



Agency of Administration
Department of Buildings and General Services
Office of Purchasing and Contracting

Generating Savings in Paper and Print Procurement

*A Review of New Print Procurement Requirements
and
BGS Print Shop & Vermont Correctional Industries Print Capabilities*

Deb Damore, Purchasing & Contracting Manager



Background

- In November, 2010, the Office of Purchasing and Contracting retained Pandora USA to examine procurement for printed materials on a statewide basis
 - Pandora is an industry leader with over 20 years of experience in the US and abroad
 - Extensive, proprietary database of industry pricing and specifications
 - No risk to the State: share-in-savings business model
- We worked collaboratively with Pandora and our existing vendors and suppliers to better understand the state's paper and printing expenses
 - Exhaustive review of over 1,000 individual components
 - Data collection from over 50 current vendors
 - Pricing and specification analysis, including evaluations against Pandora's database
 - Identification of potential new US vendors from across the industry

Conclusions

- Assessment indicates potential savings of over 30% without making any substantial changes to the quality or characteristics of end products

- Two primary areas of savings:
 1. Shift appropriate, recurring production jobs to internal print shops
 - Transitions will occur over time as relevant contracts expire
 - Will save the State money and make better use of existing State resources and expertise

 2. Leverage the State's purchasing power by consolidating and executing paper and envelope contracts
 - For print jobs produced outside State facilities, the state will agree to pay equal to or less than the identified established pricing on standard paper and envelope contracts. These contracts are available on-line at:
<http://bgs.vermont.gov/purchasing/currentcontracts>

Confirmed Savings to Date

Implementation has begun and the initial realized savings are encouraging:

Category of Spend	Anticipated % Savings	Actual % Savings
Paper	13.5%	13.8%
Envelopes	15.0%	20.9%
Collateral Products	22% - 35%	29.2%

On a prior baseline spend of \$202,590, we have reduced actual costs to date by \$35,320 for overall savings of 17.4%

Given Vermont's annual spending on printing and paper is approximately \$3 million, we anticipate the savings will be quite significant.

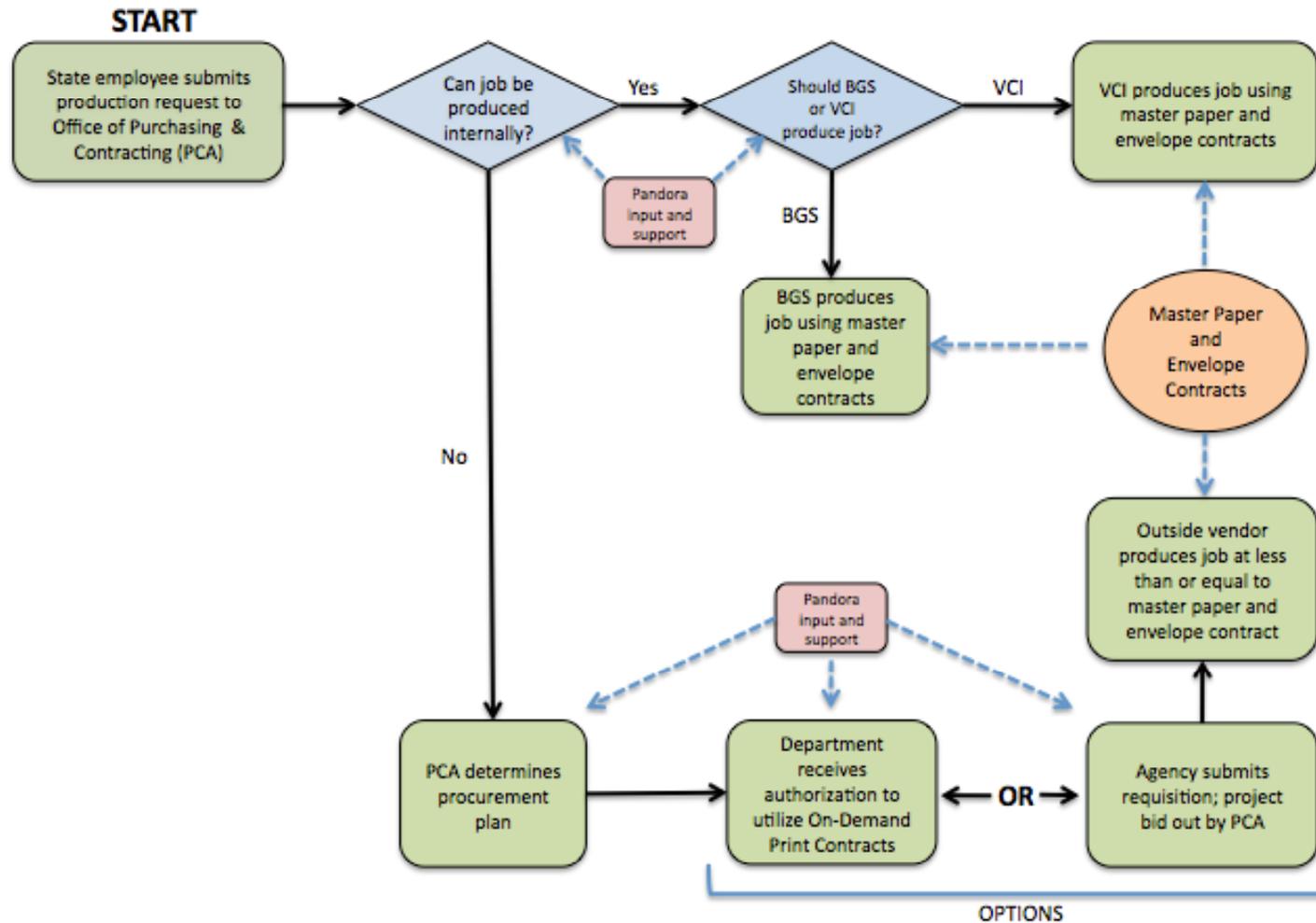
Requirements – Mandatory Change in Practice (Effective March 1, 2012)

