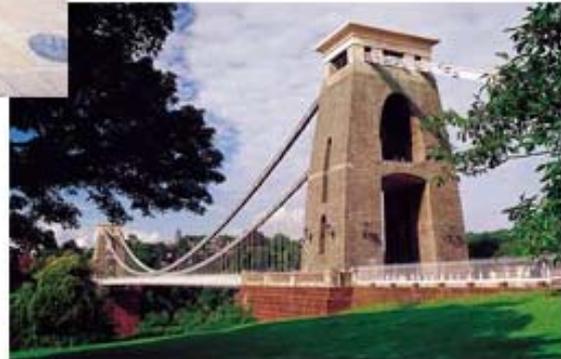




BRISTOL  
e-business



# **The Bristol City Council e-procurement experience**

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## BRISTOL e-business

Bristol e-business is Bristol City Council's eProcurement implementation. Bristol CC have been actively working on eProcurement (inc. Payment cards, BACS payments, etc.) for some 3 years. Initially they focused on their internal systems and then worked with The Consortium, one of their major suppliers, on an online ordering and fulfilment process.

The early trials were positive and Bristol CC decided to broaden the pilot to include additional suppliers. During this phase it became clear that for eProcurement to be successful it had to address the needs of the buyer and the supplier, both of whom required seamless integration of the whole process with their back office systems to deliver maximum benefits for all.

Bristol CC also had objectives to meet for both the central government's 'e-enablement' programme (including the delivery of procurement savings to the benefit of the Bristol community at large) along with the government's economic regeneration programme to ensure that businesses in the local community thrive and prosper.

With over 19,000 suppliers, many of whom are small companies, they had to find a simple, cost effective way of ensuring that eProcurement also worked for their supply base.

There were two aspects to this, firstly the technical infrastructure had to be in place and secondly there had to be a support and information service to support and help the suppliers through the change.

Bristol CC engaged with several organisations to make this happen – for a technology partner they selected @UK PLC who provide the Bristol e-business portal which aggregates general information of the suppliers for the buyers and hosts the suppliers' ecommerce web sites. Suppliers can create and manage a fully compliant e-commerce site at an average cost of £240 per year. This service has the double benefit of ensuring that suppliers can continue to trade with Bristol CC, as well as allowing the supplier to trade with any other organisation or individual.

Bristol also worked with Sage PLC the UK's largest supplier of accountancy software to small and medium sized companies. A cross database match showed that a large percentage of Bristol's suppliers were users of the Sage accounting system. As a result of these findings they then asked Sage PLC and @UK PLC to integrate the web building software with the sage accounting package, this was done for the Bristol eBusiness Launch in May 2003.

This gives the suppliers the ability to load catalogues onto their Bristol eBusiness web site directly from their accountancy package and to stream orders directly to their back office. This level of integration is a 'first' and has been warmly welcomed by the Bristol suppliers.

Bristol CC recognised that the provision of workable systems that should achieve mass take-up of suppliers was only the beginning of the change process and developed a suppliers' support programme in conjunction with Business West (their local Business Link) and their local Learning & Skills team. This programme ensures that every supplier is visited by a Business West advisor, who set eProcurement into the wider business context. Along with the Learning & Skills team, they assess the companies technical and process skills and infrastructure, providing practical help where required.

One of the problems faced by a number of suppliers is the 'fear factor' about computers and the internet; here Learn Direct are providing practical courses to give the suppliers the confidence to take part in the project. As a part of every course the supplier is taught how to set up and edit their web site, giving Bristol CC the confidence that all suppliers have both the understanding and the 'where with all' to proceed

Although early days for the project, the findings have been impressive with over 70% of suppliers who were contacted agreeing to support the initiative (a number realising the potential impacts to their business in the medium to long term should they not). This is starkly different to the majority of eProcurement implementations where supplier sign up remains low and consequently buyers lose confidence in their initiative. The suppliers who embrace this initiative also realise the benefits that this enables them to seemingly 'trade-up' with larger corporates who already support e-Procurement – a key upside to local economic development.

