



Canadian Trade Successes 11-06
Agat Laboratories

CANADIAN EXPERTISE BEHIND AGAT'S SUCCESS

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Agat Laboratories

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Key Quotation:

"Western Economic Diversification Canada supported our research activities into enhanced oil recovery technology," says Brian Johnson. "That's especially important to a company like ours, where a technological edge can make the difference in landing a project." Western Economic Diversification Canada also encouraged the development and adoption of environmental technologies in Canada and abroad.

Story details:

Canadians know only too well that Alberta's economy—fuelled by its oil and gas industry—is booming. However, especially given the amount of press devoted to oil-producing regions in the Middle East, Asia and South America, many probably don't realize that Alberta is now home to one third of all oil exploration activity in the world.

Little wonder that the province, and Canada, are also home to the most advanced technology in the world when it comes to identifying, evaluating and accessing oil and gas reserves. Standing at or near the top of that particular heap is AGAT Laboratories, a Calgary-based company with a worldwide market and world-class reputation. AGAT, a full service laboratory and science company, also provides environmental laboratory services, including soil, air and water analysis, as well as occupational health monitoring.

In recent years, AGAT's expertise has enabled it to make extensive inroads into Mexico's

expanding oil industry. After attending a number of trade shows and trade fairs in that country in the late 1990s and early 2000s, the company landed its first major contract with the Government of Mexico in 2002.

“AGAT was hired to conduct a hydrocarbon reservoir analysis,” explains Brian Johnson, AGAT’s Executive Vice President. “By that I mean we analyzed the quality of the rock and the oil and gas, determined how much hydrocarbon there is, and came up with an estimate of what it would take to extract the oil and gas.” This, he adds, is what AGAT, using Canadian technology, now does better than anyone in the world. In fact, AGAT performed so well, it has become the dominant player in its field in Mexico, now controlling over 50 percent of the market.

While the company’s success in Mexico is welcome, and not all together unexpected, Johnson points out that AGAT Laboratories still conducts reservoir engineering business on a project-by-project basis. As a result, he says, it welcomes the support it has received from Government of Canada agencies like Western Economic Diversification Canada (WD) and Export Development Canada (EDC).

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EDC’s contribution to the success of AGAT Laboratories is substantial and ongoing, says Johnson. It provides financial assistance to enable the company to acquire the insurance coverage it requires to compete and succeed in foreign markets.