- VCI and the BGS Print Shop are to be the first choice for all printing projects that involve digital or offset requirements
- Facts supporting this mandatory change:
 1. Reduction in overhead costs
 - Resources already owned and operated by the State
 - Reduced freight costs
 2. Increased control over paper consumption and prices
 - State leverages larger paper volume
 - Provides better oversight of paper purchasing and waste
 3. Equipment-Product Alignment
 - Most print jobs are well aligned with equipment at VCI and BGS
 - Relatively few jobs (e.g. magazines, high quality calendars, labels, high-level security paper) will require external suppliers
 4. Outside Jobs
 - The State of Vermont will agree to pay equal to or less than the identified established pricing on standard paper and envelop contracts. These contracts are available on-line at: <http://bgs.vermont.gov/purchasing/currentcontracts>
 - Better visibility into paper consumption and equipment used by outside vendors

Process

- For agencies already utilizing BGS and VCI, no change is required. Continue to leverage their distinct capabilities:
 - BGS has excellent digital presses and capabilities
 - VCI has excellent capabilities for larger quantity offset runs (generally over 8,000 units)
- For all other print jobs (including those in which existing contracts must be renewed, competitive quotes must be obtained, are one-off and/or non-contracted), agencies must proceed as follows:
 1. Submit requirements to the Office of Purchasing & Contracting
 2. Office of P&C will consult Pandora to ascertain if job should be produced internally
 - Analysis will consider VCI and BGS capabilities, as well as ensure that paper consumption, paper costs and manufacturing costs are competitive
 3. If the Office of P&C determines job can be produced internally at an equal or lower cost than externally, then job will be awarded to either VCI or BGS (determination will be made within 48 hours of request, excluding weekends and state holidays)
 4. If the Office of P&C determines neither BGS or VCI are appropriate, then they will bid the project out, at which time the requesting agency will be asked to submit a purchase requisition to expedite the solicitation process

New Process for Print Production Effective March 1, 2012



Process (continued)

- Blanket Delegation of Authority #1 (BDA-1) was reissued July 1, 2011, excluding all print material.
- Blanket Delegation of Authority #74 (BDA-74) has been eliminated since the BGS Print Shop and VCI are now required to be used by all agencies and departments of the State.

Discussion and Next Steps

- Questions?
- BGS and VCI Overview
 - We've asked the BGS Print Shop and Vermont Correctional Industries to present an overview of their equipment and capabilities to give you a better sense of the expertise we have in-house, so at this point I'll turn it over to them.

