



Summary of Feedback Civilian Audio Visual Equipment and Services

June 05, 2013
Shaping procurement together



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1 Introduction

Public Works and Government Services Canada (PWGSC) developed a draft National Procurement Strategy for Civilian Audio Visual to provide a consistent national approach that will improve the efficiency and effectiveness of the procurement process for all government departments, suppliers and Canadians.

During a formal consultation period, government departments and suppliers reviewed and commented on the draft National Procurement Strategy for Civilian Audio Visual Equipment. All formal consultation feedback was considered when finalizing the National Procurement Strategy for Civilian Audio Visual Equipment and Services.

2 Purpose

This document summarizes relevant formal consultation feedback from government departments and suppliers, and outlines how PWGSC will incorporate the feedback when finalizing the National Procurement Strategy for Civilian Audio Visual Equipment and Services.

This document is used for reviewing summarized feedback, resulting decisions and changes. Where comments suggested changes and none are being taken, a description is provided as to why the strategy remains unchanged.

3 Formal Consultation

Period	January 05, 2012 through April 10, 2012. (96 days)
Government Department Respondents	There were 21 government department respondents representing 14 government departments.
Supplier Respondents	There were 47 suppliers respondents.

4 General Overview of Formal Consultation Feedback

The general view of suppliers and government respondents were supportive of the overall strategy.

5 Strategic Direction

5.1 Leverage Industry Expertise

Original Recommendation

It is recommended that PWGSC investigate if further efficiencies can be obtained to reduce the administrative burden on government departments within the existing audio visual (AV) procurement process by further utilizing industry expertise.

To assist client departments, with limited internal audio visual expertise, in identifying and acquiring solutions for civilian audio visual requirements, PWGSC is considering expanding the professional service category.

PWGSC is investigating if industry expertise can be utilized to suggest audio visual solutions for government departments. Two scenarios under consideration are listed below, however PWGSC is open to other innovative ideas:

- A supplier would recommend solutions to government departments based on products available on government established standing offers. This supplier would not be permitted to supply the products, only this service.
- One supplier being responsible for all activities in a region, as a conduit, suggesting solutions and purchasing the products from industry, possibly from a qualified list of suppliers.

Relevant Feedback

TOPIC	Leverage Industry Expertise: Industry capacity to provide advice regarding audio visual solutions	
GOVERNMENT DEPARTMENTS	SUPPORTING	SUPPLIERS
<p>Supporting</p> <ul style="list-style-type: none"> • The majority of respondents (71%) indicated that they would be open to receive assistance with the AV process. • Generally clients indicated that they need assistance in identifying the technical solution to their AV requirements. <p>Opposing:</p> <ul style="list-style-type: none"> • 29% of respondents said that they would not be open to receiving assistance with the AV process. 	<p>Supporting</p> <ul style="list-style-type: none"> • The majority of suppliers indicated that they would be able to provide advice on best value AV solutions regardless of manufacturer but would not give up the opportunity to bid on requirements. • A significant majority of respondents stated that they would be able to provide advice on best value AV solutions if they were given access to the government established standing offers, and 86% indicated that they would be capable of providing advice without this standing offer information. • Some suppliers because of their industry knowledge and industry contacts said that they would be able to quickly advise government clients on what supplier(s) offer certain products or services they do not directly offer themselves. • Some suppliers explained that they have developed and maintained business relationships with numerous private-industry manufacturers not listed on the 	

	<p>Standing Offer index. Through these business relationships, these suppliers would be able to provide the federal government with private-industry manufacturer perspectives, suggestions that it may not otherwise obtain.</p> <ul style="list-style-type: none"> • A large number of respondents mentioned that the federal government would be provided with greater access to suppliers providing consulting and design service expertise. Through greater collaboration and communication, suppliers suggested that their advice would provide federal government clients with better value-based solutions and purchases capable of meeting their specific requirements. <p>Opposing:</p> <ul style="list-style-type: none"> • The minority of suppliers indicated that they would provide advice if they were not permitted to supply AV products.
OUTCOME	<p>PWGSC will further investigate procurement instruments that will enable suppliers to develop solutions for clients such as Supply Arrangements for services.</p>

