

# The Way Forward

## News



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### *Government of Canada Marketplace: transforming government purchasing*

In December 2006, Public Works and Government Services Canada (PWGSC) unveiled the GoCM during an initial launch that offers simplified access to mandatory standing offers and supply arrangements.

This initial launch is available to all government departments and agencies and will allow PWGSC to collect feedback and further refine and improve the GoCM in preparation for the full launch in April 2007.

The Government of Canada Marketplace (GoCM) is a key initiative of PWGSC's procurement transformation and will support the government in delivering services smarter, faster and at a reduced cost.

The GoCM is an on-line service allowing authorized Government of Canada (GC) employees a common point of access to an electronic catalogue of pre-approved goods and services from standing offers and supply arrangements.

The GoCM will deliver value by supporting compliance to mandatory procurement instruments, collecting and providing standardized information on GC purchasing preferences and providing an opportunity for process savings through automation. With greater access to information on goods and services selected for order, the GC will be in a stronger position to negotiate better terms with suppliers.

The GoCM will allow users to:

- search on-line catalogues (where available) and compare prices of pre-approved goods and services;

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- select pre-approved goods and services for purchase;
- save shopping carts for reuse;
- create, download, and print orders;
- save orders electronically to avoid re-keying into financial systems;
- run detailed and timely reports with information on what was selected for purchase, by whom, for whom, and at what price.

Government procurement specialists can find more information on the GoCM by visiting:  
[www.pwgsc.gc.ca/acquisitions/text/esc/gocm-e.html](http://www.pwgsc.gc.ca/acquisitions/text/esc/gocm-e.html)

Suppliers should consult the following Web site for more information on the GoCM:  
[www.pwgsc.gc.ca/acquisitions/text/esc/gocm-spfrn-e.html](http://www.pwgsc.gc.ca/acquisitions/text/esc/gocm-spfrn-e.html)

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## Standing offers mean greater savings

### Envelopes

PWGSC's new standing offer for envelopes will allow an increased average savings of 10 percent over what was previously paid. Depending on the type of envelope needed, savings can range as high as 30 percent.

### Civilian Vehicles

PWGSC purchases approximately 4,000 passenger cars,

stationwagons and light duty trucks each year. For the 2007 model year, PWGSC has issued nine standing offers with manufacturers to supply various types of vehicles, including hybrid and fuel-efficient vehicles.

For more information please visit PWGSC's Standing Offer Index: <http://soi.pwgsc.gc.ca>

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## Bring your shopping savvy to work

### Procurement transformation

When we open our own wallets to buy something, looking for the best value is second nature. In Canada's public service, that same attitude is captured by procurement transformation.

### We do the legwork; you reap the savings

At PWGSC, we do all the legwork and comparison shopping for you. We scour the market, negotiate with suppliers and find the best value. We also roll up orders across government to save through economies of scale.

### Standing offers: a great way to buy goods and services

Suppliers who have proven they offer best value via a competitive process obtain standing offers. Buying

goods and services from suppliers who have standing offers isn't just mandatory, it's a great way to save time and money.

### Just the facts

PWGSC is making it easier to use new Standing Offers by offering fact sheets on the goods and services that government buys most. To date, we have completed fact sheets on office supplies, envelopes, hotels and lodging, car rentals, bulk fuel, and Unix and Linux systems.

Use the facts so you can get the best value from standing offers by calling 1-866-664-6609 or visiting:  
[http://www.pwgsc.gc.ca/text/government/buy\\_smart-e.html](http://www.pwgsc.gc.ca/text/government/buy_smart-e.html)

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## PWGSC consults with industry

PWGSC is working closely with the private sector to fully understand their concerns as it introduces changes to government procurement. In response to the input received from suppliers through consultations conducted this Fall by the Conference Board of Canada, PWGSC announced that the department is creating an ongoing consultation mechanism with the Temporary Help Services and Office Furniture industries.

PWGSC is now working closely with suppliers in order to determine the mandate, membership, and other features of the new consultation mechanism. The feedback from these consultations will help PWGSC achieve its goal of reducing procurement costs while

ensuring fair, simple and open access for all suppliers – both large and small – across Canada.

As a result of these industry consultations, PWGSC is working with suppliers on a number of issues. For example:

- PWGSC will not limit the number of temporary help services suppliers.
- PWGSC will examine options to bring its testing requirements for office furniture more in line with common industry practices.

For more information on the new consultation mechanism visit the PWGSC Internet at:  
[www.pwgsc.gc.ca/transformation/proc/text/consultations-e.html](http://www.pwgsc.gc.ca/transformation/proc/text/consultations-e.html)

## Buying Green

PWGSC is promoting environmental stewardship by improving the availability of green products and services.

- Furniture: Mandatory green requirements will be specified in upcoming Requests for Standing Offers for freestanding furniture and seating groups. These will be divided into green and non-green categories depending on the green certifications required for qualifying bids.
- Server, desktop and notebooks: New mandatory

Green requirements will include environmentally friendly certification, reduce hazardous materials, reuse and recycle design plus end-of-life management, and environmental stewardship in manufacturing and packaging.

- Accommodation: RFSO supports the Green Leaf Eco-Rating Program and the Hotel Association of Canada Green Key Eco-Rating Program.
- Car rental: RFSO includes a Hybrid car category and a directory list of vehicle gas emissions.

