



U.S. General Services Administration

Federal Strategic Sourcing Initiative

LISTEN TO INDUSTRY DAY

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General Supplies and Services**

January 30, 2013

On December 5, 2012, OMB Directed

1. 24 Largest Agencies to appoint a Strategic Sourcing Accountable Official
2. Establishment of a Strategic Sourcing Leadership Council chaired by Administrator of OFPP and made up on the highest spend agencies. Directed to take action now, and provide long term leadership
3. Identify at least five product/service categories for mandatory FSSI solutions
4. GSA directed to implement at least 5 additional solutions in FY 2013 and 5 more in 2014

GSA's Response

- Top Priority of GSA Administrator,
- Office of Strategic Sourcing Solutions
- Direct collaboration between FAS, which develops and manages individual solutions and Chief Acquisition Officer who manages the strategic sourcing program.

Within General Supplies and Services

- FY 2013, Janitorial and Sanitation Supplies (JanSan)
- FY 2013 Maintenance, Repair, and Operations Supplies (MRO)
- FY 2013 expansion of Print Management Solution
- Several business areas, services and products, are under review for 2014

What is Jan/San?

The JanSan category includes supplies and equipment (excluding services) such as bleach, trash bags, paper towels, toilet paper, mops, floor buffers, etc. (GSA Schedules 51V, 73, 75)

What is MRO?

MRO includes supplies and equipment (excluding services) such as hardware, power tools, pipes, valves, electrical equipment, lighting, etc. (GSA Schedules 51V, 56, 81B)

Why these 2 commodities?

The federal government spent over \$1.6 Billion on these two categories in FY11

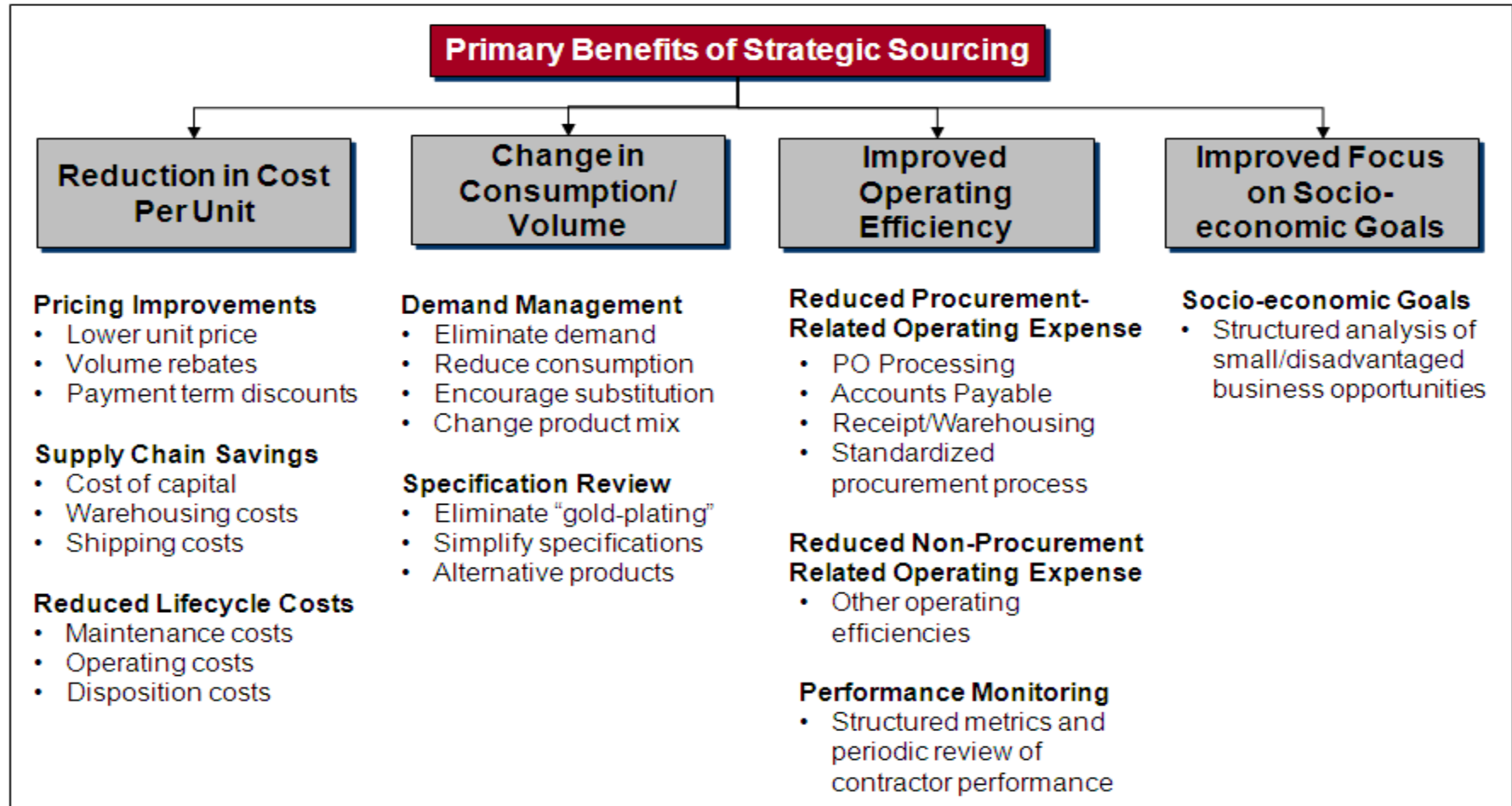
Estimated annual savings of 10% - 20% can be achieved using strategic sourcing techniques