TOPIC	Leverage Industry Expertise: One supplier as a conduit for audio visual solutions in a region
SUPPLIERS	
<p>Supporting:</p> <ul style="list-style-type: none"> Only a small number of respondents (14%) believed that supplier objectivity would be maintained with a one supplier out sourcing approach to consulting and supplying audio visual for goods and/or services. <p>Opposing:</p> <ul style="list-style-type: none"> The majority of the respondents (86%) stated that they have concerns if the Government of Canada adopted an outsourcing approach, that is, one supplier per region being a conduit for all government AV purchases. Some respondents suggested that suppliers have subjectivity, favoritism, preconceived ideas and/or biases that will always come into play versus having no pre-conceived opinions. 	
OUTCOME	PWGSC investigated the possibility of an outsourcing approach where one supplier would be responsible for all activities in a region as a conduit, suggesting solutions and purchasing the products from industry, possibly from a qualified list of suppliers. Industry indicated a significant overall concern with this approach and a high percentage were opposed. As a result, PWGSC will not adopt a one supplier as a conduit approach for AV as it is not considered a fair, inclusive and transparent procurement process.

Strategic Direction

A supply arrangement will be investigated, in addition to the current AVSO, for enabling suppliers to develop AV solutions for government departments.

In the interim, government departments may use the AVSO to acquire AV professional services and select the supplier based on price. Under the AVSO, professional services with or without AVSO equipment may be purchased up to a maximum value of \$25,000, taxes included for a single requirement.

Buyandsell.gc.ca provides statement of work (SOW) writing guidelines and template to help government departments define their requirements for professional services. However, PWGSC will develop generic guidelines for government departments that will be posted on Buyandsell.gc.ca specific to this commodity.

5.2 Review and Revise Civilian Audio Visual Categories

Original Recommendation

It is recommended that PWGSC conduct a review of the seven main categories and 24 sub-categories in order to identify improvements and revision opportunities. To facilitate the identification of services to offer under the civilian audio visual category an evaluation of services available within the industry, and those covered by other categories, may also be required. Modifications are to be introduced with the goal of simplifying the requirements definition and process for both suppliers and government departments.

PWGSC has conducted an initial review of the audio visual (AV) categories and specifications and is proposing the following categories for goods and services. These changes have been introduced in the civilian audio visual 2011 – 2012 request for standing offer (RFSO) E60HN-11AVSO audio visual standing offer (AVSO).

These categories reflect the greatest scope of products that an AVSO can include without compromising procurement vehicles and strategies for other distinct categories such as networking equipment, computing, furniture, etc. The equipment categories have been revised and restructured into seven main categories and 24 sub-categories.

With respect to 'identifying and implementing' services allowable via an AVSO, one main professional services category and five sub-categories are proposed.

Relevant Feedback

TOPIC	Review and Revise Civilian Audio Visual Categories: Clarity of audio visual categories and sub-categories	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> The majority of respondents (77%) said that they thought the equipment categories and sub-categories clearly identify the products. A very large proportion of respondents indicated that they thought the professional service category and sub-categories clearly identify the services. <p>Opposing:</p> <ul style="list-style-type: none"> 29% of respondents thought the equipment categories and sub-categories did not clearly identify the products. They recommended descriptions, definitions and examples of each sub-category be provided. 12% respondents replied that the professional service categories and sub-categories did not identify the services clear. 	<p>Supporting:</p> <ul style="list-style-type: none"> The majority of respondents said that they thought the equipment categories and sub-categories clearly identify the products. A very large proportion of respondents 95% indicated that they thought the professional service category and sub-categories clearly identify the services. <p>Opposing:</p> <ul style="list-style-type: none"> 12% respondents disagreed as they thought the equipment categories and sub-categories did not clearly identify the products. 5% respondents replied that no other categories should be included.
OUTCOME	PWGSC will continue to use the equipment and service categories and	

