

***This Question and Answer document is provided to address several questions and issues posed prior to and during the March 18, 2010, Pre-Quotation Conference. To maintain an on-going and collaborative process, this document is being posted as expeditiously as possible. On Monday, March 22, 2010, GSA intends to post an amendment to the Request For Quotes (RFQ). This amendment will formalize the changes explained below. This document is not all inclusive of all questions that have been submitted but is inclusive of questions that will impact the RFQ via amendment substantively. The remaining questions and answers will be provided shortly.***

#### **Question 1**

a. Notes to Contractors, Page 3: Can the bid closing date be extended to at least 45 days from the RFQ issue date? We are greatly concerned that the stated timing for submission of bids (March 31) is extremely short given the release of the RFQ on March 8. In addition, March 31 is a date when most GSA Schedule 75 contractors receive pricing updates, which would serve as a better base for price bid submissions in response to this RFQ. During the January 13 GSA pre-solicitation meeting with industry, NOPA urged GSA to adopt a reasonable schedule of at least 45 days between the release of the RFQ and the deadline for bid submission, and at least 30 days beyond that for awarded vendors to implement this large comprehensive procurement. Instead, GSA plans to allow only 18 business days between release of the bid documents and the bid closing date. NOPA believes that GSA's planned implementation schedule is also excessively short, and discriminates against and therefore will likely discourage many otherwise qualified small businesses from participation in this large bid opportunity

b. Due to the highly competitive environment that GSA is generating with this solicitation and our desire to help GSA succeed in this endeavor, we request an additional week to respond to the solicitation. Could you please extend the due date to April 7, 2010?

#### **Answer 1**

Will extend closing date and time from March 31, 2010 3:00 PM EDT to April 7, 2010 3:00 PM EDT.

#### **Question 2**

a. Notes to Contractors, Page 2: Can the total number of BPAs awarded, particularly in Pools 1 and 3, be increased? During the January 13 GSA pre-solicitation meeting, NOPA and its members recommended that a more significant number of BPA's be awarded and that a significant number of them be set-aside for all types of small business bidders and/or that bid evaluation criteria give credit to bidders with small business status. We are concerned that:

1. Pool 1 contemplates only 3 BPAs, which given the \$200 million/year estimated opportunity, appears to be wholly insufficient to contribute significantly to Federal Agencies' small business utilization goals; and

2. Pool 3 contemplates only 2 BPAs, with both earmarked exclusively for service-disabled veteran businesses. Given the importance of toner products in the overall mix of office products that government customers

buy, we also believe the number of BPAs in this category needs to be increased – at least doubled.

b. One of the stated goals and objectives of this BPA is to “ensure opportunities for small businesses”. How does doubling the number of large business BPAs and reducing the number of small business awards from 7 to 2 help GSA accomplish this goal?

## **Answer 2**

Will be increasing the number of awardees in Pools 1 and 3.

For Pool 1- will change from GSA intends to establish three BPAs for this pool with a preference for one being a SDVOSB to GSA intends to establish **seven** BPAs for this pool with a preference for one being a SDVOSB.

For Pool 3 –will change from GSA intends to establish two BPAs both with a preference for SDVOSB to GSA intends to establish **three** BPAs, two of which with a preference for SDVOSBs

There will be no change in Pool 2 which remains at two BPA awards. Therefore GSA now intends to establish a total of twelve BPAs initially.

## **Question 3**

a. In paragraph 5.3.1, GSA states no price increase for 12 months. Paragraph 5.6.10 states that the contractor’s Federal Supply Schedule (FSS) contract shall prevail over the BPA. All FSS 75 contracts are subject to the economic price adjustment clause.

b. Section 5.3.1 F States “There shall be no price increases for the first 12 months of the BPA.

This requirement will be very difficult for Vendors to comply with for AbilityOne items. AbilityOne changes pricing on a quarterly basis. Some items increase a large percentage. Vendors will not be able to price AbilityOne items competitively knowing the costs can change drastically at the start of every new quarter.

c. Allowing no price increases for the first 12 months of the BPA is not reasonable. Small businesses could potentially go out of business if they price the products too low or likewise price themselves out of the competition if they price the products too high. The price of petroleum products has a huge impact on both the manufacture and transportation/delivery price of office products. Manufacturers increase their prices to the wholesalers who in turn increase their prices to the dealers. If dealers are already required to maintain the GSA percentage off discounts that are quoted and there are limits on the percentage of price increases on GSA contracts, why is this necessary? Price volatility has been so prevalent in the last two years that wholesalers have begun instituting price file changes monthly as opposed to quarterly which is already penalizing small businesses because we can only submit price changes to GSA on a quarterly basis. There is no industry that can fix it prices for a year. This is not a reasonable business request. Please reconsider this and allow for quarterly price changes to coincide with GSA price modifications.

