



September 17, 2009

Delivered via e-mail and U.S. Mail

Mr. Raul Gomez  
Business Development Manager  
Staples Business Advantage  
4127 E. Van Buren Street, Suite 140  
Phoenix, AZ 85008

RE: Protest Response – RFP #2009104 Stockless Office & Classroom Supplies

Mr. Gomez,

I have received your protest dated September 8, 2009 and I am denying it as per the following:

Your protest listed the following sections in our RFP where it was assumed by you that the evaluation committee did not give your response its proper due:

- Instructions
- Detailed Specifications
- Questionnaire
- Pricing
- City Council Report (separate document)
- SAVE Cooperative Agreement

There were more than 35 points raised in your protest. In all but 7, you extolled the virtues of your response. The fact that your firm made the short list and was allowed to present a demo confirms that it was indeed a worthy effort and that it was given fair consideration. However, the point of a protest is to catalogue reasons why the recommended vendor should not have been picked; it is not a mechanism to re-list why you feel your response was the best offered. Thus, I will respond to the following 7 points listed in your protest that do involve the recommended vendor:

**Detailed Specifications: section 7. Demo Presentation:** *“Staples questions how the committee members were able to award points in this section without being given a complete demonstration of each respondent’s system.”* Each short-listed vendor was given the same amount of time and ample opportunity to present the content and ease of use of their websites. The fact that our demo format did

not coincide with Staple's idea of what was to be shown is unfortunate. However, all 6 finalists were given the same amount of time, were asked the same questions and were allowed the same leeway as each other. The main issues with your demo were some of the requested items being listed as "special delivery", some being very difficult to pull up and the lack of a temporary login (something that the other 5 finalists were able to give without requiring a non-disclosure agreement).

**Questionnaire: Describe the training and support available to Agency Order Representatives:**

*"Does the recommended vendor provide on-site live training, on-line interactive webinars, on-line quick tips, ordering handbooks and user guides?"* Yes, the recommended vendor offers both on-site and website training as needed. They also have ordering guides and are currently developing a webinar program as requested by some of their larger customers.

**Questionnaire: Does your firm offer any in-store programs for quick purchases?** *"Did the City confirm if the recommended vendor operates any retail stores?"* This was not a required element and the recommended vendor does not have any retail locations. However, they do have a complete warehouse in Tempe where any order can be picked up in Will Call and they offer free next day delivery nationwide on all items.

**Questionnaire: Describe the implementation/transition process, timeline and resources available for this effort:** *"Has the City confirmed that each respondent can offer a custom City of Mesa micro-site....."* The recommended vendor met or exceeded all the expectations involved with this specification. As with all the finalists, their implementation/transition process was evaluated and judged to be more than satisfactory with the offered components.

**City Council Report: Reason #2:** *"How was the recommended vendor able to better demonstrate their website's content and ease of use if their proposal and system demonstration followed the same strict guidelines as ours."* Once again, each short-listed vendor was given the same amount of time and ample opportunity to present the content and ease of use of their websites.

**City Council Report: Reason #6:** *"The Staples proposal offers a 1% volume rebate for all purchases regardless of internet use. The same 1% has been offered to SAVE members....."* All of the short-list vendors offered a rebate with the recommended vendor also offering a 1% rebate with a \$100,000 annual minimum and 90% online purchases. In regards to your question about conversion pre-bates, I will refer to the RFP Addendum #1, Questions and Responses Document, question #7:

**7. Q: Will conversion rebates for any agencies be factored into the evaluation process?**

A: Conversion rebates are welcomed. As conversion rebates are one-time savings, they will not be factored into the pricing evaluation but will be considered as part of the "Overall Program Presented" in the evaluation elements.

**City Council Report: Reason #7:** *"How does the City define "very close" for evaluation purposes?"* This term was a generalization used to illustrate that the recommended vendor's paper pricing was *within pennies* of the regional cooperative contract the City currently uses for paper. Thus, awarding the proposal to this vendor would have the additional administrative benefit of using one less contract. Paper pricing by itself was not an evaluating factor. It was part of the overall pricing evaluation.

In regards to pricing, your firm did very well placing, second overall in those three categories. For references, all the short-list vendors were given the full 75 points each as all had solid listings. The remaining two areas are where you did not score well. The nature of these areas, web tools and program presentation, are highly subjective. Perhaps the chosen format just did not fit well with your team's choice of demonstration. Again, this may just be an unfortunate occurrence. However, the main point being stressed here is that all 6 finalists were treated exactly the same in their website and overall program presentations.

With regards to the SAVE Cooperative Agreement paragraphs 6 and 10, the City does not believe it violated the provisions cited in your protest or that it misled vendors regarding use by other agencies in any way. The RFP was very clear that these other agencies only expressed an interest and may be interested in using the resulting contract, that no volume is implied or guaranteed, that the successful vendor is responsible for marketing the contract to these agencies, and that the final decision rests solely with the individual agency. As it relates to the specifications of the RFP, any protest on this issue should have been raised shortly after the RFP was issued but certainly prior to the offer due date.

Finally, the recommended vendor offered features that were not evident in your proposal. These include pricing being firm for the specified minimum of 1 year, free nationwide next-day delivery, no minimum order requirements, a 90-day no-fee return period, online invoicing and a no-strings-attached website trial access policy.

In closing, the City believes that your response was evaluated completely, fairly and in accordance with all instructions, terms and conditions listed in the RFP. Including the live presentation and website demonstration, it must be stressed once again that all the received proposals went through exactly the same evaluation process.

Please feel free to phone me at (480) 644-2543 to discuss this matter further and/or to set up a debriefing meeting with us.

As outlined in the RFP, you have the right to appeal this decision, based on a factual or legal error as described in section i.25, under PROTEST APPEAL. Thank you for participating in this proposal opportunity.

Sincerely,



James Ruiz  
Purchasing Administrator  
City of Mesa