Department of Buildings and General Services
Government Business Services Directorate
Print and Postal Services

Print Outreach Webinar

“providing state government with economical and convenient access to digital printing and lease copier services”



Introduction

- Supervisor
 - Daniel (Dan) Brush
 - 17 years of professional experience in the print industry in Vermont and the Northeast
 - Member of National Government Publishing Association's (NGPA)
 - Member of Vermont Postal Customer Council (VT PCC)
- Print Shop possesses 200 years of combined workforce experience in the print industry.



Program Overview

- Centralized program to serve State agencies and departments
 - State of the art digital printing facility with a print capacity of up to 40,080 impressions per hour
 - Secure and economical printing and finishing services
 - Free delivery for the Central Vermont and Chittenden County service areas
 - Secure and economical transactional data design and printing services
 - Print on Demand (POD) services
 - Overnight Legislative Printing services – contract since 1997
 - Economical copier lease services

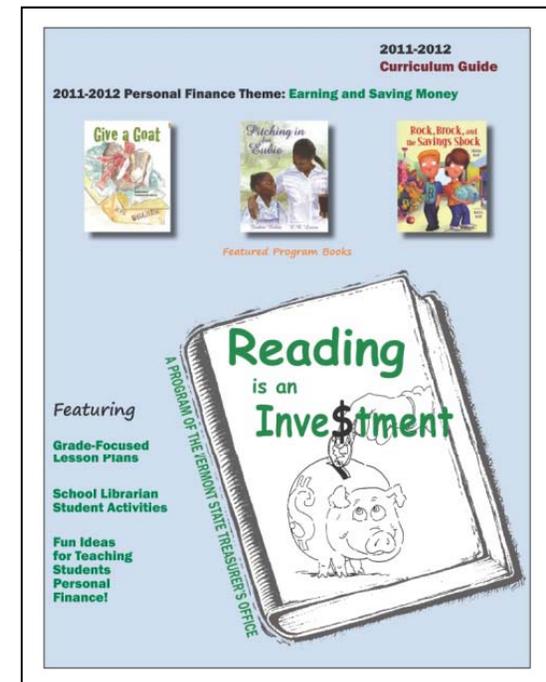
Program Overview

- 10 full time employees
 - Multi shift operation
- High speed digital printing
 - Over 4,700 publication print jobs processed in FY2011 with an average turn around time of 2.3 days
- Fully automated digital workflow for publication printing
 - Receive customer files electronically
 - Generate proofs in PDF format
 - Transmit to customer electronically for approval
 - Send approved PDF file to digital printer

100% Process Chlorine Free (PCF) and recycled paper

Program Overview

- Samples of Job Types
 - Client Case Files
 - Post Cards
 - NCR Forms
 - Newsletters
 - Self-Mailers
 - Posters
 - Bound or Stitched Reports and Booklets
 - Transactional Data – over 500 job formats
 - Print-on-Demand – over 600 active forms
 - Variable data and mail merge



Program Overview

- Transactional data printing
 - Merge of mainframe data with forms overlay
 - DMV Titles, Licenses, and Registration Renewals
 - Checks for Tax and DCF program (OCS, Fuel, etc.)
 - Financial reports for Tax, OCS, DMV, and DCF programs (WIC, etc.)
 - Over 500 job formats
 - FY2011 - Over 35,000 print jobs generated

Program Overview

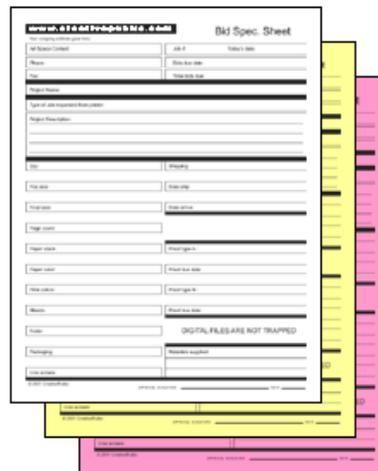
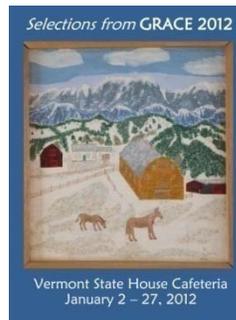
- Legislative Printing
 - 2nd shift printing and processing to generate legislative bills, calendars, and journals for the next business day
- 364 Convenience copiers statewide
 - Allows agencies and departments to distribute costs over three years
 - Avoids capital leases

Program Overview

- **Finishing and Binding Services**
 - Envelope Stuffing/Inserting
 - Folding
 - Stapling
 - Punching
 - Cutting
 - Collating
 - Tape/Coil Binding
 - Tabbing
 - Labeling
 - Laminating
 - Foam core mounting
 - Packaging
 - Numbering
 - Pressure fold and seal



Job Samples



Help Vermonters with their long term recovery from Tropical Storm Irene

Buy a Vermont Strong license plate for \$25.00 at www.vermontlife.com or any statewide Department of Motor Vehicles office.