	<p>sub-categories proposed. Definitions with examples will be provided for each sub-category that requires further clarification. These changes will be introduced in the new and improved civilian audio visual Request for Standing Offers (RFSO's). These categories will be adapted as appropriate to accommodate changing technologies and cross-division responsibilities.</p> <p>PWGSC will continue consultation with government and suppliers regarding the AV equipment and services available such that areas requiring further adjustments can be identified and addressed.</p>
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TOPIC	Review and Revise Civilian Audio Visual Categories: Additional audio visual equipment categories	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<ul style="list-style-type: none"> • Respondents suggested other categories and/or subcategories to be included, these are as follows: <ul style="list-style-type: none"> • Auditory assistance devices which would be put into boardrooms along with AV equipment for people with hearing disabilities. • Tear down and reconfiguring a system and the potential for the purchase of additional components for the re-install. 	<p>Supporting:</p> <ul style="list-style-type: none"> • Over three quarters of all respondents (76%) agreed with the list of inclusions included in the strategy, while nearly 60% disagreed with the list of exclusions. • Additional items that suppliers would like to see included in the strategy are: <ul style="list-style-type: none"> • Specialized furniture, such as Podiums lecterns with Audio Integrated, consoles, and credenzas; • Control rackmounts; • Televisions, displays, and monitors under 24"; • Security and surveillance cameras; • Pan tilt zoom cameras; • Video and editing equipment; • AV collaboration software; • Apple computers; • Audio conferencing equipment; • RF format translation software; • Audio and Video editing software; • Content storage, management, and retrieval tools; • Content deployment tools; • Digital signage; • Non-electronic whiteboards; • Wireless mouse/keyboard; and • Closed Captioning Television (CCTV) Equipment. • Suppliers mentioned that by excluding many of these items, which are integral to client AV requirements, clients are required to source these items separately, which may lead to increased costs and possible project delays. <p>Opposing:</p>

	<ul style="list-style-type: none"> • None
<p>OUTCOME</p>	<p>AV podiums will be added under the Other Equipment category.</p> <p>Monitors less than 24 inches for AV applications only will be permitted following the non-listed item process.</p> <p>Auditory assistance devices can be purchased as proprietary items.</p> <p>Many of the commodities requested to be added will not be permitted as they cross into different industry's, require software licenses, have existing tools (Computer Hardware Standing Offer), require a high degree of installation, specifications would be complex, etc.. These type of requirements would be purchased through the normal requisition process.</p> <p>PWGSC will continue consultation with government and suppliers regarding the AV equipment and services available such that areas requiring further adjustments can be identified and addressed as more solutions based on requirements are used and as government continue to evolve for new requirements such as video conferencing.</p>

TOPIC	Review and Revise Civilian Audio Visual Categories: Video products standing offer
SUPPLIERS	
<p>One multi-national audio visual (AV) manufacturer and supplier recommended that all video products not requiring integration and/or installation be removed from the Regional Audio Visual Standing Offers (AVSO). Instead, it was recommended that a National Master Standing Offer (NMSO) be used for these types of consumer and professional video products.</p> <p>The supplier suggested that creating an NMSO for these consumer and professional video products would result in significant savings for the Canadian federal government when dealing directly with suppliers at the manufacturer level. Specific benefits listed by the supplier are as follows:</p> <ul style="list-style-type: none"> • Faster call-ups; • Consistent pricing; • Lower pre-set pricing (preferred customer pricing/economies of scale); • Eliminating multiple purchase orders; • Timely reporting and amendments; • Reduced shipping costs; • Expedited repair/maintenance; • Access to pre-disclosure product development; • Professional Training Seminars; • Direct contact with the manufacturer for technical support; • Allow for central purchasing for national and international requirements; and • Lower federal government administrative costs. 	
OUTCOME	<p>Creating a separate standing offer for video cameras, or only camcorders, was considered. Response from industry regarding this idea varied, partially due to the products being sold two ways: as separate equipment and as part of an integrated solution. The effort required to establish a separate standing offer, duplicating processes, for such a small portion of the overall AV requirements was also a consideration. As industry had mixed views it was decided to keep video cameras and camcorders as part of the AV standing offer. Further investigation will be done in conjunction with the photographic area.</p>

Strategic Direction

<p>PWGSC will periodically refine the civilian audio visual categories and sub-categories in order to reflect advances in technology. Category adjustments may also be made in order to simplify the requirements definition and acquisition process for both suppliers and government departments.</p> <p>In response to feedback received from government departments regarding AV equipment and professional services offered:</p> <ul style="list-style-type: none"> • AV Podiums will be permitted in the civilian audio visual RFSO 2014 – 2015. • Monitors less than 24 inches will also be permitted through the exception process. <p>Suppliers have expressed that MIDI Amplifiers do not need a separate sub-category therefore this sub-category will be removed and these products will be offered under the Amplifier sub-category.</p>

5.3 Enable Acquisition of AV Related Professional Services

Original Recommendation

It is recommended that additional professional audio visual (AV) service categories in the audio visual standing offer (AVSO) be implemented to provide flexibility based on results of the initial consultations with government departments and suppliers.

