

# British patrol



**ASSIGN  
BUSTER**

British Patrol started way back in 1908 (Yergin 18). Its commencement was marked when oil was found in Persia in a very rugged place after seven years of intensive oil search. The Company had invested a lot of fortunes into this search and this almost ended up in failure. This oil was found in the field of Naphtha. British Patrol has grown over the years from a local oil company to an international energy group. Its operations run over a hundred countries and it has an employment capacity of eighty thousand people (Yergin 20).

It is ranked as the fourth largest company in the world and it is the largest corporation in the United Kingdom. This paper explains how the British Patrol created a global brand name and how their partnership with Amoco, Castrol acquisition and Aral acquisition affected the process of creation of the global brand name (Corbett 80). It also explains the issues and the challenges that BP faced as well as the problems encountered. Who is BP? BP is a British energy company that is global. It is the third largest energy company in the world. Its headquarters are in St James's, City in London.

It is mainly engaged in oil exploration and in the marketing of petroleum and of natural gas (Ellis 93). The roots of BP date back to 1901 when the Shah of Iran granted William Knox a concession to search for oil. He searched for seven good years and found oil in 1908 (Yergin 67). This discovery gained commercial importance in April 1909 when the Anglo Persian Oil Company (APOC) started to exploit the rugged deposit of oil discovered by William Knox. In 1935, it was known as the Anglo Iranian Oil Company. This became the British Petroleum Company in 1954 (Ellis 67). Activities of BP

The company expanded to Alaska in 1959. It struck oil in the North Sea in 1965. It also acquired control over Standard oil of Ohio. It operated in Iran

until the Islamic revolution in 1979. The regime of Ayatollah Khomeini confiscated all the assets of BP and it closed down. It was not compensated for the loss (Yergin 67). BP was led by Sir Peter Walters between 1981 and 1990. when Robert Horton took over he did a major downsizing in the company. Under his jurisdiction, BP bought many stations in South Eastern US. Lord Browne became the managing director in 1995 (Ellis 79).

The companies acquired Amoco, ARCO and Burma Castro under his jurisdiction. Strategies employed by BP One of the leading strategies that BP uses is the acquisition of leading oil companies and getting into partnership with them. This is well exhibited in the acquisition of Amaco, Castrol and Aral. For example in the case of Amaco in December 1998 after merging, it was known as Amaco BP. It was then renamed BP (Beyond Petroleum) in 2000. Most Amoco stations in the US was renamed to the brand name BP (Yergin 89). It used the strategy of selling the gasoline from Amaco under the name Amoco.

The reason they did not change the name was that for the previous sixteen years Amoco's gasoline had been rated as the best gasoline. This was there fore a marketing strategy that further saw the company's image being boosted. They then changed the name to Amoco ultimate. They then improved their brand (Corbett 45). They also use the strategy of ensuring their products are quality products. The quality of a product always attracts and maintains the loyalty of the customers. Quality of the leaders has also to a great extent enabled the company to create a brand name.

A closer look at their history leaders or managing directors is chosen from the management team. This allows the continuation of the activities of the

organization without delay. An example is Lord Browne who was in the board. It also uses the strategy of owning reserves in most regions where oil is found. For example in Russia, they own fifty percent. They are also planning to expand into further regions. Challenges and problems encountered Some of the challenges encountered were the confiscation of the company's assets by the government. This was in 1979 and it resulted into a major loss for the company.

Another major challenge has been the occurrence of accidents such as explosions (Yergin 89). These have led to massive losses. An example is the explosion that occurred in the company's Texas City refinery. This led to a massive loss of oil as well as to fatal injuries and deaths that cost the company a lot of money as compensation to the families affected (Ellis 90). This also led to lawsuits being filled against the company. Leaking wells are also a challenge to the company. It sometimes has to close these wells as it did in 2006 when it closed its twelve wells.

The company also faces the challenge of recovering its self-image from the explosions that are fatal and they occur out of negligence from the company (Yergin 90). This affects the customer's attitude towards the company. The company has to build confidence in the eyes of these customers and it is an uphill task. Conclusion BP has grown into one of the leading corporations from its humble beginnings. This has been through employment of various strategies such as acquisitions and mergers. This has also been necessitated by the ability to keep their products at a very high quality thus creating loyalty among the workers.

It has also expanded into other regions thus acquiring the larger markets. However, there have been challenges that the company has faced and it has had to combat the challenges and problems to remain at the top. References Corbett Michael. The outsourcing revolution: Why it makes sense and how to do it, right. London: Kaplan Publishing, 2004. Ellis Charles. The partnership: the making of Goldman Sachs. London: Penguin Press, 2008. Yergin Daniel. The Prize: The Epic Quest for Oil, Money & Power. New York: Simon & Schuster, 2008.