

# PURCHASING POWER

A publication of DAS Procurement Services

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## Creative Contracting

State ventures into “uncharted territory” to make buying even easier



**O**ne-stop shopping. First it was Orderlink, now it's looking for ways to make it easier to get what you want.

DAS Procurement Services has made major strides to streamline contracts, putting all commodities of a similar type under one contract. Previously, RFPs were sent out and separate contracts were awarded. Now, prime vendor contracts enable DAS to put items in one place. The paper contract and the industrial supplies contract are the first of this kind to be launched by DAS. The prime vendors on the industrial supplies and paper contracts are Grainger Industrial Supplies and Corporate Express, supplemented by a series of subcontractors.

“This is uncharted territory,” said Peter Smith of Procurement Services, who worked with Business CONNECTIONS and Grainger Industrial Supply to negotiate a contract that benefited buyers and businesses.

Maureen Costigan of Procurement Services said that cities and towns have already commented on the excellent prices the new contract offers. “We wanted the small businesses to have the opportunity to compete,” she said. This contract also stipulates that small businesses can receive additional awards. “This way, certain geographical areas of the state can be serviced by a local vendor, and towns, cities, school boards, and agencies can meet Set-Aside goals and support local business,” she explained.

“We all rolled up our sleeves and got to work,” Smith said. “We worked out the Set-Aside piece before the nuts and bolts of the contract.” Procurement staff along with Business CONNECTIONS, Grainger, and e-commerce vendor Digital Commerce worked to find ways to best meet customer needs.

Grainger, a company that already had a substantial history of state business, is excited to work with “one of the most forward-thinking states in the country.” Its 50,000-plus items will soon be on the Orderlink system and are currently available in catalog form.

“People can buy all of their supplies at once,” Smith added. “We had numerous voicemails within two days of the contract being signed from folks that wanted to buy.” ■

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## Looking Back, Looking Forward

**1999 was a very good year.  
Now the challenge: How to top it?**

**ONE OF OUR PRIMARY GOALS FOR 1999** was to focus on improving the flexibility of our contracts. We have increased the use of multiple awards, implemented longer terms, and added provisions to place new line items and suppliers on existing contracts. We are consolidating contracts and making them more inclusive to support one-stop shopping. You will notice a wider variety of options and products in our latest awards. And in an effort to increase small business utilization and offer choices to our customers, we are now awarding to certified Small Business Enterprises on contracts that were once limited to prime vendors.

On a different note, we changed the law! Enactment of new procurement legislation on July 1 allows us to deal much more effectively with many of the minor events and transactions that took entirely too much time in the past. The use of quotations as incorporated in our developing Rapid Quote process for purchases up to \$50,000 has simplified all our lives.

From a technology perspective, Procurement made major strides in 1999 when we introduced the Bid Notification System, eliminated mailing of courtesy bids to prospective suppliers, and eliminated the wholesale distribution of our contracts by posting all of our awards on the Internet. Feedback from the vendor community has been overwhelmingly positive. At the same time we have experienced a significant reduction in our printing, copying, and mailing costs. More importantly, we are now distributing bids to a larger audience and that increases competition for our business (and saving a lot of trees).

Our website has been further enhanced by new ways to search for contracts including recently awarded contracts, contracts nearing termination, and search for contracts by vendor name, and we developed a bid-posting page for municipalities and school systems. Perhaps most importantly, we made significant advances rolling out our e-commerce system. But that is covered in much more detail in our *E-Commerce Extra* insert.

Well that's enough bragging, how about this year?

Procurement is continuing to refine its new quotation process and will be rolling that out to agencies soon. We also have more to do on additional criteria bidding, our version of best value contracting. It's very important and will require a good deal of customer input early in the year.

During 2000 we will consolidate and improve our contract awards and continue to involve customers in our specification and evaluation teams.

Technology will impact the way our contracts appear on the web. Contracts will become friendlier and download times will shorten as customers access just the information required.

Our e-commerce initiative will continue as we expand our pilot to new

*See Pennywise, page 3*

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# \$UCCESS \$TORY

## Exposure

### DAS takes its message to the streets

**DAS dazzled** more than 300 onlookers at the Corporate Express Expo Millennium held at the Radisson in Cromwell. Procurement Services staff was there to meet and greet Expogoeers and proudly display the Business CONNections program, website, and new e-commerce system.

Participants from state agencies, towns, cities, and school boards were shown buying made simple through the live demonstrations of the Procurement website and the Digital Commerce e-commerce system, Orderlink. Onlookers were astounded by the user-friendliness of the system. Those interested in a more detailed demo were able to meet one-on-one with Procurement Services and Digital Commerce staff.



“I’ve only received positive feedback,” said Maureen Costigan of Procurement Services. “People saw how easy Orderlink is to use and learned that it goes so far beyond just the Corporate Express contract.” Office supplies and furniture are also available on the contract.

Local vendors are not left out of the loop. For the first time, although there is a full-line supplier (Corporate Express), buyers may still choose to purchase from a small business that has also been awarded a contract for certain commodities (see lead story). DAS’ Business CONNections Unit was there to explain opportunities for small businesses, and also access to them. “It’s important that those businesses are able to compete,” said Costigan.

Seventeen vendors were on hand to display pens, notebooks, office furniture, and more. Many attendees were surprised to learn about the numerous products offered by the State Board of Education and Services for the Blind. All items showcased are available on the Orderlink system.

“The DAS presentation was extremely impressive. Agencies as well as municipalities were eager to find out about our services. It was rewarding to hear them saying ‘thank you’ over and over again for listening to their needs, and for developing products that accommodate those needs,” said Lydia Rosario, who helped to represent DAS at the Expo.

