



State of New Jersey

Department of the Treasury

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For Information Contact:
Tom Vincz
(609) 633-6565

New Jersey to Leverage Computer Buying Power through Multi-State Cooperative Purchase Program

TRENTON – State Treasurer Bradley Abelow today announced that New Jersey will join a nationally recognized purchasing cooperative to leverage its computer buying power and achieve significant cost savings for taxpayers in state and local government.

“Participating in the multi-state cooperative purchasing program allows New Jersey to benefit from increased purchasing power to ensure that our State and local governments are able to procure the right products, in this case computer equipment, at the lowest possible price,” Abelow said. “This demonstrates the Corzine Administration’s commitment to leave no stone unturned in our efforts to lower the costs of government in New Jersey.”

New Jersey will buy personal computers and peripherals, such as printers, flash drives, scanners, cables and docking stations, through the Western States Contracting Alliance, a consortium of states that join together to increase their buying power. Currently 43 states, led by Minnesota, have united on a single contract for computer equipment.

“Just as we enable municipalities to leverage their buying power by using State contracts, by joining with other states in this cooperative effort, we are able to further leverage our own State buying power,” said Debra Bell, the Assistant Treasurer for Procurement and Property Management. “It’s an approach that is maturing and has great advantages for New Jersey.”

Over Fiscal Years 2004, 2005 and 2006, the State and local governments averaged \$153 million in annual spending off the State’s computer contract, with most of these purchases -- \$130 million -- being made by local government.

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Based on comparisons between the pricing discounts available through the WSCA contract and the discounts in the State's current contract, the projected annual savings to be achieved through the WSCA range from approximately \$21 million to \$38 million. The State portion of the estimated savings ranges from \$4 million to \$8 million, while the estimated range for local government entities is \$17 million to \$30 million, depending on volume ordered.

Noting that many small and minority businesses currently participate in the state's computer contract, Bell said that New Jersey would make every effort to include as much small and minority business content as possible. "Through our new cooperative effort we will continue to support New Jersey's small businesses as we will ensure that they will be included as suppliers and vendors for the items we purchase."

The move to join with the other states through the Western States Contracting Alliance is a direct response to a bill passed by the legislature and signed into law by Governor Corzine (P.L. 2007 c. 56), as well as Governor Corzine's Executive Order 42, which calls for alignment of procurement strategies to support an enterprise approach to managing information technology. Further, the purchases made through this program will reduce the state's energy usage and expenses while benefiting the environment consistent with Executive Order 11. This will be accomplished by using products that are ENERGY STAR energy-efficient or other products allowed by the New Jersey Clean Energy Program.

"The Governor's vision for technology begins with the setting of technology standards to achieve an intelligent level of consolidation. The decision to join WSCA will allow us to approach the marketplace in a more strategic and prudent fashion," said Adel Ebeid, the State's Chief Technology Officer.

The move to join with the other states means that the Division of Purchase and Property is cancelling three Requests for Proposals that have not yet been awarded. Two RFPs are for personal computers and peripherals; the third is for computer servers and network equipment, for which bids have not yet been received.

The Division of Purchase and Property is working closely with the Office of Information Technology to reexamine overall IT strategy in light of the new direction mandated by Governor Corzine and the Legislature.

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