

## ePurchasingPlus

A new book by Gerald Antonette, Larry C. Giunipero and Chris Sawchuk offers purchasers help with transforming supply management through technology. Purchasing professionals, CEOs, public sector experts and academia from around the world provide insight to process change, technology tools and integration issues. This second edition ([www.epurchasingplus.com](http://www.epurchasingplus.com)) also contains a new section on government, military and public buying in Canada and the United States. ❧

## Truro automates land permitting



The Province of Nova Scotia, through Service Nova Scotia and Municipal Relations, offers each of its municipalities a free NovaLIS Land Development Office (LDO) software licence. The Town of Truro took up the offer and is implementing LDO, a database management system that will automate Truro's land permitting process and integrate easily into Truro's current geographic information system. ❧

## Students wired for education

The residences of Peterborough's Sir Sanford Fleming College now have a voice, video and data network that serves the students' group teamwork and research needs. The network, based on Cisco's Architecture for Voice, was designed and installed by Bell Canada. In addition to benefitting students, the converged network should result in long-term cost savings, better use of in-house IT expertise and, possibly, revenue-generating opportunities for the college, which plans to extend the network to its other campuses. ❧

## Canadian technology solves gun crimes

A Canadian technology – yet to be used by Canadian authorities – is being used by 26 other countries as well as the United States Department of Treasury's Bureau of Alcohol, Tobacco and Firearms (ATF). The ATF is expanding its National Integrated Ballistic Information Network with Montreal-based Forensic Technology Inc.'s ([www.fti-ibis.com](http://www.fti-ibis.com)) Integrated Ballistics Identification System (IBIS), which digitally captures and stores the images of bullets and cartridges found at crime scenes, performs comparisons and ranks the matches. ❧

## Lucky number three

News service CNW Québec, three-time winner with the Province of Québec, signed its third consecutive three-year contract to be the official news release service for all ministries, agencies and departments. It will host, maintain and operate the province's web-based news portal ([www.gouv.qc.ca](http://www.gouv.qc.ca)). ❧

## Telemedicine in northern Ontario

NORTH Network, Ontario's telehealth project, links the communities of Timmins, Cochrane, Kirkland Lake and Chapleau to Sudbury and major hospital services in Toronto. The federal and provincial government, a variety of medical institutions and organizations and several private sector partners support the network. The system's two-way health video conferencing, mostly based on Cisco Systems ([www.cisco.com](http://www.cisco.com)) technology, facilitates consultations with medical specialists and delivers continuing medical education and educational information for patients. NORTH Network's expansion recently received \$2 million from the Ministry of Northern Development and Mines and a donation of over \$100,000 from Cisco. ❧



## Canadian division of US bus company wins Ottawa contract

FirstBus Canada Limited, based in Regina, recently won a five-year contract to provide Wheelchair Accessible Public Transportation Services for the City of Ottawa. The city selected the company following a competition that included proposals from other private sector firms and an in-house bid by a City of Ottawa team. FirstBus Canada has provided para-transit services for Regina since 1995 and for Saskatoon since 1998. In Ottawa, it will operate 90 buses and roughly 37 sedans with gross revenues likely greater than \$82 million. ❧

## Military re-awards ATCO Frontec

The military recently renewed two contracts with ATCO Frontec. The first covers ATCO Frontec's support services at six separate peacekeeping camps in Bosnia-Herzegovina. The original contract was the first to see a private sector firm provide support for military personnel serving overseas (see *Summit* March 2001). ATCO's services have grown to include housing, transportation, fuel handling and satellite and ground communications, among others. The contract is valued in excess of \$122 million over its three-year term.

The second extends the military's arrangement with ATCO and its partner, the Inuit owned and operated Pan Arctic Inuit Logistics (PAIL), to provide operations and maintenance services for the North Warning System, which includes 47 locations extending from the Yukon to the east coast of Labrador. The contract, originally awarded in 1998 to ATCO and again in 1994 to ATCO and PAIL (see *Summit* June 1999), is valued at \$300 million and will run until 2006, with an option to extend up to five more years. ❧

## Auction saves communications \$\$\$

The bargains were going, going, gone at the Nortel Networks high-tech auction. And when the final gavel fell Communications Research Centre Canada (CRC) pocketed savings of three-quarters of a million dollars. CRC is the federal government's primary laboratory for advanced communications.