Net proceeds from sales will be distributed to both the **Vermont Disaster Relief Fund** (www.vermontdisasterrelief.com) and the **Vermont Foodbank** (www.vtfoodbank.org).

Residents of the State of Vermont may display this commemorative plate by covering the existing front plate of a motor vehicle approved as a pleasure car and on motor trucks registered for less than 25,000 pounds (but excluding vehicles registered under the International Registration Plan) until June 30, 2014.

VTStrong.Vermont.gov

**Department of Motor Vehicles
 offices are located in:**

Bennington	Dumfrieson
Middlebury	Montpelier
Newport	Rutland
South Burlington	Springfield
St. Albans	St. Johnsbury
White River Junction	

For hours of operation and directions visit www.dmv.vermont.gov or call toll-free 1-888-99-VERMONT (1-888-998-3766)

Valid until June 30, 2014, the plate may be displayed on the front of qualified vehicles*.



Print/Postal Synergy

- Collaboration with Postal Center on mail piece design and mailing options
 - Resulted in over \$400,000 in tangible savings in FY2011 for State government.
 - In working with one customer we reconfigured their project and achieved over \$27,000 savings for them by redesigning the printed media, reducing both production and mail costs.

Future Initiatives

- Intelligent Mail Inserting
 - Using QR (Quick Response) coding BGS Print will have the capability to track individual pieces of mail through the mail stream.
 - Will be able to presort mail by Zip Code, name, etc. gaining mailing efficiencies.
 - Will be able to mail-merge mail jobs with 100% accuracy, printing the postage and addresses as it is processed.
 - Projects with variable page lengths will be accurately separated and prearranged by their length, gaining mail permitting savings.

Customer feedback

- “THANK YOU VERY MUCH! OCS appreciates your hard work and effort on our behalf to make this "URGENT" job your top priority in the print shop. You have definitely proven to be a valuable vendor who we look forward to working with closely in the upcoming year. Thank you Dan for your help and that of your BGS staff.”

Pam Mack, OCS

- “Jeb Spaulding praised the print shop today at the agency commissioner’s meeting for its great job on the executive budget. Fantastic!”

Mike Obuchowski

- “Thank you so much!!! I received the reports today - they look great, and what a quick turn-around time!”

Lisa Parro, AHS

- “You are awesome, thank you soooooo much!!!!!! I can’t believe it’s done already, I’ve got some serious connections I think!!!
Thanks again, you guys rock down there!!!”

Charlee Drury, Fish & Wildlife

Customer feedback

- “On behalf of the VDOL, we thank the Buildings and General Services Departments Middlesex Print and Postal individuals who assisted Labor in this vital matter, without their help, Vermont workers depending on unemployment income would not have received their checks in a timely manner.”

Annie M. Noonan, Commissioner, VDOL

- “Thanks guys, our VT State Parks logo on foam core turned out beautiful! And so fast, too – thank you!”

Rochelle Skinner, Vermont Department of Forests, Parks and Recreation

- “I just wanted to thank everyone there for all your work and thoughtfulness during the time we were there. You really helped us out when we lost all of our forms after the flood. You made us all feel welcome while we were temporarily your neighbors. We are in our new (and temporary???) location in Williston. Thanks Again,”

Debbie Mercy ADPC

Promotion

- The correct answer will get you a 10% discount of up to \$25.00

- Question embedded in QR Code



OR

- Question found on Print Shop – FAQ page
http://bgs.vermont.gov/business_services/print/faq



VCI

VERMONT CORRECTIONAL INDUSTRIES

Vermont Correctional Industries has a multi-faceted mission that is enacted in Statute

Its purpose is:

- “ To promote the vocational training of offenders
- To establish good work habits and responsibility
- To assist victims of crime
- To return value to the community, and
- To reduce the cost of operation of the Department of Corrections and of other State agencies...”

