

Minutes from 5/5/11 SWOP4G Seminar:

In Attendance:

David Subler	Dennis Butts	Connie Fagg
Paige Bagford	Scot Ross	Beverly Yount
John Giamarco	Gary Morton	Janelle Collier
John Belford	James Schneider	Tracey Messer
Parshotam Channa	Doug McDaniel	Gary Lucas
Yvette Lewis	Jay Keaton	Keith Back
Chuck Parks	Mitch Miller	Connie Barney
Elizabeth Ward	Kevin Miller	Jennifer Grusenmeyer
Valerie Stueland	Dalton Hines	Jaybe Bailey
Nicole Fox	Karen Tate	Sherry Buschur
Libby Stephenson	Cindy Strayer	
Jeff Mutter	Marsha Shaffer	
Linda Garrett	Melissa Wilson	
Wesley Wade	Roy Sigritz	

Speakers:

Zackary Corbett	Roger Hill	Chris Johnson
Matt McGeary	Craig Batzer	Roy Sigritz

Meeting started at 9:02 a.m. by Marsha Shaffer. She welcomed everyone and thanked them for coming.

9:00 eBridge – Reverse Auction strategies – Chris Johnson & Matt McGeary

Headquartered in Louisville, KY and their mission is to deliver remarkable results through competitive cost reduction strategies that help customers achieve their goals.

Marketing study from 2002 showed six common pitfalls: 1. Lack of supplier preparation; 2. Inviting wrong suppliers; 3. Including too many suppliers; 4. Starting with difficult materials; 5. Not enforcing the rules; 6. Setting artificially low targets.

What is an eBridge reverse auction? Web based, transparent, electronic sealed bidding process, approved suppliers, competitive, real-time bidding event.

They use a 16 point checklist for specs; average savings of 14%; 91% of events are awarded; average 5.5 participating suppliers; 14 first place turnovers; do not remove decision making; saves time.

3 out of 10 events are turned down. Can be turned down if not viable, not enough competition, or if department is fearful.

Talked about the traditional bid vs. the electronic bid. These usually last 30 minutes, but when someone bids in the last three minutes, clock resets for another 3 minutes to allow others to respond. It is a technology tool to drive the true market price down. The buyer screen shows the

spread (usually close to 2%). Suppliers are given an hour tutorial on the site and coached on how to be competitive. There is a summary button showing all historical data and bid tabs for auditors.

Commodities work well, equipment, hardware/software, service contracts, sand, gravel, roadways, etc. Usually do bids worth \$100,000 or more. There are strategies for successful events and an operations team working for you. The site can automatically update via email anyone you want during the entire process. "Fully managed" * high touch * supplier communication * leadership.

9:55 Govdeals – Online Auction site – Roger Hill

Selling surplus assets online: attracting buyers; one man's trash is another's treasure; govt surplus is only business; headquartered in Montgomery AL; 3700+ clients; 219,000 registered bidders; non-exclusive agreement; only charged for items sold; uniform rate structure for all clients 7.5%.

Marketing – helps drive people to the site; can be alerted in categories for any updates; used for higher priced items.

Statistics – 400 customers in Ohio; 26,000 registered buyers in Ohio

Client selects method of money collection; direct pay; wire transfer; pay online using paypal, visa, mc, etc. (charge a 5% buyer premium). Winning bidders pay and pick up. We work hard to keep our site clean. If someone doesn't pay, they are in default and locked out of the system. Client gets a credit for the item. Sometimes customer service gives them 1 more chance; if so, they have to pay a 40% fee that gets split with the client. You decide what to sell, it can be anything and everything.

Why use Govdeals? Allows you to sell items immediately, not store for a year; nets more money; exposes your assets to a larger audience; provides a safe and transparent system; no need to transport items; good partner and great service; not telemarketing; actively markets your items; appreciates and serves all clients; work hard to make your Govdeals program successful.

Showed Govdeals website and features.

Break

10:50 Cindy addressed the crowd and urged them to think about and brainstorm on what commodities would make good co-opp bids.

10:55 Montgomery County – Roy Sigritz

*Changed Ohio Revised Code to allow internet auctions

*Montgomery County was the pioneer

*Sell items globally

*Sales history was shown from 2002 to present

*Willing to help Montgomery County entities

*Charge a straight 20% and send a check once a month

*Notable items sold in 2010

11:15 Ohio LESO - Craig Batzer

See copy of attached power point presentation. Visit his website at www.gsa.gov and their eLibrary. Look at schedules 70 & 84. These are for law enforcement type of equipment purchases and are restricted to state and local governments. Each group of schedules has its own vendors.

Ask your vendors if they have a GSA contract. Send your purchase order and invoice to Craig. He can help you find a vendor if needed.

Auto Choice Program:

Wider variety of vehicles

Deliver vehicle to you directly

Have to pay upfront when placing the order; check goes to Craig and he holds it in the state account until vehicle is received and you have to give him the okay to pay the invoice.

Restricted to sedans, SUV's, vans, pickups

Showed us website and how to choose car options

Vehicle can go directly to upfitter if you want

Can deactivate daytime running lights

Website shows you one or more vehicles that are available with your specs

Gives you color and quantity selections; print this page

@90 day turnaround

Feds us mostly SUV's so these are extremely low priced

11:45 Public Surplus – Zackary Corbett

National online auction with two other branches, Public Purchase (free to use) and Public Contract (management system). 15 years in business; 1500 customers; unique reallocation function so you can make payments to different entities; easy to use (user friendly); automatic email notifications; top line is available for training; can customize reports/audit trail; never deleted any history; can have different users; online 25 minute demonstrations given every day; revenue increases with online auctions; no fee unless entity collects its money from the buyer; 7% charged to buyer; 3% fee for paypal; buyer qualifications include address and age verification; have a “buyer contact department” that deals with the buyer for everything; national piggyback contracts are available; advertising in trade magazines for large items or specialized items; on Facebook and Twitter; States out west are their bread and butter, but moving east into Indiana, Kentucky and Chicago; work with a lot of school districts; register for free and try them out or attend a demo; reserve prices can be used; 5 minute bid extensions.

Website was shown to the group. Also attached handout.

12:05 Cindy did the wrap-up. We talked about co-opp bid opportunities. For the road salt, Cindy needs a contact at Versailles and Obets. The state is going out for bid in June and we want to beat them to it. Also nothing has been heard from the Attorney General on their investigation.

Ideas were given to use the web site more. People could have more like a chat room to list upcoming ideas and see if there are multiple entities interested in collaborating. Or we could email everyone when there is an update to the web site.

Ideas for bids:

Traffic signs – compliant by 2015 (stop signs, street signs)

Traffic lights - including service and repair

Guard rail

Testing and inspecting stormwater

Office supplies

Crack sealing material

Aggregates (transportation cost problems)

Actual striping service – not just paint

Tree trimming

Montgomery County mentioned that all of their bids are open to the SWOP4G members and maybe we could somehow link these to our web site.

Staples contract is required to be signed by SWOP4G members because of the rebate

Have jurisdictions vote on possibilities/choices

Adjourn at 12:25 p.m.

Lunch

Board met with eBridge, Chris Johnson and Matt McGeary. Ideas for possibly trying a reverse auction:

1. Beet Juice – delivery tank or 50 gal drum; get Matt proposed specs
2. Office supplies – white copy paper; other common products
3. Traffic signs – traffic light service; reflectivity in law by 2015
4. Water chemicals
5. Aggregate – State of Indiana; 30 day bid; we want to see this one take place

Board also discussed possible upgrades to the web site that were brought up during our meeting.