PWGSC has conducted an initial review of the audio visual categories and specifications and is proposing the following categories for services. These five sub-categories of AV professional services will be the only types of services allowable through the AVSO. These changes have been introduced in the Civilian Audio Visual 2011 – 2012 request for standing offer (RFSO) E60HN-11AVSO.

The 'Preliminary Needs Consultation Services' should assist government departments in articulating their specifications and should help to promote competition within the audio visual industry.

Government departments will have the ability to call up any of the professional services at any time and may select the supplier based on price. For a single requirement, government departments may purchase professional services with or without AV equipment. Buyandsell.gc.ca provides statement of work (SOW) writing guidelines and template to help government departments define their requirements for professional services.

PWGSC is proposing the following procedures to procure AV professional services through the AVSO. The intent of these changes is to enable the procurement of AV professional services to satisfy AV requirements only. The audio visual standing offer professional services can only be used for requirements that utilize products or solutions of products through the AVSO.

Offerors must provide hourly labour rates for available AV professional services. Invoices must reflect itemized professional services aligned with predetermined deliverables. This will provide more visibility to actual professional service cost.

Under the AVSO, professional services with or without AVSO equipment may be purchased up to a maximum value of \$25,000, taxes included; the only exception being for requirements that include Basic Installation. The Basic Installation portion of the requirement must not exceed 50% of the value of all the equipment being purchased.

Exceptions - Authorization Request

Government departments (only) may submit an authorization request in writing to the Standing Offer Authority, for the purchase of Basic Installation services that exceed 50% of the total pre-tax value of all the equipment required. Authorization from the Standing Offer (SO) Authority is necessary for each requirement of this nature.

Comparison of Rates

Government departments will be encouraged to compare the posted labour rates of the SO Holders. A tool to compare the professional service rates of SO Holders within the same region will be provided to government departments upon request by the Standing Offer Authority. Government departments will be able to use the Summary of

Professional Services Rates (SPSR) spreadsheet to assist with these comparisons.

Relevant Feedback

TOPIC	Enable Acquisition of AV Related Professional Services: Introduction of audio visual professional service categories	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> The vast majority of respondents agreed that the added professional service sub-categories addressed the majority of AV installations. The vast majority of respondents replied that they would find it useful having a draft template for preparing AV professional services statement of work and deliverables. Respondents believe that if the services of a supplier are required to help identify their needs then that supplier should be allowed to also provide the products. Billing for professional services performed prior to call-up award (site visits, developing the solution) should only be authorized when the cost has been identified up front, and when the standing offer holder has been awarded a call-up for preliminary needs assessment. To define the service categories, include a description of the services and introduces clear boundaries of what is allowable under each category. <p>Opposing:</p> <ul style="list-style-type: none"> Few respondents indicated that the added professional services sub-categories do not address the majority of the AV installations. 	<p>Supporting:</p> <ul style="list-style-type: none"> The vast majority of respondents 92% agreed that the added professional service sub-categories addressed the majority of AV installations. <p>Opposing:</p> <ul style="list-style-type: none"> 8% respondents indicated that the added professional services sub-categories do not address the majority of the AV installations. <p>Additional sub-categories suggested:</p> <ul style="list-style-type: none"> Peer review, cost review, and independent (e.g. from vendors not associated with equipment manufacturers) system commissioning and testing services; System as built documentation; and Ongoing education/training/support (e.g.: offering after-sale training on new and/or existing AV products or services to clients, as well as, regular maintenance) to ensure maximum value for products purchased.
OUTCOME	<p>PWGSC will continue to use the service categories and sub-categories proposed.</p> <p>New AV service sub-categories will be added such as “AV Training” for AV product installations. (Reference: August 2012 strategy section 5.1).</p> <p>Relocation of AV products will be permitted, allowing government departments to call-up this service in order to relocate audio visual products.</p> <p>Travel will be permitted in accordance with Treasury Board Guidelines outside a certain radius.</p> <p>An AV specific statement of work guideline will be provided on Buyandsell.gc.ca.</p>	

Strategic Direction

Refine Professional Services Categories

PWGSC will periodically refine the civilian audio visual categories and sub-categories in order to reflect advances in technology. Category adjustments may also be made in order to simplify the requirements definition and acquisition process for both suppliers and government departments.