Print Shop Location

VCI Print Shop is located at the Northern State Correctional Facility in Newport, Vermont. All mailing will go to the following address:

VCI Building 1
2559 Glen Road
Newport, Vermont
05855

VCI delivery options:

- VCI Truck will deliver most cases and pallets
- UPS, Fed Ex or Priority Express will deliver most business card orders and smaller orders

Print Shop Staff

Howard Deuso
VCI Program Coordinator



Howard is responsible for all the day-to-day operations at the VCI Print Shop. If you need any special assistance or prefer calling your order in, Howard can assist you with your needs.

Mark Duquette
Sales & Marketing Coordinator



Mark is your key connection to all custom printing. He will come to your location to go over any print work you have. He will work with you to get the product and price where you need it.

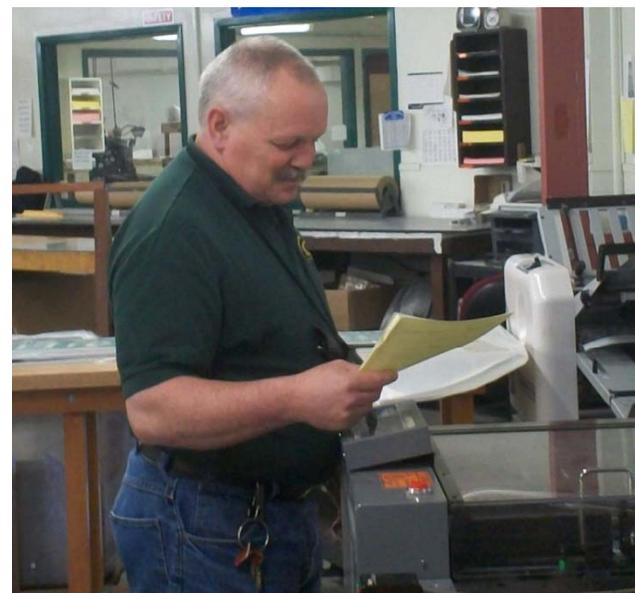
Print Shop Staff

John Trenholm
VCI Foreman B



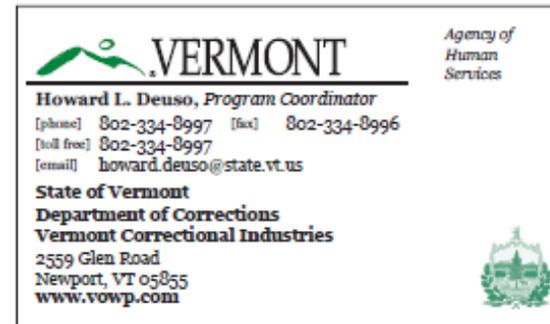
John does all the offset press training in our shop. He ensures your product is correct prior to it going to shipping and receiving. He is also responsible for tracking your order for quick delivery .

Dennis Poulin
VCI Foreman B



Dennis handles all the training in our bindery area, from collation to spiral binding. He is also responsible for all the custom banners, decals and vinyl products.

Product - Business Cards



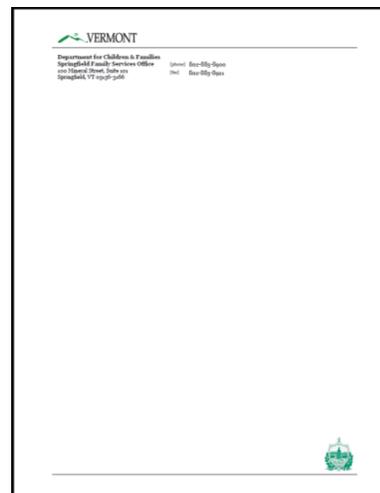
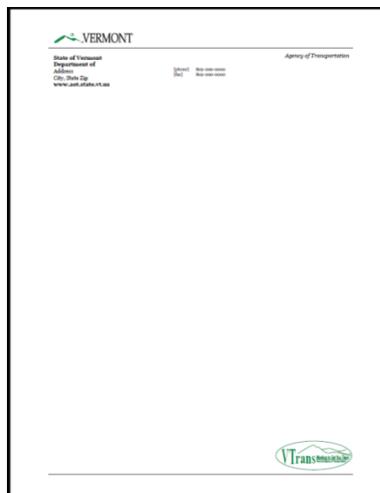
- Option A
- Option B
- Option C
- Custom