## What's Happening

### More savings through volume purchases

A recent bulk buy of computer monitors for several departments and agencies has again shown that by working together, the government can save big.

PWGSC recently consolidated computer monitor requirements for eight departments and agencies to gain the best value for government dollars. The large buy resulted in the purchase of more than 3000 monitors and, proving that there's strength in numbers, achieved savings of over \$493,000.

By grouping purchases, PWGSC can leverage the government's buying power and negotiate better prices on goods and services. Consolidated buys also save time for departments and agencies by streamlining purchasing and reducing the time it takes to process transactions.

This is one way PWGSC is improving the government's procurement system. To learn more about how PWGSC is achieving savings for government, visit: <http://www.pwgsc.gc.ca/transformation/text/index-e.html>

### How PWGSC is improving procurement

PWGSC is streamlining its procurement approach to provide better value for government and Canadians. Here's how:

- Mandatory Standing Offers: Standing offers for ten commodity areas were made mandatory on April 1, 2005. Savings of 25 percent on office furniture and 20 percent on computers have already been achieved.
- Commodity Councils: We have established five commodity councils and eleven commodity teams to determine the right balance in our purchasing decisions among factors such as efficiency, effectiveness and the effects on small and regionally based businesses.

- Understanding Departmental Spending: We are working with departments and agencies to understand their purchasing needs and methods. With this information PWGSC can negotiate lower prices for goods and services most needed by departments and agencies.
- Shared Travel Services Initiative (STSI): STSI allows PWGSC to track travel across government and negotiate airfare discounts. It also streamlines travel for government, making it easier to search for and book travel, while achieving savings.

To learn more about how PWGSC is improving procurement, visit: <http://www.pwgsc.gc.ca/transformation>

### Tips for government buyers

#### Maintain Records

Always keep your purchasing files up-to-date. A file provides a historical record and an accurate audit trail in the event of a financial review, legal action, or a complaint. Files should include written notes of substantive telephone conversations including the date, parties involved, the topic of conversation, and the agreement reached.

#### Review the Customer Manual

Government buyers and materiel managers should review the Customer Manual for information on PWGSC's purchasing-related services and requisition processing. It also offers key information on tender preparation and contract administration. Access the Manual on-line at:

<http://www.pwgsc.gc.ca/acquisitions/text/cm/cm-e.html>

### Help for new government buyers

Government of Canada buyers play a crucial role in achieving procurement savings. Employees new to the government buying environment can also ensure savings with the useful tips, information and best practices found in the New Buyer's Guide, located at:

<http://contractscanada.gc.ca/en/buyerguide.htm>

The Guide takes a straightforward approach to buying and contracting, outlining basic rules and best practices. Taking new buyers step by step through the purchasing process, the Guide contains information on soliciting bids,

evaluating tenders and proposals, and preparing contracts. New buyers also learn about standing offers and supply arrangements.

New buyers should also consult Business Access Canada's Web site, <http://contractscanada.gc.ca/en/buyer-e.htm>, for further information. The site includes links to key publications, information on changes to purchasing practices and procedures, and an electronic directory of suppliers who have registered to do business with the federal government.

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### Information management helps generate savings

By collecting and analyzing information related to government spending, departments have a better understanding of their buying patterns as it relates to their ability to generate further savings. Through the 'spend cube collection and analyses', PWGSC is conducting multiple sessions with individual departments to validate spend in order to develop a base from which savings opportunities can be realized.

These sessions are valuable for both PWGSC and client departments. For instance, the validation exercise done with Fisheries and Oceans Canada (DFO), gave them a better understanding of how they can save money through the procurement instruments that are presently being put in place. The spend cube data helped DFO feel comfortable that their savings opportunities are real.

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### How we buy: New tips and tools — What we've learned... so far

Over the last few months, PWGSC and several of its client departments have identified many specific opportunities for improved processes and savings. Using client engagement workshops, personalized support and a suite of new tools, PWGSC is helping several departments assess their purchasing practices to change how they buy, and help them take greater advantage of the government's efficiencies of scale as well as develop best practices.

One of the new tools to help client departments look at their own buying is based on several practices in purchasing systems found in the Government of Canada. Using such a tool as a self-assessment guide can help departments identify and target their unique procurement opportunities, strategies and improvements resulting in better processes and savings.

The 'best practices' approach in turn helps departments to see what leading organisations are doing and how to apply the tools that we are sharing through client engagement workshops. Based on our experiences, departments are usually able to quickly identify where they already have mature purchasing practices and also where they have some opportunities.

The first wave of eight departments and agencies are fully involved in the Government of Canada's procurement transformation initiative. In the coming months, and with the help of PWGSC Acquisitions Branch support, a second wave of approximately twenty departments will be engaged.

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### *The Way Forward News*

*The Way Forward News* is published periodically to inform GC departments and agencies about the changes and progress being made to procurement and services provided by PWGSC. We encourage you to pass on this information to those who may be interested. An on-line version of this newsletter, containing direct links to more information on the issues covered, can be found at: [www.pwgsc.gc.ca/transformation/newsletter/](http://www.pwgsc.gc.ca/transformation/newsletter/)

To contact us or to receive copies of this newsletter, please e-mail: [questions@pwgsc.gc.ca](mailto:questions@pwgsc.gc.ca)

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