

New York State Office Of General Services  
Procurement Services Group  
Corning Tower Building  
Empire State Plaza  
Albany, New York 12242  
<http://www.ogs.state.ny.us>

## **PURCHASING MEMORANDUM**

### **GENERAL INFORMATION BULLETIN**

#### **AGGREGATE PURCHASE INITIATIVE UPDATE**

**NUMBER:** CL-719

**DATE:** August 4, 2009  
*{Supersedes CL-717 dated July 16, 2009}*

**PLEASE ADDRESS INQUIRIES TO:**  
Kylesha Davis  
Purchasing Officer I  
(518) 474-8919  
[kylesha.davis@ogs.state.ny.us](mailto:kylesha.davis@ogs.state.ny.us)

**SUBJECT:** 2009 Aggregate Printer Purchase Initiative Update

#### **TO ALL STATE AGENCIES AND OTHERS AUTHORIZED TO USE STATE CONTRACTS:**

**The following change has been made to the Workgroup Color (High End) category for the 2009 Aggregate Printer Purchase Initiative:**

This is to advise that Xerox model 8860/DN in the Workgroup Color (High End) category is no longer a qualified model for participation in the Aggregate Printer Purchase Initiative. No orders shall be made via the Aggregate Printer Purchase Initiative for the Xerox 8860/DN printer.

**Effective immediately, the new rank for the Workgroup Color (High End) category is as follows:**

Dell - Model 5110cn (RANKED 1)  
HP - Model CP3525dn (RANKED 2)

The ranking for all other categories remain the same.

The full memorandum with the change reflected is included below.

The Office of General Services (OGS) has completed a solicitation, review and compilation of quotations for the 2009 Aggregate Printer Purchase Initiative. In response to OGS' Request for Quote, Canon, Dell, HP, Konica Minolta, Lexmark and Xerox submitted printer models and price quotations for 10 categories of printers.

The 10 categories specified below for the 2009 Aggregate Printer Purchase Initiative were awarded to the two contractors that provided the printers with the lowest total cost of ownership represented as Cost per Page for each standard configuration. The awardees for each category are listed below:

<b>Category</b>	<b>Awardee(s)</b>
Workgroup Black/White (Low End)	Lexmark Dell
Workgroup Black/White (High End)	Hewlett Packard Lexmark
Workgroup Color (Low End)	Dell Hewlett Packard
Workgroup Color (High End)	Dell Hewlett Packard
Personal Black & White	Hewlett Packard Lexmark
Workgroup Multifunction Color (Low End)	Hewlett Packard Lexmark
Workgroup Multifunction Color (High End)	Lexmark Hewlett Packard
Workgroup Multifunction Black & White (Low End)	Lexmark Xerox
Workgroup Multifunction Black & White (Mid Range)	Lexmark Hewlett Packard
Workgroup Multifunction Black & White (High End)	Xerox Hewlett Packard

## **Important Notice about Method of Award**

*The award of this initiative was not based solely on the acquisition cost of the printer.*

**The 2009 Aggregate Printer Purchase Initiative was awarded, per category, to the two printer contractors with the lowest quoted Total Cost of Ownership (TCO) for each awarded configuration. The TCO is based on acquisition of the printer and warranty along with the projected cost of consumables (ink/toner) and replaceable service parts, such as repair kits for the duration of the required warranty period of the printer purchased. For this initiative, all categories require a 3 year warranty, with the exception of the Personal Black and White category which requires a 1 year warranty. For purposes of evaluation, selection and award, TCO is represented as a cost per page based on estimated print volumes for the duration of the required warranty period for the printer purchased.**

**Consumables and replacement service parts purchased through other sources will affect the TCO of the printers. In addition, purchasing consumables and replacement service parts other than those quoted by the contractors (ex. optional/lesser yield cartridges) will also affect the TCO of the printers.**

Contract users interested in purchasing a printer should review the contractors' individual quote sheets for that printer to see the cost of acquiring and operating the printer for 3 years (1 year for personal printers). The acquisition cost of the printer is only one factor in the total cost. Based on the printer selected, the largest percentage of total cost of operation after acquisition is comprised of consumables and replaceable service parts. Through an innovative award process, not only has OGS been able to achieve additional discount off of contract price, but we have required the contractors to demonstrate how much the printers cost to purchase and OPERATE. As you review the categories of printers you will note that there are some instances where the acquisition cost of the lowest awarded printer may be higher than the second lowest awarded printer, but if you take a closer look you will find that the cost per page total is less.

The 2009 Aggregate Printer Purchase Initiative awards are based upon quotes off of the existing NYS Printer Contract and all terms and conditions of the contract still apply.