When CRC ([www.crc.ca](http://www.crc.ca)) scientists learned Nortel Networks was liquidating assets to generate cash, CRC staff knew they'd have to move fast. But there were hurdles to face. These included lengthy timeframes to obtain wire transfers, payments required in American funds, a need to override existing policies, and a lack of experience in the inner workings of auction sales. In addition, a detailed list of items was only made available a few days in advance.

"It was a real frenzy to get accurate pricing information," says Joseph Seregelyi of CRC's Research Military Satellite Communications group. But everything came together in the end, with Public Works and Government Services Canada (PWGSC) granting authority a mere 16 hours before the auctioneer brought the first gavel down.

Armed with a wire transfer for US funds, eight scientists and two buyers from PWGSC, CRC, contracting officer Luanne Campbell went shopping. Sitting in a crowded auction hall following the fast-paced patter of an auctioneer is not part of her job description. Clutching registration card number 67 in one hand and her wire transfer documentation in the other, she stuck close to PWGSC buyer Diane Charlebois, who made the bids as the auctioneer raced through 4,000 lots in two days. Much of the equipment was still in the box, or less than two years old. Buyers from around the world sent bids through cyberspace – the tension mounted as the prices rose.

"Fights broke out. Not physical, but arguments over what was said," says Campbell. But with the scientists identifying needed equipment, and the spending authority in her pocket, the bargains started rolling in. They purchased a \$70,000 laser for \$5,000 and a \$108,000 Network Analyzer for \$14,000. At the end of two days CRC had scooped up one million dollars' worth of equipment for \$215,000, a savings of 77 percent. These savings let CRC outfit its new photonics lab to a professional standard one to two years ahead of schedule.

"The timing could not have been better for the Research Military Satellite Communications Section (RMSC/VPSAT)," says Seregelyi. "They are just starting a microwave photonics lab where they will be optically generating high-quality RF/microwave and communications signals. Several of the items we were planning to purchase through regular channels were for sale at the auction at very reasonable prices." After the auction CRC cancelled some purchase orders already in the system.

But besides the savings, the process showed what a government agency can accomplish when they are willing to think outside the box.

"In my books, we just defeated the 'at times' negative perception that the government is not always as proactive as the private sector," says Luc Bouchard, manager of CRC's WISELAB. —Gina Gillespie



## University procurement committee adds value

The Canadian Association of University Business Officers' (CAUBO) stated mission is to "promote the professional and effective management of the administrative, financial and business affairs of higher education." One of the means the association uses to do this is the National Procurement Committee (NPC), which came into being in 1993 as a task force, and was made a standing committee by the CAUBO Board in 1997 ([www.caubo.ca](http://www.caubo.ca)). Originally, the committee consisted of four people representing the four regional university purchasing associations of Canada. Today there are five: Chair, Gwen Toole from the University of Saskatchewan, Ron MacDonald from Interuniversity Services Inc., Abder Sbahhi from the University of Ottawa, Robert Scardera, from Concordia, and board member, Larry English, also from Concordia.

At the national, regional and institutional levels, the NPC promotes the sharing of information on procurement activities, particularly



in the areas of commodity research, government regulations, identification of best practices and, of course, pricing. The committee has negotiated agreements in the areas of courier services, car rentals, customs clearance, hotel accommodations, international re-mail, moving services and tattle tape strips. Competitive bid processes for continued agreements for credit card merchant rates have not been successful so far, but negotiations with a major computer supplier are proceeding along the lines of developing an e-business website that would allow online procurement of personal computers for institutions with no campus computer stores.