“There were three winners here: DAS, because we were able to showcase our partnership with Corporate Express, Digital Commerce for displaying the potential of Orderlink, and Corporate Express for announcing the new paper contract,” said Costigan.

Attendees were also winners as they left with a new understanding of state purchasing and the possibilities of buying all office supplies online through Orderlink. **\$**

### **Pennywise**

*Continued from page 2*

agencies and subdivisions and implement enhancements to Orderlink including the interface to the state accounting system. We will of course continue to add new contracts to the system throughout the year 2000 to increase the applicability of the system to our ordering processes.

Finally, we will continue to emphasize our Set-Aside program and continue working with political subdivisions as well as state agencies in order to meet your needs in the best possible manner.

We look forward to working with you in the year ahead. **\$**

*Jim Passier*

## Making Good on A Debt of Gratitude

When DAS Procurement Services asked its suppliers if they would be willing to offer a little something that could be included in the giveaway bags for attendees of the NASPO Northeast Regional Conference, the outpouring that resulted felt like Christmas in July. Donated products nearly burst the seams of the souvenir tote bags filled with everything from microwaveable popcorn to rain slickers, almost all of which were either Connecticut-made or somehow related to the Nutmeg State. The following companies – businesses of all sizes from across Connecticut and beyond – helped make NASPO '99 a resounding success for the attendees, so to them, *Purchasing Power* bids a most sincere “thank you very much”:



Ad-Merica, ADT Security, AEC One Stop Group, Barker Specialty, Bic, Boise Cascade Office Products, Budget Printers,

Caps Corner, Chas W. House & Sons, Connecticut Airgas, Connecticut Correctional Industries, Connecticut Food Association, Corporate Express, DAWG, John Deere, Eastern Bag & Paper, ESPN, W.W. Grainger, Great American Puzzle Factory, R.L. Groundwater/3M, Gull Associates, Hal Olson's Edge-Buy Express, Hartford Medical Laboratories, Hazen Office Interiors/Steelcase, The Idea Company, Ikon Office Solutions, Insalco Corporation, Jaypro Sports, John Michael Associates, LBG Distributors, Lyman Orchards, Mashantucket Pequot Gaming Entertainment, Moore Business Forms, Nassiff's for Sports, Newman's Own, Promotions Plus, RAV Associates, Reflexite North America, Sanditz Travel, SNET, Stanley Works, Thompson Candy Co., Total Fitness, Waterbury Button, Xerox, YAC Industries, and the state Departments of Economic and Community Development, Labor, and Transportation. ■



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**COMMERCE**



## **Point and Click Through the Red Tape**

It just doesn't get any easier. The DAS Procurement office is making it faster and easier for state agencies and municipalities to purchase off of state contracts. With the DAS' partnership with OrderLink for on-line purchasing, customers can point and click their orders from any computer with Internet access.

"I just came from Aetna," said Procurement's Joe Giliberto, "I was very surprised to find the state was this advanced into the online ordering arena. Some private companies aren't even this advanced."

Before online ordering was available, customers had to search through catalogs and catalogs to find the right product, and then phone or fax their order to the appropriate office. With the online method, not only is everything right at your fingertips, it also generates printable confirmations of your orders and ensures automated quality assurance.

"The key here is training," said Giliberto. "Procurement wants to get everyone trained for online ordering. The benefits for Procurement and the state outweigh the old fashioned paper handling of purchase orders." There are no costs aligned with OrderLink, because the vendor pays OrderLink a small transaction fee. Plus there is no technology or network maintenance required by DAS because OrderLink maintains it all.

Even though the ordering process is very simple, DAS Procurement is offering training to customers every Wednesday morning. For more information, or to sign up for a Wednesday training class, contact Joe Giliberto at (860) 713-5096. ▀

### **How do I get started?**

Just visit the website of Connecticut's E-Comm partner, Digital Commerce Corporation, at <http://orderlink.dmx.com> and take a look around. Contact DAS Procurement to set up an account, and you can begin shopping immediately. There, you'll find an online catalog listing of all open state contracts. When you see something you need, you just click on it and submit your order. It's that simple. All the legwork has been done for you. ▀

**E-COMM CONNECTICUT.**

# Poster Child for Progress

DAS' Procurement has once again made an innovative and easy way for Connecticut's towns and schools to get the word on the street about the products and services they are looking for. Posting their bids on DAS' website is the latest in a series of services Procurement is making available to their customers. This service will give their bids much more exposure to the vendor community with no increase in advertising costs.

The posting process is simple and user-friendly. Recently, Randi Frank, Assistant to Town Manager Town of Cheshire posted a bid without any instructions from DAS' Procurement office. "Ms. Frank is computer savvy and was able to figure out the system, however, we will walk anyone through the process to insure his or her success," said Vince McMahon of DAS' public sector outreach program.

For more information and to get started, just e-mail Vince McMahon at [vince.mcmahon@po.state.ct.us](mailto:vince.mcmahon@po.state.ct.us), or call him at (860) 713-5081. Your bids will appear on the website within one hour!

"By just entering a bid's publication and closing date, plus a brief description, towns and schools can get the benefits of Internet exposure without the costs or technical challenges involved," added McMahon. ▀

## Why should I get online with E-Comm Connecticut?

When you put E-Comm Connecticut's electronic commerce system to work for you, you can buy with total confidence. Since you're buying off a contract administered by Connecticut's procurement authority, you know that all the products listed have been evaluated and researched by the state's purchasing experts. It even has a search feature to help you find just what you need. If you have a purchasing card account, payment can be done online as well, which means that billing, accounting, and tracking just got a lot easier, too. And because the massive collective buying power of the State of Connecticut can secure great prices, more flexible delivery terms, and better service agreements. ▀

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