schedules. This session focused on the key drivers of these delays, the root causes of these drivers, and identifying ways to alleviate this problem.

Participation in the Workshop was limited to 2015 ECC Sponsor companies. The session included a total of 46 people, with almost an even split of owner and contractors. The owners and contractors



discussed the topics in small table discussions.

The Session discussions identified a number of major drivers and root causes to the schedule slip, including: unrealistic schedule targets, misalignment within the owner organization between the project team and business management, lack of transparency and collaboration between owners and contractors, poor planning/scheduling capability, and poor scope definition.

So, what can be done to solve this problem? There were three main takeaways:

1

Get project people involved earlier in the project development process.

2

Develop truly integrated project teams of the owner business, owner project management, contractors and suppliers.

3

And finally, educate the owner business in schedule milestones, and push back on establishing milestone targets prematurely

Feedback from this special session was universally positive.

DON'T MISS THE 2016 STRATEGIC ISSUES MANAGEMENT WORKSHOP

The 2016 Conference will feature the 3rd Annual Strategic Issues Workshop that builds on Year 1 (Engineering Management), and Year 2 (Project Scheduling). The workshop will provide a great opportunity for small-group interaction between Owners and Contractors discussing key issues facing the industry.

Stay tuned for additional information regarding the workshop theme, and registration timing.



The ECC Board of Directors is pleased to announce the 2015 Spirit of ECC Award was presented to US FIRST.



US FIRST was founded in 1989 to inspire young people's interest and participation in science and technology. Founded by inventor Dean Kamen, the not-for-profit public charity designs accessible, innovative programs that motivate young people to pursue education and career opportunities in science, technology, engineering, and math, while building self-confidence, knowledge, and life skills. In the past school year, FIRST engaged more than 400,000 students and 90,000+ mentors in their programs awarding more than \$20 million in scholarships. ECC has sponsored local US First Robotics leagues in each of the cities the conference has been held since 2013.



SPIRIT OF ECC NOMINATIONS ARE NOW OPEN!

The ECC is proud to announce that nominations are now open for the 6th Annual Spirit of the ECC Award. This year's recipient will be recognized at the 48th Annual ECC Conference at the JW Marriott Desert Springs Resort in Palm Desert, CA on Sept 8, 2016. The award will recognize an exceptional organization, project or team that exemplifies the true spirit of the ECC.

This annual Spirit of ECC Award, initiated in 2011, recognizes an outstanding exemplar of an owner, contractor or supplier in the global energy, process, industrial, general manufacturing or related industry (at a national or international level), that unequivocally demonstrated a unique and significant:

- Strategic Response to a Fundamental Challenge or Opportunity;
- Application of Thought Leadership;
- Stewardship towards the betterment of the industry, its participants, and the people it serves.

Nominations will be accepted online on the ECC Website (www.ecc-association.org) through May 2016. The recipients will be chosen by the ECC Board of Directors and Executive Advisory Committee based on the criteria above. Self-nominations or third party nominations are welcome — we just ask that all nominated are available to accept the award at the conference in September. If you have questions about the nominations process or award itself please feel free to contact:

Tara Wilson
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713-337-1600



A Note From The Chair

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enhance their development in focused areas like thought leadership. The program is expected to have more than 200 participants from the nearly 100 sponsoring organizations. The Future Leaders are already actively involved in developing the conference content for this year. Future Leaders benefit from this program through early career opportunities for networking and developing long term relationships with industry leaders and peers. I encourage everyone to learn more about the Future Leader Program by visiting the Future Leader website (<http://ecc-conference.org/future-leaders-the-program.php>).

Many thanks to our sponsors for their continued commitment to the ECC. We on the Executive Board and the Executive Advisory Committee, recognize that our sponsors enable us to produce this high caliber conference year after year. Sponsorships for the 48th Annual Conference are an essential component as we will continue to develop a stimulating and successful conference and enhance programs such as the Future Leader Program.

I look forward to seeing you in Palm Desert September 7–10.

Best regards,

Stephen Buras
ECC Chair, 48th Annual Conference

A LOOK BACK AT THE 47TH ANNUAL ECC CONFERENCE

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retain and grow their talent base for the future. This is no small feat and I hope you were able to take away a few key learnings to better understand the issues we are facing in this time of uncertainty in our industry.

We had globally recognized keynote speakers including General Peter Pace (retired), Ian Bremmer, and Archie Manning. General Pace kicked off the conference by sharing his views on leadership and the importance of being guided by ethics, motivation, and responsibility. Mr. Bremmer, a three-time keynote speaker for the conference, discussed the impacts that the global current events have on the energy industry (see below for a follow up interview with Bremmer). Mr. Manning closed out the conference by imparting his thoughts on the significance of how great leadership and teamwork can bring success.



The conference also honored individuals and organizations that have had a significant impact on our industry and are helping to shape the future. John W. Dalton, Sr. received the ECC Achievement Award and was instrumental in creating the Future Leader Program. He has a passion for developing and mentoring professionals and the Future Leader Program is a testament to his commitment to the future of our industry. US FIRST received the 5th annual Spirit of the ECC Award because of the outstanding work they do to inspire young people to be science and technology leaders. By engaging young people in exciting mentor-based programs that build science, engineering, and technology skills that inspire innovation and that foster well-rounded life capabilities including self-confidence, communication, and leadership, US FIRST was the clear choice in receiving this award.