Made to State of Vermont Business Card Standards Specs



Product - Letterhead offset print



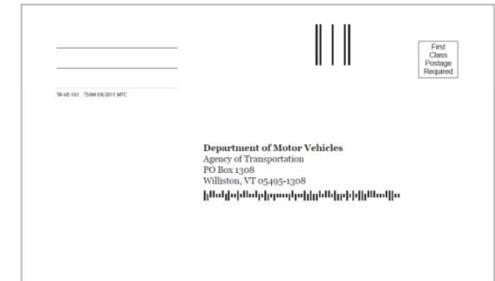
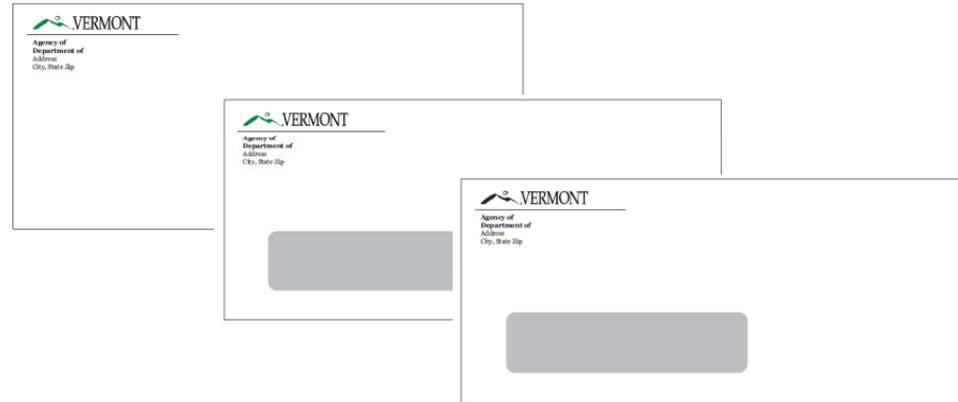
- Option A
- Option B
- Option C
- Option D

Made to State of Vermont Letterhead Standards



Product - Envelopes

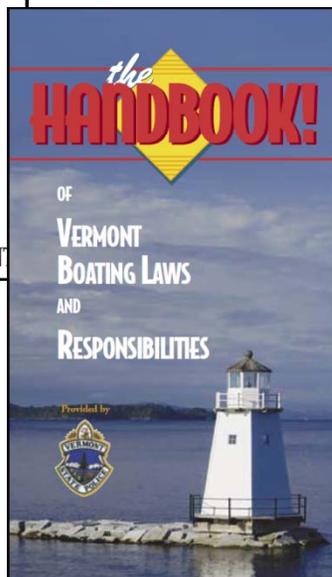
- ▶ No. 10 regular
- ▶ No. 10 window
- ▶ No. 10 right window
- ▶ No. 9 regular
- ▶ No. 9 window
- ▶ Commercial 6 ¾
- ▶ Commercial 6 ¾ window
- ▶ No. 10 window non-compliant
- ▶ No. 12 commercial
- ▶ Booklet 6 x 9 ½
- ▶ Booklet 6 x 9
- ▶ Mailing 10 x 13
- ▶ No. 6 commercial
- ▶ Business reply 5 ¾ x 8 7/8
- ▶ Custom to your specs



