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*NEWS RELEASE*

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*Department of General Services - Ron Joseph, Director*

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**STRATEGIC SOURCING HELPS CALIFORNIA  
SAVE \$9 MILLION ON PC SERVERS**

***Contracts with Marketware, TIG Offer 39 Percent Savings off Previous Pricing***

**SACRAMENTO** - The State plans to award statewide contracts for PC servers to Sacramento-based Marketware Technologies and San Diego-based Technology Integration Group, the Department of General Services announced today.

The new, two-year contracts, reached through the California Strategic Sourcing Initiative, are expected to save the State more than \$9 million, or about 39 percent of what it previously paid for comparable equipment.

"Strategic sourcing works," said Fred Aguiar, Secretary of the State and Consumer Agency. "We've seen it with photocopiers, with computers, with Unix-based servers, with data storage devices, with wireless phones. In every one of those categories, we've seen a significant price reduction in the last three months because of the Strategic Sourcing Initiative."

Marketware and TIG will both receive contracts to provide desktop computer servers running Windows. Both bid Dell products. The combined value of the contracts is estimated to be greater than \$14 million over the next two years. The value to each supplier depends on purchasing decisions made by individual State departments.

The contracts were reached through a competitive bidding process based 80 percent on price and 20 percent on customer references. Both suppliers agreed to subcontract at least 25 percent of the work to small businesses. TIG also agreed to subcontract at least 3 percent of the work to disabled veteran business enterprises (DVBEs).

"Making government more efficient is something that's easy to talk about and hard to achieve, but strategic sourcing is making it happen," said DGS Director Ron Joseph. "We're driving down costs without sacrificing service to the public."

"We take tremendous pride in the savings and the small business and DVBE participation we have achieved to date, and we continue to work to expand those benefits to other areas of State purchasing," Joseph said.

