



eAuction saves North West Council consortia > 25% for Wheelie Bins



Challenge: First time experience of eSourcing & eAuctions
Solution: eAuction event management
Results: >25% savings from a large qualified supply base

Situation

A Public Sector consortium of North West Councils led by Warrington Borough Council had a specific requirement for 2 Wheeled Plastic Refuse Bins. In November 2005, BT-Transact & e-Three were recruited to manage the process from the OJEC Expression of Interest and Pre-Qualification (PQQ) through Invitation to Tender (ITT) to the final pricing via an eAuction. The client had little previous eSourcing experience and a potentially large supply base to manage. The client's requirement was for various sizes of 2 wheeled plastic refuse bins from 120 Litre up to 360 Litre and all the delivery charges associated with the type of bin. The contract duration was for 3 years. The aim of the project was to get improved pricing from a qualified pool of suppliers.

Process

e-Three conducted a supplier outreach to 43 refuse bin, environmental & sanitation, and plastic moulding companies. Potential suppliers were identified from the UK (11), Germany (4), Spain (4), and Italy (6). There were numerous companies that expressed an interest through the OJEC notice (23). There was some overlap between the two lists.

Those expressing an initial expression of interest were sent a Pre-Qualification Questionnaire online (20). Those companies that completed the PQQ document (14), 2 were eliminated at this stage. The 12 remaining were invited to participate in an ITT round.

11 companies responded and returned indicative pricing (pre-auction pricing) as well as completing a training booking form. The auction was run in 4 hours on one day with 600+ bids and 43 minutes of extension time.

Results

In only 2 months, this project left our client with a comprehensive and clear picture of the capabilities of all suppliers - including service levels, quality, and pricing. The award decision was implemented within two weeks of the event, ultimately saving over 25%. e-Three were able to implement a fully auditable, consistent process for this consortia, and have set a benchmark for future wheelie bin projects.



To find out how e-Three can improve your competitiveness, call us on +44 (0)20 7834 1234, or email info@e-three.com