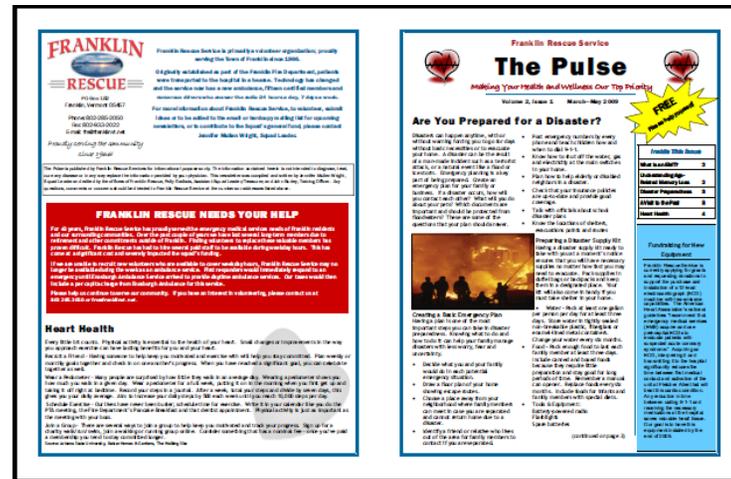
Product - Digital & Custom



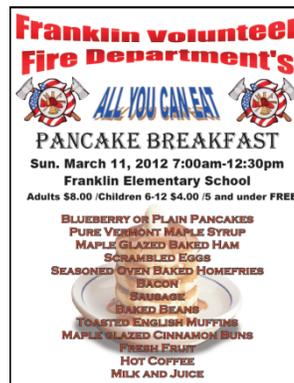
Booklets



Newsletters

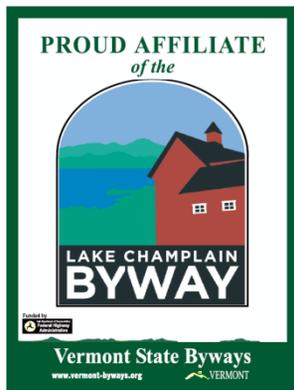


Flyers



**FULL
COLOR**
Digital
Printing

Product - Vinyl printing



- ▶ Printed decals
- ▶ Custom decals
- ▶ Validation stickers
- ▶ Banners
- ▶ Magnetic signs



Bindery



Collation



Spiral Binding



Glue Binding



Folding

- Fast Back Binding
- Perfect Binding
- GBC Binding
- Spiral Binding
- Saddle Stitching
- Folding
- 3 Hole Punching
- Top Binding with Perforation
- Banding
- Shrink Wrapping
- Perforation

Proof process

Vermont Offender Work Program
 Print Shop
 2559 Glen Road
 Newport, VT 05855
 Phone No. (802) 334-8997
 Fax No. (802) 334-8996

Customer Information		Specifications	
Customer	DEPT OF CORRECTIONS	Order No.	10101
Attention	JERRY SCHATNER	Description	BUSINESS CARDS
Fax Number	(802)334-8996	Quantity	250
Tel. Number	(802)334-8997	Ink Color	
Date Faxed	Friday, March 30, 2012	Size	
Date Returned		Paper Stock	
		Other	

WE WOULD LIKE TO TAKE THE OPPORTUNITY TO THANK YOU FOR CHOOSING VOWP FOR YOUR PRINTING NEEDS AND ALSO FOR YOUR PATIENCE WITH OUR TRAINING PROGRAM. WE AT THE VERMONT OFFENDER WORK PROGRAM ARE WORKING TO RETURN VALUE TO THE COMMUNITY. ANY MISPRINT AT THE FAULT OF OUR TRAINERS WILL BE CORRECTED.
 HOWARD DEIGO
 PROGRAM COORDINATOR

Proof

- CAREFULLY proofread the document that accompanies this form checking for spacing, grammar, spelling and content.
NOTE: The customer is responsible for cost of the product if the document is incorrect and the customer checks Okay to go to press.
- If the proof is incorrect please check the appropriate box, make the necessary changes, sign, and return via fax. (We will then revise the proof and refax it for your approval.)
- Please respond as soon as possible.
- If the proof is correct check the appropriate box, sign, and return via fax.
Fax No. (802) 334-8996

Proof Okay. Go to press.
 Make changes and send revised proof

PLEASE BE ADVISED
 THE ORDER CAN NOT BE COMPLETED UNTIL THE PROOF IS RETURNED

Authorized Signature _____

Page 1

Vci Vermont Correctional Industries Customer PROOF SHEET.
 This is our sample of your Option "A" Business Card order. Please check this PROOF carefully for mistakes. If the information is correct simply check (X) "Go to Press AS IS" in the checkbox in the left bottom corner, or if you find any errors please make corrections or changes in Line #1 - #10 below - then fax it back to us.

Phone: 802-334-8997
 Fax: 802-334-8996

Check out our Electronic Order Forms online at: www.vowp.com

OPTION "A" BUSINESS CARD



TEXT SEAL(S) BLACK INK GREEN INK

Dennis Poulin, Fabrication Foreman B
 (802) 334-8994 (ext) 802-334-8996
 (cell) dennis.poulin@state.vt.us

State of Vermont
 Vermont Correctional Industries
 Print & Sign Shop
 2559 Glen Road
 Newport, VT 05855

Agency of Human Services

THIS BUSINESS CARD IS A REPRESENTATION. All Vermont State seals are the property of the State of Vermont.

Line#1 _____
 Line#2 _____
 Line#3 _____
 Line#4 _____
 Line#5 _____
 Line#6 _____
 Line#7 _____
 Line#8 _____
 Line#9 _____
 Line#10 _____

Go to Press as is
 Make changes

Initial or sign here _____

We appreciate your business!

