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E-Procurement Turning 2!

After only two years, the impact of e-Procurement is being felt across the country.

With more than 200 agencies and 1400 vendors on the system, agencies are now using the system for all of their product and service procurement needs, saving themselves both time and money in the process.

NAHRO, Inc. and Digital Economic Technologies (DET) have worked hard over the last two years to continue to upgrade and improve the system. "With the addition of the RFP compo-

nent last August, we really boosted the value of the system", notes Dionne Roberts, CEO of NAHRO, Inc.

DET has also worked to make the system move even faster, and often now it is their own computer that limits the speed at which users can move, not the e-procurement system.

NAHRO, Inc. and DET are committed to continuously improving the system based on recommendation of its users, and invite you to send your suggestions in to droberts@nahro.org.



In the meantime, we encourage you to have a piece of cake, and celebrate e-Procurement's Birthday with us!

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THE STATS: 2004

Bids Published: 189

Bid Awarded: 243

Value of Bids Awarded

\$1,239,446

Face-Off: e-Procurement System a Knock-Out!

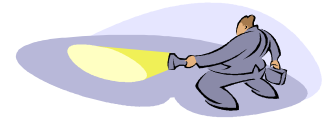
Mike Gifford of the Las Vegas Housing Authority is an active user of e-Procurement who wanted to make sure he was getting the best deal for his money.

To check up on the system, Mike used the 74 RFQ's and 10 RFP's he had done on the NAHRO e-procurement system since April, 2003 to analyze his results.

He put the NAHRO e-procurement system up against two other popular systems— DemandStar and eBID. He looked at the costs and the features of the



VENDOR SPOTLIGHT— Maintenance Warehouse



Maintenance Warehouse joined e-Procurement in April of 2003, winning their first award after only a month in the system. As a NAHRO MSC member for the last six years, Maintenance Warehouse was able to take advantage of the discounted marketing fee for the e-procurement system, and has been active in the system since joining.

As a national company with

more than 1000 employees, Maintenance Warehouse is able to respond to a wide range of bids posted in the system, and has received awards for everything from plumbing fixtures and maintenance supplies to trash cans. We look for to their continued use of the system, and know that there are many more success stories out there to be told.

Stay tuned...

Face-Off (cont'd)

three, and compared the results.

While all three allow for internet based bidding, Mike found that some systems were more complete than others and had added value.

NAHRO won the cost element, and was generally found to be most cost-effective, especially to attract vendors outside the local

DemandStar:	\$3,500.00
eBid:	\$25,000.00 (\$10,000 implementation; 3 Buyers @ \$5,000.00/year/ea)
NAHRO:	\$3,463.27

NAHRO costs are based on actual and other costs are comparative if LVHA had used that system.

area.

While Mike felt eBid was a more complete system than DemandStar, the initial implementation costs were heavy, and neither was as sophisticated as NAHRO's e-procurement system. We appreciate Mike testing the system for himself, and are pleased that he felt it the strongest overall.

MSC Corner

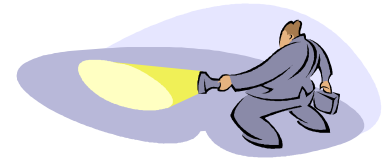
There are now 26 NAHRO MSC members on the e-Procurement System as national platinum members. As members of NAHRO, these vendors have a particular interest in working with Agency members, and we are working to see their numbers grow. We look forward to updating you on this growing list!

- Allied Building Products Corp.
- American Drapery and Blind

- Architectural Sales & Service, Inc.
- Brown Stove Works
- Eastern Sales and Marketing, Inc.
- Emphasys Computer Solutions
- Evans Cabinet Corporation
- General Electric Company
- Gill Group
- Lake Region, Inc.
- Lansing Housing Products
- Lindsey Laser Products, LLC
- Lindsey Software Systems
- Maintenance USA
- Maintenance Warehouse
- McCright & Associates
- PDQ Supply, Inc.
- Sears
- Tenmast Software
- The Inspection Group
- Titon, Inc.
- United States Contracting Inc.
- Water and Energy Savings Corp.
- Whirlpool Corporation
- Wilmar
- Zeffert & Associates



AGENCY SPOTLIGHT— Las Vegas Housing Authority



The Las Vegas Housing Authority has been with e-Procurement since nearly the beginning. They are what's known as "early adopters" - those who are willing to try something new at the beginning, knowing what they learn will help those who come along later. And they have.

e-Procurement's newest module, which allows for easy handling of RFPs, would not be as complete without the feedback of

the LVHA team.