Overall the project took 6 months to set up and has been running for 4 months and the team has learned a great deal about what works and is turning this into a series of replicable processes. As the project matures they are happy to share these findings with other players who are at an earlier stage in their programmes.



## **Bristol City Council supplier sign-up case study No 1. LOWREY CONTRACTORS**

Lowrey Contractors Ltd are a commercial building contractor with a commercial fencing division. Typical contracts for them include: schools, showrooms, retail outlets, food processing plants, offices, and support to main utility companies.

Mr Roger Lowrey (chairman) of Lowrey Contractors attended the initial supplier forum held by Bristol City Council at the Council House in May 2003. At this meeting he expressed a high level of interest in the new systems being implemented as he already accepts tenders via email from some of his private sector customers. After a follow up visit from Business West he then contacted the Bristol City Council Kickstart team to arrange a visit from them and a representative from @UK PLC to discuss his requirements and sign up for the correct type of listing within the @UK PLC and B.C.C. system.



Lowrey Contractors need to quote or tender for all of the work they do for the public sector, so his new listing allows purchasers to search for his services and contact him via email for more details or a quote. He also now has the facility to invoice electronically and receive tender documents and drawings if needed through the system.

When asked for his thoughts on e-procurement Mr Lowrey gave the following comments.

### **How do you feel about trading online and how do you think it will help your business?**

"Trading online will give the client rapid and easy access to a range of suppliers. With easy access to the suppliers websites to gain more detailed information. It is very difficult if you are a company with a wide range of services to get this information over in a single phone conversation."

### **How do you feel about the approach to e-procurement by the public sector and @UK PLC?**

"A half hearted approach to e-commerce would not get this up and running. The City of Bristol's totally committed approach will make it happen, and as the benefits to all parties start to manifest, we all know success breeds success."



## **Bristol City Council supplier sign-up case study No 2. AQUARIUS (South West) LTD**

Aquarius (South West) Ltd are suppliers of water coolers and bottled water throughout the South West, South Wales, and the West Midlands. They also supply a wide range of in-cup beverages and associated products such as cups and cup holders.

Mr Timothy Squires (Managing Director) of Aquarius (South West) Ltd was very keen to promote his products in the public sector especially in schools. Many schools across the country are replacing their soft drink vending machines with water coolers as they are now legally required to supply quality drinking water to their pupils.

After an initial discussion with the Bristol City Council Kickstart team a representative from @UK PLC met with Mr Squires to discuss his requirements. As a dedicated Sage user Mr Squires was keen to find out how the @UK PLC listing would integrate with his current accounting system. As the @UK PLC system is automatically integrated with Sage he was very keen to join the system and use all of its benefits. Aquarius (South West) Ltd now have a listing on the @UK PLC system where you can get full details of their products and request a trial. In the near future Mr Squires intends to upgrade his listing so that purchasers can buy his full range of products online with one simple click.



### **Mr Squires gave the following quote when asked about the @UK PLC system and Sage integration.**

"Transaction e-Mail is a godsend; it enables us to simply and quickly exchange orders and invoices with our customers and suppliers.

This means we can save the time and cost of handling documents, envelopes, postage, etc. along with ensuring no keying-in errors and so do more important things like selling."



### **Bristol City Council supplier sign-up case study No 3. THE YELLOW CARTRIDGE COMPANY**

The Yellow Cartridge Company is the South West's premier and specialist supplier of computer consumables. Dealing only in this niche market YCC specialises in reducing the costs of printer ownership through the competitive supply of Laser cartridges, inkjet cartridges and fax consumables.

YCC also buys bankrupt, clearance and surplus stocks of all main cartridge brands such as HP, Canon and Lexmark. Through their 'TonerDoner' scheme profits from this are shared amongst several major charities.

