



# State of New Mexico

## *Office of the Governor*

**Bill Richardson**  
Governor

**News Release**

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Contact: Gilbert Gallegos  
(Santa Fe) 505-476-2217

### *Governor Bill Richardson Honored for Saving Millions for Taxpayers and Expanding Work with State Suppliers*

SANTA FE – Governor Bill Richardson will be honored for his successful Save Smart New Mexico initiative, which is leading to lower costs and better value to taxpayers, while expanding business with the state’s small businesses.

The Save Smart initiative, which Governor Richardson developed in conjunction with Silver Oak Solutions, is being honored on June 28 with the “2005 Outstanding Program of the Year Award” by the National Association of State Chief Administrators. The organization selected Save Smart New Mexico after examining some of the best ideas in government to find those that best “demonstrate outstanding leadership skills and innovation, creativity, advanced knowledge and efficiency in state government” ([www.nasca.org](http://www.nasca.org)).

"Save Smart proves that you don't need to strike a balance between cutting costs or increasing work with local business because, with the right approach, you can and should do both. You can be fiscally and socially responsible," said Gloria Homer, Delaware's past Secretary of Administrative Services and Chair of the NASCA Awards Committee. "Governor Richardson created an innovative road map for other states to follow."

#### ***Creates Millions in Annual Savings***

“We have combined fiscal responsibility – saving millions in tax dollars – with economic development, giving more state business to New Mexicans,” Governor Bill Richardson said. “This is how government is supposed to work. The millions we save with this program are already being invested where it counts – education, health care and job training for our state’s future.”

"There's an incorrect assumption that the only way strategic sourcing creates lasting savings for taxpayers is by awarding state contracts to the world's largest companies. The NASCA award proves that point to be exactly wrong," said John West, Chairman of Silver Oak Solutions. "Governor Richardson made clear that his priority was to create cost-savings by using -- not excluding -- his state's supplier base. Save Smart combined traditional strategic sourcing practices with an additional eye on expanding work with local and diversity vendors."

"Traditionally, governors have tried to improve their budget situations by raising taxes or cutting programs. NASCA's recognition shows that Governors are right to look for a third way," said Dean Dorman, CEO of Silver Oak Solutions. "We helped launch strategic sourcing in the public sector three years ago, but it is our great public partners, like the Richardson administration, that continue to raise the bar."

New Mexico General Services Secretary Edward J. Lopez, Jr. who oversees the project, and William A. Gregoricus, who served as the Governor's representative on the project, were invited by NASCA to receive the award on the Governor's behalf and deliver a presentation to general services Secretaries from other states at the June 28 conference.

### *Expands State Work with State Businesses*

While improving the value every New Mexico citizen receives for their tax dollars, SSNM proved that many best values come from small and in-state companies. In areas like computer hardware and mailing equipment, the state moved its contracts from multi-national companies located outside its borders to companies that call New Mexico home. Now, not only do New Mexico businesses supply items like mailing equipment the state uses to send out refund checks or permits – the state can buy them for 49% less than it did before. Local governments and public schools may also use the Save Smart program.

"Part of the business of our state government is to expand opportunity for our state's businesses," Richardson said. "Save Smart levels the playing field for small businesses and expands their opportunity to deliver true value."

Together, SSNM put in place over 60 new contracts on everything from food supplies to medical services for inmates in state prisons while typically reducing prices by 10-20%. While achieving these savings, SSNM sought to expand the work the state did with small and local businesses by providing hands-on training and assistance to small vendors in understanding and responding to procurement needs and structuring the procurement process to ensure that the requirements did not disadvantage small businesses in any way.