They have conducted 73 quotes and bids with a total award value of about \$336,000, and 10 RFP's with a total award value over \$1,400,000 on the e-procurement system. The total transaction fee (which the agencies pays on behalf of their vendors) has been less than 4/10s of 1%. Mike Gifford, CPM, the Purchasing Manager for LVHA, notes that "Considering all of the time that

the system saves, this has been very cost effective! I encourage anyone who is interested to contact me at 702/386-2973 and I will share with them all of the benefits that we have enjoyed since we began using the system."

Every new system needs someone willing to make it work better for others and we thank Mike and his team for all of their efforts.

The Real Deal: Gary Wink

For any prospective users, I am sending an honest evaluation of the Economic Engine purchasing program. I would say that the program has many advantages. It is easy to use and the technical support is fantastic.

I will discuss my initial misgivings, and why they proved groundless:

First, over the past 10 years that I have been purchasing maintenance supplies, I have built a vendor base, both local and countrywide, that I had complete confidence in. They have been there for me when I needed things in a hurry. The good news on this was that most of my local vendors signed onto the program, at no cost, and have been very competitive. In fact 7 of the first 15 quotes I accepted on the system went to local vendors, and many

of the rest went to vendors I used frequently. I was also able to add to my vendor list, gaining new contacts who have been most helpful.

"In fact 7 of the first 15 quotes I accepted on the system went to local vendors, and many of the rest went to vendors I used frequently" - Gary Wink

There are several non financial added benefits. First, it is a convenient way to deal with pesky salespersons. When one of them is trying to sell you a product you know you don't want or you know is too expensive, just refer them to the internet site. Eventually, they will either bring their prices in line, or quit bugging you.

Second, at least for me, it was a validation of what I have been doing for the last 10 years. When the people you have been dealing

with get most of the quotes, it is very convenient to tell your boss that, yes, you have been doing a good job getting the best prices available. A corollary to this is that

no one can accuse you of "shopping prices", which has happened. Until the bids are open, there is no possible way one can be accused of doctoring quotes.

Third, there have been several high priced materials I use that are controlled by monopolies. Many of you have dealt with this issue, where a salesperson has exclusive rights to your part of the country and can charge any price (usually high) he chooses.
(Cont'd on page 4)

Premiere Issue

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Pacific. We can assist you with putting up bids, RFPs, contacting vendors and any other software questions.

CUSTOMER SUPPORT

Customer support is available at no charge by calling toll free, 866-526-0160, from 8 a.m. Eastern to 5 p.m.

NAHRO, Inc. is a wholly-owned subsidiary of NAHRO

Our Purpose

To add value to communities through service to NAHRO members by developing and sustaining appropriate business lines of benefit to NAHRO members.

We will develop new tools and approaches to unresolved challenges, and meet the needs within the affordable housing and community development industry.

We will identify and promote partnerships across sectors that can assist communities in meeting their goals, and in doing so recommit to serving the members of NAHRO, first and foremost.

The Real Deal (cont'd from page 3)

By putting the price out nationwide, one opens up to third party vendors for a considerable savings. I have already opened up quotes for products with When the people you have been dealing with get most of the quotes, it is over 40 percent savings.

Fourth, there is a time savings. For the first month, it is a little time consuming, but that changes. After writing up the proposal, all I do now is push a button, and all the proper vendors are automatically notified -- no more time consuming calls for

quotes.

Gary Wink, Maintenance Supervisor, Housing Authority of the County of Beaver, PA

Got Ideas?

The NAHRO e-Newsletter is distributed bi-monthly by NAHRO, Inc.

If you have information or ideas, send them to droberts@nahro.org or fax them to 202-289-8181.

If you no longer want to receive this e-newsletter, hit REPLY and put UNSUBSCRIBE in the subject line. To change your e-mail address or add someone new, please e-mail

NEED PROCUREMENT TRAINING?

Come to DC!— July 22-23, 2004

NAHRO's

Procurement & Contract
Management Seminar

Procurement's more than placing orders or processing requisitions. It's a major operation in any housing authority – a management-driven cost control center that requires constant attention and education.

Your agency will benefit from this session whether it's a one-person, one-desk operation or a sprawling enterprise.

For more information go to:
www.nahro.org/professional/seminars_procurement.cfm