Looking for new approaches to drive deeper savings and create greater opportunities

What is the Federal Strategic Sourcing Initiative (FSSI)?

- Framework to aggregate requirements, streamline processes, leverage federal purchasing power, and lower cost of doing business
- More than savings, FSSI focuses on:
 - Total cost of ownership & yields enhanced business intelligence, management efficiencies, and regulatory compliance
 - Categories of spend representing greatest opportunity for savings
 - Development of leading business practices for the federal government

Benefits of Strategic Sourcing



Federal Strategic Sourcing Initiative

StrategicSourcing.GOV is the Knowledge Management Portal

The screenshot displays the StrategicSourcing.GOV website interface. At the top left is the GSA logo and the site name. A search bar is located at the top right. The main content area is titled "Strategic Sourcing Metrics" and is divided into three sections: "Wireless TEMS", "Domestic Delivery Services", and "Office Supplies". Each section provides key performance indicators (KPIs) for FY2011 data.

StrategicSourcing.gov Overview of Metrics Data

Category	Metric	Value
Wireless TEMS	Savings through FSSI	\$5.3 million
	Spend through FSSI	\$27.8 million
	Percent Saved	19.08%
	Participating Agencies	3
	Small Business Utilization	100%
Domestic Delivery Services	Savings off UPS Daily Published Rates	\$288 million
	Savings through FSSI	72.39%
	Spend through FSSI	\$110 million
Office Supplies	Savings through FSSI	\$17.5 million
	Spend through FSSI	\$193.7 million
	Small Business Utilization	72.4%

Quick Links: About Strategic Sourcing, Strategic Sourcing Solutions, About FSSI, FAQ, News and Events, Points Of Contact.

News & Events: To save money, federal agencies to start buying in bulk; OMB, GSA to retouch fed's printing behavior; U.S. Government Reduces Environmental Impact Through Better Print Practices; Print Management Program Supports Small Business; Cutting costs, one printer at a time.

Lessons Learned From Earlier Solutions

- Government commitment must be meaningful
- Need to identify and reduce inefficiencies in how Government buys
- Need customer and industry engagement for best in class solutions
- Huge value in commodity team presence to hear industry speak
- Unit prices are not the only opportunity for savings, and may not be the primary one
- Post-award, continuous follow up needed
- Collecting the right data brings huge value
- Obtaining business intelligence is laborious

Goals

- Ease of Use
- Socio Economic – Maintain or increase % of dollars going to small business
- Compliance including Ability One, Green, TAA
- Reducing prices by
 - Reducing or removing processes which add industry cost
 - Leveraging purchasing volumes
 - Reducing pricing variability
 - Moving retail spend to managed contracts
 - Standardize part numbers and share information with industry
- Understand our spend data to drive next gen solution
- Solution which fits most, not one size fits all

Talking About Some Key Terms

- Commitment
- Transparent
- Commodity Champion
- Data
- Small Business Opportunity
- Pricing variability
- Part Number Standardization

Rules of Engagement

- To further transparency, we will use Interact as our primary means of communication, including regular blog updates and responses to questions and comments.
- We will designate a window when we will accept one-on-one meetings. The purpose is for industry to give us further comments and suggestions. No capabilities briefings or other marketing calls.
- Intent is to drive a solution which fits most purchases in this category
- We are open to new ways of doing business
- We will meet with any industry association making request, for same purpose

Time Frame

- Industry Day – January 30, 2013
- Window for one-on-one meetings – February 1, 2013
- RFQ Issuance June 2013
- Award August 2013
- Implementation August 2013