



The Industry Voice for Workplace Solutions

April 24, 2008

Mme. Liliane Saint Pierre  
Assistant Deputy Minister,  
Acquisitions Branch  
11 Laurier Street  
Gatineau, Quebec, K1A 0S5

Dear Mme. Saint Pierre,

The Canadian Furniture Task Group (CFTG) is an ad hoc group of office furniture industry manufacturers, suppliers, and dealers that formed several years ago to address the Canadian government's interest in reducing procurement costs and improving processes. The task group was alarmed about the possibility of the government moving to a sole source contracting model that would be shortsighted by eliminating competition and the benefits achieved by the competitive process, both in innovation and monetary savings for the government. The task group, while primarily focused on business and institutional furniture, partnered with other industries facing similar restrictions on competition to establish a communication network and share progress across sectors.

BIFMA International, its members, and the CFTG expressed concerns at that time to government agency heads, Members of Parliament, and made a presentation to the Standing Committee on Budgets and Acquisitions. Public Works and Government Services Canada (PWGSC) responded by forming a Government Office Furniture Advisory Committee (GOFAC) to assist PWGSC in the development of a procurement strategy for the provision of office furniture to the Government of Canada. The GOFAC was designed to monitor the procurement process and provide feedback on its effectiveness.

The following associations and government departments nominated members and alternates to serve on the Committee:

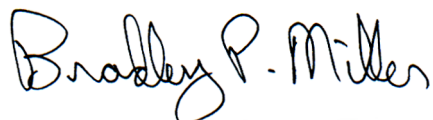
- \* Association des fabricants de meubles du Québec
- \* Business and Institutional Furniture Manufacturers Association (BIFMA) International
- \* Canadian Federation of Independent Business
- \* Canadian Office Products Association
- \* Public Sector Aboriginal Business Association
- \* Canadian Heritage and Parks Canada
- \* Industry Canada
- \* Public Works and Government Services Canada

GOFAC meetings occurred from February through September of 2007 and we have recently been assembling reaction from companies as to how the process worked for the first Standing Offer affecting Filing & Storage Cabinets. Our task group has recently discussed several distressing outcomes that we wish to share with you and ask for your clarification.

- PWGSC has experienced a great deal of personnel transition in the last year. While industry representation on the GOFAC has remained stable, virtually all of the government representatives have changed. That reality, coupled with the fact that communications with the agency during the RFSO process have resulted in conflicting and sometimes less than positive perspectives of the GOFAC itself, are troubling.
- At most, two manufacturers have been awarded all four "basket of goods". This would seem to make it very difficult, if not impossible, to have competition for a Request for Volume Discount with multiple categories.
- There was no flexibility in the dimensions of the products. The literal interpretation that was made may have eliminated superior products from consideration with no real benefit achieved.
- The requirement to provide all items in one basket from the same family (product line) may have forced a higher cost solution and did not add value to the proposition.
- Some products requested are not commonly purchased/produced. By making it compulsory to have all the items in the basket it forced a higher cost solution defeating the purpose to reduce costs. A manufacturer could have a great product but might not make one item in a basket.
- There was no education around how the program would work going forward. Is the manufacturer expected to guide the end user?
- If the website is any indication (<http://www.pwgsc.gc.ca/acquisitions/text/gmbgof/gmbgof-e.html>), attention to the advisory committee may have waned in mid-June, even though meetings were held into September, since there have been no minutes posted of those meetings. Additionally, GOFAC members have asked for a list of committee members and their alternates, along with who (which organization) nominated them to the GOFAC. Such a list has not been forthcoming and we believe that alternates have not even been receiving copies of meeting notices or other correspondence. That makes it difficult for them to be up to speed when they are called upon to fill in for the primary delegate.

GOFAC members representing industry will share these issues with the full advisory committee when the GOFAC meets on April 29 but we would like to have the government's commitment to working on these issues reaffirmed at this time. Please do so in a response to this letter, or at the GOFAC meeting next week. Should you, or others, wish to attend and express support for this collaborative problem solving process, we believe it would put everyone on the same page as we go forward.

Sincerely,



Brad Miller  
 Director of Communications and Government Affairs  
 Business and Institutional Furniture Manufacturers Association (BIFMA) International

cc:

François Guimont, Deputy Minister and Deputy Receiver General for Canada  
 Michael Fortier, Minister and Receiver General for Canada