In response to feedback received from government department regarding AV equipment and professional services offered. The following sub-categories will be added to the civilian audio visual RFSO 2014 – 2015:

- Travel
- AV Training - for government departments on newly installed or existing AV equipment (Train the Trainer). This will allow the Government to use equipment purchased more efficiently or train new employees on existing equipment.
- Relocation of AV products. This will allow government departments to call-up a service in order to relocate audio visual products.

AV Professional Services Method of Supply

A supply arrangement will be investigated, as an alternative to the current AVSO that would enable suppliers to develop AV solutions for government departments for certain professional services.

In the interim, government departments may use the AVSO to acquire AV professional services and select the supplier based on price. Under the AVSO, professional services with or without AVSO equipment may be purchased up to a maximum value of \$25,000, taxes included for a single requirement.

Buyandsell.gc.ca provides statement of work (SOW) writing guidelines and template to help government departments define their requirements for professional services. However, PWGSC will develop generic templates for government departments that will be posted on Buyandsell.gc.ca specific to this commodity.

5.4 Improve Standing Offer instructions and reduce complexity.

Original Recommendation

It is recommended to remove the complexity and duplication within the content and structure of the audio visual standing (AVSO) offer and detailed instructions be provided. This would include development of procedures specific to both the government departments and suppliers. Guidelines tailored directly to each stakeholder will be more concise and easier to understand. The standing offer will provide instructions in a logical and systematic approach, using Annexes to provide additional detail. These changes have been introduced in the Civilian Audio Visual 2011 – 2012 request for standing offer (RFSO) E60HN-11AVSO.

Relevant Feedback

TOPIC	Improve Standing Offer Instructions and Reduce Complexity: Standing offer instructions
SUPPLIERS	
<p>Supporting: Two thirds of suppliers responded that the changes introduced in the 2011-2012 RFSO have improved and simplified the standing offer instructions.</p> <p>Opposing: The remaining one-third did not think these changes have improved and simplified standing offer instructions.</p> <p>Supplier suggestions include:</p> <ul style="list-style-type: none"> • Consistent messaging within standing offer documents and from procurement staff regarding instructions, requirements, etc. • Provide client department training to increase procurement personnel's civilian audio visual (AV) product knowledge and to increase their familiarity with the Standing Offer. • Include product updates within the standing offer thereby ensuring that products are most up to date. • Reduce complexity, as well as, the time, personnel and financial commitments required to submit standing offer documentation. • A number of respondents felt that manufacturers and/or distributors should be allowed to hold the standing offer directly with PWGSC and supply through their distributors. Respondents felt this system would simplify the overall standing offer process, reduce their respective administrative and financial costs, and standardize the price across all regions. 	
OUTCOME	PWGSC will continue to reduce the complexity within the content and structure of the AV standing offer and provide further detailed instructions. A manufacturer / dealer clause will be added in the RFSO to allow manufacturers, as the Offeror, to sell through resellers. This will allow more distributors to supply product and there will be one source for product catalogues. The manufacturer/dealer clause may further help SMEs compete.

Strategic Direction

PWGCS will continue to reduce the complexity and duplication within the content and structure of the civilian audio visual (AV) standing offer to ensure the instructions are clear and concise.

Based on suggestions received from government departments and industry PWGSC will introduce the following changes in future civilian audio visual request for standing offers (RFSOs):

- Improve procedures specific to both the government departments and suppliers.
- Continue to improve instructions in a logical and systematic approach by using annexes to provide additional detail.
- Continue to simplify the instructions on how to follow the call-up approaches.
- Define terms “not allowable” and “accessories”, using examples.
- Allow manufacturers to submit pricing, set the discounts and identify their re-sellers.
- Specify information required on quotes for non-listed items.

5.5 Call up procedure

Original Recommendation

It is recommended that the Audio Visual Standing Offer call-up procedures be revised to ensure the instructions are clear and concise. These changes have been introduced in the Civilian Audio Visual 2011 – 2012 RFSO E60HN-11AVSO.

