



For Immediate Release  
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## **New Mexico Saves \$7.5 million on Office Supplies**

### *In-State Businesses Maintain Majority of Work*

SANTA FE- State government will no longer pay for over-priced office supplies - saving taxpayers \$7.5 million - under new contracts negotiated as part of Governor Bill Richardson's Save Smart initiative.

In the past, some vendors marked up items more than 200% of the true value of office supplies purchased by the state. The new contracts went to businesses, primarily locally owned companies, which will offer a fair price and quality service to the state.

"Local merchants now can do more business with the state and send taxpayers unprecedented savings of \$7.5 million for office supplies over three years," said General Services Department Cabinet Secretary Edward J. Lopez, Jr.

Public schools, cities, counties and other government entities also may benefit from Save Smart New Mexico contracts that end overcharges for even small everyday purchases.

The Save Smart New Mexico (SSNM) project took a line-by-line look at how and what the state purchases in Office Supplies, Toner and Paper and worked to drive down costs while maintaining work with local firms. The new state contracts put in place will create more than \$1.8 million in annual savings over the next four years for a total of \$7.5 million in total savings. The contracts maintain the 60% percent level of work done with local firms while driving down the average price of these items by 22%.

Examples of the mark-up the state was paying historically include:

<b>Item:</b>	<b>Old Price:</b>	<b>New Price:</b>	<b>Mark-up:</b>
Batteries	\$13.87	\$4.85	186%
Binder Clips	\$2.77	\$0.86	222%
Blank data CDs	\$30.41	\$12.44	144%
Surge Protectors	\$11.99	\$4.03	198%

### **New Work, New Jobs for Local Firms**

The savings result from new contracts with seven vendors, four of which are small, women-owned and/or minority owned businesses based in New Mexico. The contracts for toner cartridges were awarded to two New Mexico-based businesses, Laser Specialists and Document Solutions. Anthony Jacquez, President and CEO of Laser Specialists said that the new contract would result in significant growth for his firm.

“We anticipate adding 6-8 additional staff to cover the delivery and administration requirements for this large contract,” Jacquez said. “The Save Smart process leveled the playing field and allowed us to compete and win against large out-of-state businesses. We look forward to providing quality products and outstanding service at a reasonable cost.”

The office supplies portion of the contract was awarded to Office Depot and Belews Office Supply of Albuquerque.

Mike Belew, owner of Belews Office Supply, a New Mexico based business said, “This is an exciting new opportunity for us. We’ll be expanding our office and growing our business with this new contract.” “For several years in the past, we have not had an opportunity to be on the state’s office supplies contract. Our employees’ experience serving other large customers like University of New Mexico will help us in providing excellent service to the state.”

The paper portion of the contract was shared between four vendors including Belews Office Supply, Albuquerque-based Sandia Paper Company, Xpedx and Corporate Express. Jeannie Cao, president of Sandia Paper Company, said that her company would continue to extend her best pricing and service to the state. Cao was recently named one of the Top 25 Women in New Mexico Business by New Mexico WOMAN magazine.

“Save Smart puts common-sense principles to work to drive down costs for state government on every day items and make more available to improve education and promote economic development,” said the state’s General Services Department’s Secretary Edward J. Lopez, Jr. said.

### **Fourth Successful Category for Save Smart New Mexico**

This is the fourth category to be completed as part of the Governor’s **Save Smart New Mexico** initiative, which he launched to ensure that state government delivers citizens the best value for their tax dollars and to deliver on his campaign promise of cutting \$90 million in spending for the state. The state has previously achieved an average of 28% savings on its express mail service, 49% savings on mailing equipment, and 20% savings on computer hardware. The mailing equipment contract and several computer hardware contracts were awarded to locally owned New Mexico businesses, and are already creating local jobs.

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