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People's Corner: Partnership Interview with Augury Alliance & Jerry Pritchard

Introduction

In January of 2022, Bently Nevada signed a strategic alliance agreement with [Augury](#). Augury is an innovative startup company focused on Machine Health. Augury's solutions **combine advanced sensors with powerful AI capabilities** and collaboration tools to help customers understand when machines are at risk. Today, I want to discuss with [Jerry Pritchard](#) (a Bently Nevada leader assigned to the alliance) why Baker Hughes and Bently Nevada pursued this alliance and how the alliance helps Bently Nevada with its mission to provide integrated asset management solutions to its customers.

1. Jerry, please tell me about yourself and why you are part of the leadership team for the Augury Alliance?

I have had the privilege of working with the Bently Nevada business since March of 1986. I began my Bently Nevada career as a Product Repair Technician in Minden, NV and have progressively worked in various positions including field sales, sales leadership, strategy and business development. In mid-2019 I was asked to participate in a Baker Hughes strategy team that was looking for ways to transform Baker Hughes from a traditional oilfield services company into a broader industrial energy technology company. Bently Nevada was one of the pillars in the Baker Hughes transition to an energy technology company. My experience with Bently Nevada allowed me to be a part of that strategy team and find ways to grow the existing capability of Bently Nevada in ways that would help Baker Hughes in their mission to become an energy technology company. I am proud to be part of the [Augury alliance](#) team led by [Carlos Gomez](#).

2. Please share the reasons why Baker Hughes and Bently Nevada wanted to enter into an alliance agreement with Augury?

First, one of the industry trends that we believe will impact Bently Nevada in the future is the move from customers buying things in a traditional "operating expenditure" (Op Ex) model to buying things as an annual subscription. In other words, instead of a customer making a one-time payment for hardware, software and services they would instead make a yearly payment for all of those components in a subscription fee. That subscription fee is inclusive and will be renewed each year. This type of subscription model has been used in the software industry for many years and is often referred to as Software as a Service (SaaS). We were looking for potential partners that were already using this model to help us make our own transformation. Augury fit that need.

Second, the use of advanced analytic techniques is changing rapidly and technology such as Machine Learning and Artificial Intelligence (ML and AI) is becoming more prevalent. Bently Nevada was looking for partners that were utilizing these advanced techniques in ways that were compatible with our strategy. Augury uses ML/AI for the specific purpose of determining Machine Health. Augury is not an ML/AI provider, but rather **uses** those techniques to identify changes accurately and precisely in machine health and what is causing that change. By using these advanced techniques, we are able to position Augury to help our customers manage the many thousands of smaller, less critical assets that are generally not monitored by Bently Nevada's core products.

Finally, [Augury's approach to assessing machine health](#) and causes of those changes includes the use of advanced analytic techniques discussed earlier, but also includes the use of "dynamic" or waveform data. Augury's algorithms do not depend on static or overall values alone. This combination of anomaly detection, ML/AI and dynamic data analysis made Augury's approach to Machine Health very compatible with Bently Nevada's approach to Machine Health.

3. What is our strategy for taking Augury to market via the Bently Nevada sales channel?

The customer problems that Augury can solve are very similar if not identical to the customer problems Bently Nevada's products have always solved. The difference with Augury is the use of ML and AI techniques to be able to assess thousands of machines at one time and not be overwhelmed with data and alarms. Because of this, we are using the Bently Nevada sales channel to take Augury to market. However, we are taking a more focused approach by applying a more focused and dedicated set of resources in each region to ensure we keep our eye on our traditional business as well as growing with the addition of the Augury solution. We have "dedicated" resources in each region that are highly trained and focused on how to position the Augury solution along side of Bently Nevada's core solutions as well as positioning Augury within the iAPM ecosystem: [Darren Evans](#) and [Chris Zinn](#) in North America, [Guilherme Silva](#), [Arthur Ammerlaan](#) and [Charles Grislin](#) in Europe, [Ben Byrne](#) in APAC and [Joao Siqueira](#) in LATAM.

4. Given that Augury is an innovative startup helping Bently Nevada transition to become more of a SaaS company, are there any other learnings or best practices Bently Nevada is taking advantage of?

As mentioned previously, we wanted to partner with innovative companies that we can learn from while simultaneously leveraging their solution to help us solve customer problems. There are two major learnings we are already implementing ourselves. First, Augury utilized a function for demand creation called Sales Development Representatives or SDRs. These SDRs are skilled at researching client organizations and professional profiles to proactively reach out and set meetings for our sales managers and commercial teams. We have been actively using SDRs now for about two months and the results from been incredible. We have nearly doubled our pipeline over the past two months via the SDRs. Second, for a subscription model (SaaS) to work, the client must see value in the offering and WANT to renew that subscription. Augury uses a function called Customer Success to ensure their clients renew their subscriptions. In the past couple of months, we have added our own Customer Success team led by Sequoia Murray. This is a necessary function for Bently Nevada to effectively transition to a SaaS company.

5. What customers is Bently Nevada targeting with Augury?

Our agreement with Augury provides for Bently Nevada to be the sole channel to market for the Augury solution in Oil and Gas (including Petrochemicals and LNG) and Power Generation (fossil, nuclear and renewables) markets. In other words, Augury is not deploying any sales resources in those markets and Bently Nevada will serve as the face to the customer anytime Augury is sold into those markets. For the other market segments such as Pulp and Paper, Metals and Mining and Chemicals, we are working with Augury to determine where Bently Nevada is best suited to "lead" any commercial engagements. This decision is largely driven by the presence of System 1 with the customer or strategic relationships with that customer. There are other segments such as Food and Beverage and Pharmaceuticals where Augury has developed good relationships and will take their own solution to market. We are working very closely with Augury to refine our co-selling approach and strategy to evolve as we learn and work more closely with each other.

6. What is the nature of the agreement with Augury and what is the future of our alliance with Augury?

Baker Hughes made a significant investment into Augury and has a large ownership stake in Augury. This investment provides for one seat on the Augury board of directors for Baker Hughes. In addition, the investment provides for a joint technology roadmap between Bently Nevada and Augury. We are executing on that technology roadmap right now. Work is currently going on between the two organization's technology teams to integrate Bently Nevada's [Ranger Pro transducer](#) into the Augury advanced analytic algorithms. We have successfully began training the ML/AI models Augury uses for their own sensors to now be used with [Ranger Pro](#). Through this work, we can enable more models to be built and additional integration with iAPM. The future options become quite exciting when we collaborate on what assets and data sources to consider next. We are very excited about what we are seeing thus far with [Ranger Pro](#).



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