Page 2

- VCI receives your order
- VCI type sets your order
- VCI proofs your order
- VCI will Fax your order
- The customer reviews/proof page 2
- If errors are found the customer will note the change on page 2
- If no errors are found simply check the box that states Proof Okay. Go to press and sign on the Authorized Signature line
- Fax both pages back to VCI at 334-8996
- Your order will be printed and shipped

Capabilities & Quality Assurance

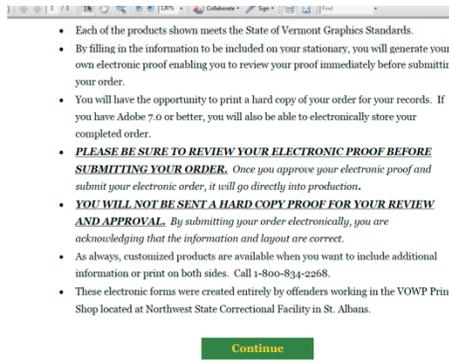
- Orders ranging from 500 to 800,000
- 7 - offset presses producing 5000 - 7000 printed sheets per hour - 11 x 17 format
 - 1 color – 2 color – 3 envelope feeders
- 1 – Digital press producing up to 200 thousand per month using a 12 x 18 format
 - Full color – folding – stitching
- Hours of operation
 - 7:30 am to 3:30 pm – Monday thru Friday
- Customer Service Representative
- Delivery Performance
 - Envelopes usually ship in 2-4 business days
 - Business cards usually ship in 2 business days after receipt of proof
 - Letterhead and forms usually ship in 3-7 business days
 - Booklets and bindery usually ship in 7 to 10 business days

How to Order: Website www.vowp.com

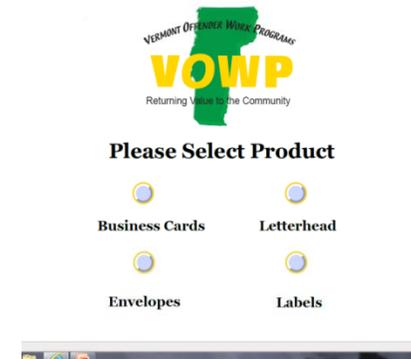
Step 1: Click Here



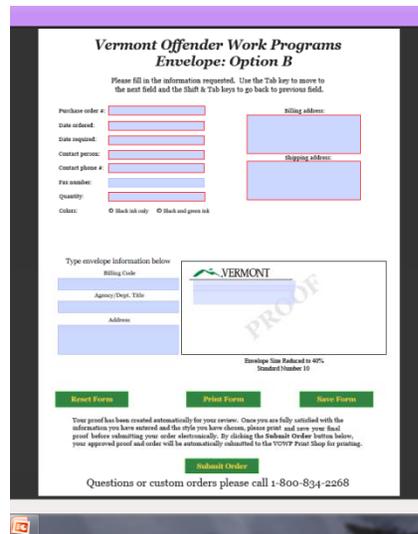
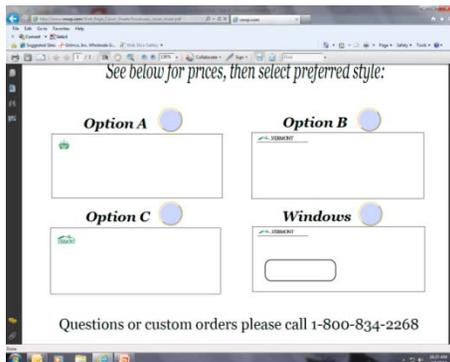
Step 2: Read & click Continue



Step 3: Select your Product



Step 4: Select your Option



Step 5: Fill in all your information required for your order

Step 6: Proof your order for errors – You will NOT receive a proof unless you specifically request one

Step 7: Save your proof to your files

Step 8: Click Submit order on the bottom of the form and it will attach to an email going to the VCI print shop.

How to Order

- Phone
 - 802-334-8997
 - 866-729-8715
 - Ask for Howard, John or Dennis
- Email
 - Howard.deuso@state.vt.us
- Fax
 - 802-334-8996
- Special requests
 - Mark Duquette
 - Office: 802-951-0166
 - Cell: 802-279-4162
 - Mark.duquette@state.vt.us