



NEWS RELEASE

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Department of General Services Launches Electronic Procurement System

Sacramento -- The Department of General Services (DGS) is launching a new purchasing system, including an electronic ordering component, with private-sector technology firms that will enable state agencies to more efficiently purchase goods and services. The California Statewide Procurement Network (CSPN), developed by the Procurement Division of DGS, will feature an Internet-based catalog system that will reduce the state's reliance on costly and time-consuming paper-based procurement processes.

"We anticipate that CSPN will allow the state to obtain better prices from suppliers, reduce turnaround times, and enhance customer service," said DGS Director Peter Stamison. "The economic benefits to be realized will be significant given the amount of goods and services purchased by the state."

Approximately \$4 billion of goods and services—from office supplies and furniture to information technology and automobiles—are purchased annually by state agencies. CSPN will enable state agencies to obtain better prices through comparison shopping on the system.

"CSPN will provide the state with a reliable source of product and service information," said Procurement Division Deputy Director Chuck Grady. "Through comparison shopping on the Internet, agencies will be able to make a best value purchase they may not have been able to see previously."

The electronic procurement network is the result of Governor Pete Wilson's Executive Order directing DGS to undertake a comprehensive reform of the state's procurement system in order to maximize the state's purchasing power and to better serve its customers.

DGS is building the CSPN system in stages with several private-sector companies, including Andersen Consulting, People Soft, Ariba Technologies, KPMG Peat Marwick, and Logicon. The CSPN project is due to be fully operational by February 2000.