The pricing for this initiative differs from the printer contract. The printer contract offers "not to exceed" pricing on individual products available through the contract. Through this initiative, the participating contractors are honoring acquisition price of the printer, warranty and options through June 30, 2010. The discounted prices offered for consumables and replaceable service parts are available for the 3 year term (1 year for personal printers) of the printer warranty.

### Additional Information:

- New York State agencies are reminded that they must submit a Notification of Plan to Procure Technology Form (PTP) to the Office of Chief Information Officer / Office for Technology (CIO/OFT) for approval prior to purchasing printers. NYS agencies will be required to purchase from the awarded contractor with the lowest quoted TCO for each awarded configuration. For purposes of evaluation, selection and award, TCO is represented as the lowest cost per page based on estimated print volumes during a 3 year period (1 year for personal printers). Any New York State agency that intends to purchase from other than the lowest priced contractor for each awarded standard configuration must submit a business case with their PTP. The business case must include, at a minimum, a justification as to why purchasing other than the number 1 ranked printer is warranted. For additional information about the CIO/OFT and the PTP process, please visit their website at: <http://www.oft.state.ny.us>.
- New York State agencies that elect to purchase from the contractor ranked number 1 for a given category can advance with the process summarized herein, but should not issue a purchase order until the OFT has approved their PTP.
- Authorized users should obtain their organization's specific contractor quote before proceeding with the purchase in accordance with their normal purchasing practices. Please include on the purchase order the contractor's quote number, the contractor's NYS Printer Contract number, and the contact name and phone number or email address of the person(s) responsible for maintaining purchase orders within the authorized user's organization.

- All sales in this Aggregate Printer Purchase Initiative to any and all authorized users of NYS contracts shall be for the awarded model(s) per the standard configuration. If an authorized user requires additional options that are not included in the standard configuration or the mandatory or standard options, OGS will negotiate with the contractor an aggregate printer purchase price for these options. The contractor must submit quotes to the OGS for their approval. The quotes for additional options that are upgrades or down grades from the standard configuration must be represented as a delta in price of the standard configuration. Upon OGS' approval, the contractor will then make these additional standard options available for all subsequent quotations. The contractor will be required to quote similar discounts as are being offered through this initiative.
- During the course of this Aggregate Printer Purchase Initiative, a contractor may request to add options and/or lower prices on service parts, consumables, mandatory and standard options. When OGS receives a request from a participating contractor to add options and/or lower pricing, OGS will give other participating contractors the opportunity to add the same option or lower pricing on the same option on their corresponding Aggregate Printer Purchase Initiative offering as well. Approval of contractors' change requests will not be contingent upon other contractors' change requests.
- Authorized users will contact contractor(s) to arrange for first article delivery for testing, and/or to negotiate custom optional deployment services, printer disposal or trade-in. Authorized users may also arrange staged or staggered deliveries with the contractors.
- The 2009 Aggregate Printer Purchase Initiative requires contractors to offer printers that are Energy Star qualified.
- The printer acquisition period begins on July 16, 2009 and ends June 30, 2010. All authorized users must place their printer orders by June 30, 2010 and take delivery no later than July 31, 2010.
- It is required that contractors retain price points for the purchase of all service parts and consumables associated with the acquisition of an awarded printer for the duration of the required 3 year (1 year for personal printers) warranty period for the printer purchased. For example, maintenance kits and toner for a printer purchased on August 1, 2009 with a 3 year standard warranty would retain the same price points through July 31, 2012.
- Proven aggregate purchase participation helps determine future aggregate purchases. **It is imperative that authorized users forward copies of all purchase orders issued under the 2009 Aggregate Printer Purchase Initiative** to Kylesha Davis's attention at: [kylesha.davis@ogs.state.ny.us](mailto:kylesha.davis@ogs.state.ny.us). If an authorized user is unable to electronically forward a copy of the purchase order, the purchase order may be faxed to (518) 486-6867.
- All OGS aggregate purchase initiatives are announced via OGS' Purchaser Notification Service (PNS) and available on the OGS PSG website. OGS strongly encourages interested parties who have not signed up for the PNS to do so at this time. The website for PNS is <http://www.ogs.state.ny.us/PNS/Default.asp>. The Aggregate Purchase Initiatives will be included in category 43 of the PNS.
- The following link to the OGS website provides the information specific to this aggregate purchase initiative: <http://www.ogs.state.ny.us/purchase/PrinterPurchase.htm>.
- This aggregate purchase initiative is being administered by OGS, therefore, any questions regarding this purchase opportunity should be directed to:

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