### **Answer 3**

This requirement will be changed to:

Price adjustments on the BPA will be determined by the underlying Economic Price Adjustments (EPA) clause in the contractor's MAS 75 contract.

### **Question 4**

a. Section 5.10.5: Printed Catalog- How does GSA expect a preprinted catalog with "core items" and other prices to be available within 10 days of contract award?

Electronic catalogs can be made available in such a period, but there is no reasonable way for this to be done if printed catalogs are required.

b. Most GSA office supply vendors use a government version of catalog price lists produced annually by S.P. Richards or United Stationers. These catalogs show manufacturers suggested retail prices. Why is GSA requesting printed price lists with BPA pricing when all pricing is available electronically and over 95% of all orders will be placed on-line. Waiving this requirement will result in additional cost savings while preserving natural resources.

c. Small businesses do not print their own full line catalogs. They utilize the wholesaler's catalogs which are only bound and printed once a year, at considerable expense. While it is a simple task to provide BPA pricing in electronic or printed spreadsheet format, it is not reasonable to require a printed full-line catalog with BPA awarded pricing. Government customers only utilize vendor catalogs to generate their shopping list of part numbers. They then use the power of their computers to display best prices, best value, etc. Since this BPA is requiring the common denominator of manufacturer part number as the vendor catalog number, it will not matter to the customer whose catalog they use to generate their parts list.

### **Answer 4**

Requirement for printed catalogs will be removed.

### **Question 5**

Section 5.1.4: Batteries

Is this a requirement of the current FSSI contract? What is driving a change in making this process a part of the technical requirements of the new FSSI contract?

What process is currently being used in the office products industry for the bulk recycling of batteries sold to federal agencies?

### **Answer 5**

The requirement for battery recycling program will be removed.

### **Question 6**

Since GSA already recognizes that the majority of the orders placed against this BPA will be done so through DoD EMall and GSA Advantage!® why is GSA requiring contractors to base their office operations hours on Pacific time? Wouldn't this give west coast dealers a financial advantage over east coast dealers by having to man fewer office hours?

**Answer 6**

Hours for the customer service center will be changed from 8:00 a.m. Eastern Time to 5:00 p.m. Pacific Time, to 9:00 AM to 5:00 PM Central Time.

**Question 7**

Section 5.4.1 – Program Management Review

Could the planned quarterly management review meetings be conducted via conference calls or using web-based meeting tools to reduce the travel and other costs associated with administering this contract?

**Answer 7**

Requirement for quarterly meetings with customer agencies will be modified to allow for webinars or conference calls instead of only in person.

**Question 8**

Please clarify what is meant by this statement in your solicitation request. We do not understand your goals with this statement. Is this related only to purchases made at retail stores, or is it related to all GSA SmartPay purchases?

- *Point-of-Sale Discount* No later than 6 months after the effective date of the BPA, Contractor shall provide a point-of-sale discount for all orders when payment is made through the GSA SmartPay card. Contractor shall recognize the GSA SmartPay card and automatically charge a price no higher than the BPA price (see Terms and Conditions, subsection 5.6.4.). The point-of-sale discount shall apply to all purchases for items covered by the BPA, except when the ordering agency specifies that it is using another acquisition vehicle. BPA pricing shall be honored through all purchase channels.

**Answer 8**

It is related to all GSA SmartPay purchases through whatever channel, except when the ordering agency specifies that it is using another acquisition vehicle.

One way to address Electronic Data Interchange (EDI) concerns would be to remove awarded contractor's MAS Schedule prices on GSA Advantage and DoD EMall and replace it with the Contractor's FSSI Office Supplies (OS) BPA pricing so that each of the awarded FSSI OS contractors will only have one price on GSA Advantage (not including agency-specific BPA pricing that may be loaded under the BPA aisle).