In closing, I would like to express my appreciation to the Executive Board and Executive Advisory Committee for the privilege of serving as 2015 ECC Chair. I would also like to thank all of the speakers, participants, and sponsors for your continued support of this conference. This conference has become a leading conference in our industry because of your participation and the effort of many who have worked over the years to make it a success. I hope to see you in 2016 at the 48th Annual ECC Conference at the JW Marriott Desert Springs in Palm Desert, California from September 7 – 10.

Introduction of Board and EAC

This year's Board of Directors and Executive Advisory Committee has been hard at work developing not only the Annual Conference but also working on initiatives including the Future Leader Program and programs to better link our industry to academia.

Below are the colleagues leading the ECC Association this year.

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Sneak Peak for 2016 Space will be limited!

After another record year for ECC with 1000+ attendees, the planning is well underway for the 48th Annual ECC conference. The theme of 2016 conference will be “Today, Tomorrow and Beyond—Leveraging Leadership, Diversity and Innovation!” Speakers and sessions will focus on Leadership, Diversity and Innovation which are critical to success in our industry. The conference will address how effective leaders navigate challenging climates and strengthen their companies. It will explore why diversity matters, and how can it be leveraged to new heights. Lastly, the forum will illustrate how investing in innovation today can deliver a competitive edge tomorrow.

SAVE THE DATE:

48th Annual ECC Conference
Sept 7-10, 2016
JW Marriott Desert Springs Resort
Palm Desert, CA

As always, the annual ECC Conference will feature:

- **World-class keynote speakers on Global Economics, Leadership, Geopolitics, Innovation and Strategy**
- **Plenary and Breakout sessions on Engineering and Construction industry trends and strategies affecting Capital Project Planning and Execution**
- **Working sessions on strategic issues facing the industry**
- **Extensive opportunities for networking and collaboration**

Please note, due to the venue, this year's event will be LIMITED IN ATTENDANCE...please be sure to register early! Registration will open in late March. We expect to be sold out with a waiting list much earlier this year.

The conference hotel is 15 minutes from Palm Springs International airport (PSP), which is served by the major airlines below with direct flights to/from many North American hubs including Houston, Dallas, Denver, Calgary, Chicago, Toronto, Phoenix, San Francisco, LA, Seattle, Minneapolis and more.

Air Canada – Alaska – Allegiant – American
Delta – JetBlue – Sun Country – United
Virgin America

The hotel is 80 miles from LA/Ontario International Airport (ONT) and 130 miles from Los Angeles International Airport (LAX)

THANK YOU TO ECC SPONSORS

Thank You To Our Sponsors

Before we look forward to the 48th Annual ECC Conference at the JW Marriott Desert Springs Resort, we would like to ask each of you to take a look back at the 47th Conference in San Antonio which would not have been possible without the unwavering support of our Corporate Sponsors – for this support we would like to express our tremendous gratitude to each and every one who continues to support the ECC.

We would like to ask that you continue your support in 2016 and welcome any comments you may have to increase the value you receive from participation. We welcome the opportunity to support each and every organization trying to assess the opportunity and resulting value to your organization as an ECC Sponsor. Please feel free to contact any Board member for additional information regarding either general sponsorship of the ECC or hosting an event during the conference. Whereas we make every attempt to minimize commercialization, sponsorship is an opportunity for your company to be recognized for its support and participate in the ECC Future Leader Program. We welcome your participation.



We know that while risks exist, incidents are avoidable. Each individual has a personal responsibility for their own safety and the safety of others. As leaders we are accountable for driving this safety culture.

Thank you to our 2015 sponsors who supported the 47th Annual Conference and our 2016 sponsors who have already committed to the 48th Annual ECC...these organizations are part of the reason the quality of the ECC Conference remains so high.





ECC ASSOCIATION

THE FORUM OF OWNERS, CONTRACTORS & SUPPLIERS
FOR EXCELLENCE IN CAPITAL PROJECT DELIVERY

23501 Cinco Ranch Blvd., Suite H220
Katy, TX 77494

www.ecc-conference.org

WHY ATTEND ECC?

Of course, we think you should attend the 2016 ECC Annual Conference, but don't take our word...listen to how some past attendees have described the Annual ECC Conference.

SAVE THE DATE

48th ECC Conference
September 7-10, 2016



JW Marriott Desert Springs Resort | Palm Desert, CA

TESTIMONIALS FROM THE 2015 ECC ANNUAL CONFERENCE

CONTRACTOR ★★★★★

Highly collaborative event with a mix of networking, valuable workshops and latest industry trends.

SUPPLIER ★★★★★

A great medium to interact and learn from representatives from all portions of EPC - Owners, Contractors, and Suppliers.

OWNER ★★★★★

The ECC is a conference for owners, contractors and vendors to get together to network and share relevant experiences. This year's conference exceeded my expectations.

OWNER ★★★★★

This is the only conference that I attend because it is a great interaction between owners and contractors.

OWNER ★★★★★

Excellent networking opportunities, overall good presentations with several high energy/informative sessions. Provides some good takeaways for personal and professional application.

REGISTER EARLY! SPACE WILL BE LIMITED
Early Bird Pricing @ ecc-conference.org

BECOME A SPONSOR

If you are interested in becoming a corporate or event sponsor for the 2016 Annual Conference, contact: Dean Wenner at Dean.Wenner@rig-rds.com