A recently completed study by Gartner Consulting for CAUBO, supports the trend of university procurement departments moving towards a consulting and facilitative role. The study assessed the current state of CAUBO members in "e-activities." Gartner recommended that there be no moves towards major national projects – the e-business environment, in their opinion, is not sufficiently mature and the institutions themselves are not ready. There are no consistent standards among the institutions – even those that have modernized their systems did not do so in coordination with others and many still operate on legacy systems.

The NPC plans to educate and encourage members to implement procurement cards – a basic component of e-business. As well, it is taking on an advocacy role in working with agencies such as the Canadian Foundation for Innovation, which is involved in research grants, to improve the procurement process. The committee also consulted with the Department of Foreign Affairs and International Trade and Public Works and Government Services Canada on the impact of the new Controlled Goods Registration legislation on universities, specifically research contracts with private industry. ~

## Time for a shake up

At Public Works and Government Services Canada, the Supply Operations Services Branch was restructured to allow the procurement sectors to focus more on core procurement functions such as:

- providing advisory services earlier in the process;
- enhanced commodity expertise and specialist services;
- delivering end-to-end service; and
- implementing modern comptrollership.



Among the changes is a new Common Services Sector, headed in the interim by Jean Roy, bringing together cost/price analysis, forensic auditing/accounting, controlled goods registration, seized property management, crown assets distribution and industrial security. In the Supply Program Management Sector, a new directorate has an expanded role for client and supplier relations. Business Services and Operations Support will be responsible for the Technology Partnerships Canada Program, contract quality control, operational support, and human resources among others.

And over at Treasury Board Secretariat (TBS) following the January 2002 announcement on restructuring budget and resource allocations, TBS is focusing on expenditure management and implementing its new framework-oriented approach to financial and human resource management and service improvement, as well as building a strong monitoring capability. A new Strategic Policy and Planning Secretariat, responsible for corporate policy, will coordinate policy functions and do strategic planning for TBS. ~~~

## Getting serious

**Human Resources Development Canada** got serious about overhauling and maintaining the department's computer infrastructure. Ottawa's Sirius Consulting Group ([www.sirius.ca](http://www.sirius.ca)), with a little help from Montreal's Cognicase, was hired to do the work on an "as and when requested" basis up to a contract value of \$11.7 million.

The **Auditor General of Canada** ([www.oag-bvg.gc.ca](http://www.oag-bvg.gc.ca)) got serious about modern comptrollership, saying in her recent report that most departments audited had not completed their implementation strategies and that Parliament is not aware of the risk the government faces if modern comptrollership is not incorporated in daily operations. She also identified some procurement concerns at Health Canada, Public Works and Government Services Canada, the Canada Customs and Revenue Agency and the Department of National Defence.

**Ontario**, getting serious about consultation between itself and its cities and towns, created a new Municipal Act taking full effect in January 2003.

**Calgary** ([www.gov.calgary.ab.ca/roads/streetlight](http://www.gov.calgary.ab.ca/roads/streetlight)) is serious about environmental and energy costs and is retrofitting neighbourhood streetlights with lower wattage, flat lens EnviroSmart Streetlights. ENMAX Energy Corporation will complete the first stage of the project by November 2002 with the remainder completed over the next four to five years. Cost savings are estimated at \$2 million per year with a CO<sub>2</sub> emissions reduction of as much as 16,000 tonnes per year. The project will cost \$7.2 million, with \$3 million being provided under the Infrastructure Canada – Alberta Program from the federal, provincial and municipal governments.

**Statistics Canada** got serious and licensed the Beyond 20/20 Professional Browser for all its desktop systems. Described as an "easy-to-use tool for non-technical users," it facilitates the filtering, manipulation and extraction of statistical data, particularly that associated with the 2001 Canadian Census.

The **State of Virginia** got serious and passed the *Public-Private Education Facilities and Infrastructure Act of 2002* (Senate Bill 681), authorizing private entities to "acquire, design, construct, improve, renovate, expand, equip, maintain or operate qualifying projects after obtaining approval" from a public entity. The Act identifies projects that qualify and the guidelines a public entity should use to determine approval.

**Canada Customs and Revenue Agency**, getting serious about procurement, plans to contract professional procurement services as early as July 2002. ~~~