



## **Ecopetrol Makes Progressive Use of Cloud Procurement Services Powered by SAP® Software**

*Ecopetrol has used the SAP E-Sourcing application, provided as a service by Hubwoo, to sell natural gas in addition to its historical use of Hubwoo services for sourcing; Ecopetrol ran forward auctions that sold \$368 million of natural gas, increasing sales price by 81 percent over the auction start price*

**Paris – 11<sup>th</sup> May 2010** – Hubwoo (Euronext: HBW.NX), a leading provider of Cloud Procurement services powered by SAP® software, today announced additional success by its client Ecopetrol through the use of the SAP® E-Sourcing application. Today's announcement will also be publicized at the SAPPHIRE® NOW customer conference and networking event, being held simultaneously in Orlando and Frankfurt, May 17-19.

Ecopetrol is a global energy and petrochemical company and is the largest corporation in Colombia, South America. At the end of December 2009, Ecopetrol launched Colombia's first use of electronic forward auctions to sell natural gas. The sale was for natural gas from the fields of Cuisiana, which supply most of the country-side markets of Colombia. The price was driven by strong demand by energy generators like Isagen and oil companies like Mansarovar and Petrobras. Ecopetrol is planning additional iterations of this commercially savvy forward auction approach, and the model is now being planned by other energy firms in the region.

- During the auction the gas selling price went up from 3.4 U.S. dollars per million BTU to 6.14 U.S. dollars per million BTU.
- The event had a total of 14 auction rounds and lasted approximately six hours.
- The auctions were run in a fashion that followed government regulations.

Hubwoo utilized its packaged sourcing services to manage the auction on Ecopetrol's behalf. Services included auction strategy, designing the structure of the auction, and running the auction rounds. Hubwoo also provided supplier training and supplier support for the auction.

During the six hours of the auction, approximately 25 people from Ecopetrol participated and were delighted at the results. Carlos E. Nieto V., Ecopetrol eProcurement leader, commented: *"The success of the forward auction and price achieved were well above our expectations. Hubwoo's cloud-procurement model and value-added services to support the auction were a major factor in the success."*

### **About Hubwoo ([www.hubwoo.com](http://www.hubwoo.com))**

Hubwoo is a leading provider of Cloud Procurement services powered by SAP® software. The company manages a business-to-business community with over 150 major international corporations as its customers (including 50 in the Global 1000) and over 70,000 active suppliers. Significant customers include Honeywell, Total, BASF, Evonik, EDF, Nokia, Michelin, Shell, Bayer, Henkel, Statoil, Hershey's, Consol Energy, EcoPetrol, Carl Zeiss, Burton's Foods, The Dow Chemical Company, ENI, and Graham Packaging. The Company has international offices in Europe, Americas and Asia and is also a strategic partner of IBM.

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**Hubwoo Contact**

Rinus Strydom, SVP Marketing

Tel: +1 617 785 2861

E-mail: [contact@hubwoo.com](mailto:contact@hubwoo.com)