After discussion with the Bristol City Council Kickstart team and @UK PLC, Mr Mark Holmes (Sales Director), has now joined the @UK PLC system, as he sees the need for his company to be able to promote their business to both private and public sectors. Their consumable range will now be available to all purchasers and will enable them to buy with a single click.

Already a Sage user, the YCC are currently upgrading to the latest Sage product to make full use of the systems' integration facilities.

#### **Mr Holmes gave the following quotes when asked about the @UK PLC system and online trading.**

"Online trading can frequently reduce mistakes in a complex supply area where there is a huge and often bewildering number of different products and prices. Simplicity of ordering and expert/best advice should lead to an increase in customers and turnover"

"The public sector is historically the area where organisations pay far too much for printer cartridges and consumables. Frequently, 'single-source' supply contracts are not as attractive as they look. Given that such consumables usually account for as much as 50% of the total stationery budget - this is a key area where specialist knowledge and advice will pay dividends for all. E-procurement will allow the public sector to take advantage of this specialist advice and knowledge and ultimately make significant savings."





## **Bristol City Council supplier sign-up case study No 4. VICTORIA OFFICE EQUIPMENT**

Victoria Office Equipment Ltd, established 14 years ago, is Bristol's largest independent supplier of colour and mono, digital copying and printing solutions, facsimile machines and consumables, offering full servicing in the South West and Wales.



Having attended the supplier forum at Bristol City Councils' chambers, they felt that they had an ideal product for trading electronically via the internet.

After consultation with Business West and @UK PLC they have decided to put their entire range of office machines and consumables on the @UK PLC system and are now setting up an internet merchant account with Barclays Bank to enable all their customers both non-account and account to purchase quickly and efficiently.

**Helen Hawkins (office manager) had the following to say about trading on the internet and their views on Bristol City Councils' e-procurement initiative.**

"As a provider of low end equipment and consumables we are finding that customers already check prices on the web and we feel that the web provider with the 'Buy now' button will be the winner in this industry in the future. Add to that the increase in profits from efficiency of service and decreased manpower requirements and we have a situation that we feel strongly about pushing forward."

"The initiative from the public sector has given this Company a virtual 'kick up the backside' to get ourselves moving or we will be left in the wake of others with more foresight. Bristol City Council have given us an easy path to follow by nominating @UKPLC as their preferred provider, and having now seen their work and how easy it will be to set up our system, I can't believe we haven't done it sooner."



## **Bristol City Council supplier sign-up case study No 5. BRUNEL ENGRAVING**

Brunel Engraving Company is a privately owned company based in Clevedon North Somerset. The company was established in 1989 by Martyn Wright who has over 30 years experience in the Commercial engraving industry, and has grown consistently over the years becoming well known for its quality, service and competitive pricing. They provide engraved products to Commerce, industry and private clients.



These include labels, nameplates, plaques, signs, trophies and awards and crystal and glass products to name but a few. Their customers include British Aerospace, BP, British Gas, Natwest Bank, Costain, Tilbury Douglas, and Mazda cars.

Brunel Engraving were one of the first suppliers to join the @UK PLC system after the initial supplier forum at Bristol City Councils' chambers.

### **Mrs Debbie Wright had the following to say about Brunel Engravings' thoughts with regards to e-commerce and the way that Bristol City Council are approaching e-procurement.**

"Brunel Engraving Company operates computerised engraving equipment and has always kept up to date with new Technology. Our customers are nationwide and we receive most of our orders via fax, and more recently via e-mail. We have always used Sage software to run our accounts and have introduced transactional e-mail for customer invoices, supplier remittance advices etc. We welcome online trading and feel that it is more cost effective and efficient and we look forward to doing more business in this way."

"We feel that Bristol City Council have been very innovative in their approach to on-line trading in so much that they have made a concerted effort to make it happen. It is imperative that the public sector move their e-commerce technology forward in line with the private sector. By involving @UK PLC at this early stage and also Business West they will have support in making sure that their ideas are moved forward (without alienating the private sector) and that they achieve their desired outcomes within the time limits they have set."