

Coop purchasing: Vital now more than ever

By David Yarkin

I read the column by Tacoma's purchasing manager, Steven M. Demel ["Is Cooperative Purchasing Too Successful?" February/March 2011] with equal amounts of bemusement and horror. I was amused by his complaints that there are too many viable choices that would, in his words, "save buyer time and take advantage of group buying power." I have three young children under the age of 10, and I have yet to hear them complain that there were too many delicious choices for dessert after dinner. But while the comparison may be amusing, if they impacted public policy, the consequences of columns like Mr. Demel's could be devastating to the public procurement community and the agency customers we serve.

Cooperative purchasing, which once was a time-saving exercise, Mr. Demel contends, has become an enormous strain on his staff as they attempt to compare and contrast the myriad of options.

I know from talking every day with state and local government procurement directors that staff resources are at an all-time low with round after round of budget cuts and early retirement shrinking the ranks. I also know that the demands on procurement offices have not been reduced. In fact, we are being asked to do more and more – from managing the spending of ARRA funds, to buying green, to handling homeland security procurements, to increasing spend with minority- and women-owned businesses, all the while being asked to save money in our budget crunch era. For this very reason, cooperative purchasing is even more vital than it ever has been, as it allows us to "do more with less" – as we are consistently asked to do.

Mr. Demel cites office supplies as a category that has become complicated with the preponderance

of cooperatives. I would offer two pieces of (admittedly unsolicited) advice on this point. First, on office supplies in particular, as Mr. Demel notes, there are a small number of suppliers with both a national footprint and a cooperative contract. I know of a number of procurement managers who have elected to have the major suppliers compete their cooperative agreements through a "bake-off" that shaves months off the typical procurement process but still allows the government ample opportunity to compare the suppliers to find the one that offers the best value for the government. Surely, the effort required to conduct this comparison is a fraction of the work of managing a traditional solicitation process.

Although office supplies is the most frequently sourced category through cooperative purchasing, we make a mistake if we limit the discussion to just one contract. Cooperatives today are looking beyond standard commodities and moving into more complex, difficult-to-source categories such as food, water treatment chemicals, eProcurement solutions and school buses. In many of these categories, there may only be one cooperative with a contract. To make a decision to piggyback, a procurement director need only compare the cooperative contract against his/her current contract to see if savings would result.

With ever-growing demands and ever-shrinking staffs and budgets, procurement directors need more weapons in their arsenal to meet their customers' needs and deliver savings. Removing cooperative purchasing from the mix would be an enormous setback to our profession.

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