Relevant Feedback

TOPIC	Call Up Procedure: Standing offer call-up instructions	
GOVERNMENT DEPARTMENTS		SUPPLIERS
<p>Supporting:</p> <ul style="list-style-type: none"> A large majority of respondents thought that how the ranking of a Standing Offer Holder is determined is clearly explained. Almost all respondents find the one-call up approach, the multiple call-up approach, and the blended call-up approach instructions clear and concise. <p>Opposing:</p> <ul style="list-style-type: none"> 24% of respondents thought that how the ranking of a Standing Offer Holder is determined is not clearly explained. One issue raised was the approach to determining Best Value was unclear. A small amount of respondents did not find the call-up approaches clear and concise. 		<p>Supporting:</p> <ul style="list-style-type: none"> A large majority of respondents (91%) thought that how the ranking of a Standing Offer Holder is determined is clearly explained. Most respondents thought the instructions on how to follow the one call-up approach, multiple call-up approach, and blended call-up approach were clear and concise. <p>Opposing:</p> <ul style="list-style-type: none"> A small number of respondents thought that the ranking of a Standing Offer Holder was not clearly explained. Likewise, a small number of suppliers said that they found the instructions confusing, suggesting that shorter sentences and/or bullets be used. Some suppliers stated that they do not want the government to focus solely on lowest cost solutions. That model does not allow for value added services, and is believed by industry to often result in additional costs and time delays, because lowest cost solutions may not always work properly or meet requirements. <p>There are currently three (3) different approaches to issue a call-up:</p> <ol style="list-style-type: none"> 1) One-Call-up 2) Multiple Call-up 3) Blended Call-up <p>Suggestion from a supplier: Remove the blended call-up approach and enhance the one call-up approach with a statement that the call-up can be issued to the supplier offering all products required ranked #1 or to the supplier offering multiple products as long as many of the products on the call-up are ranked #1.</p>
OUTCOME	Each multiple manufacturer/equipment sub-category product solution is unique and will require government departments to determine which call	

	<p>up approach would be more suitable to achieve the “Best Overall Value“</p> <p>Audio visual standing offer call-up procedures will be revised to ensure the instructions are clear and concise (reference: August 2012 strategy section 5.3).</p> <p>Review the possibility of having two call-up approaches.</p> <p>Enhance audio visual website by providing instructions on how to search the ranking summary including an example of a product and how the ranking summary works. As well as examples for each of the call up approaches.</p>
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TOPIC	Call Up Procedure: Standing offer call-up limit	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> A large majority of respondents thought that the current Standing Offer call-up limit of \$200,000 was appropriate for most requirements. <p>Opposing:</p> <ul style="list-style-type: none"> A small number of the high volume users indicated that 10 to 15 requirements per year exceed the current \$200,000 call-up limit. Modifying the AVSO call-up limitation to \$25,000 and create a Supply Arrangement for requirements valued at over \$25,000 was also suggested. 	<p>Supporting:</p> <ul style="list-style-type: none"> A large majority of respondents thought that the current Standing Offer call-up limit of \$200,000 was appropriate for most projects. <p>Opposing:</p> <ul style="list-style-type: none"> Depending on scope of projects, with the inclusion of installation services, \$200,000.00 can be limiting. Most government departments now network together multiple boardrooms that require over \$200,000 of AV equipment.
OUTCOME	The statistics for FY 2010-2012 indicated that there were limited numbers of requirements over \$200,000. Some client departments however, advised that the current limit is not appropriate to plan for their larger more complex requirements. In addition, more services will be available to be added to the call-up which will increase the overall value of the call-up when purchased in conjunction with equipment. For the above reasons the call-up limit will be increased to \$300,000.	

Strategic Direction

Based on suggestions received from government departments and industry PWGSC will introduce the following changes in future civilian audio visual request for standing offers (RFSOs):

- Increase the call-up limit from \$200,000 to \$300,000.

5.6 Purchase of Proprietary Accessories

Original Recommendation

The following procedural changes are proposed to allow proprietary accessories (PAs) to be purchased using an Audio Visual Standing Offer (AVSO) call-up document. Proprietary accessories may be purchased either with the main device as an accessory or separately. This new approach will provide greater flexibility in the AVSO. These changes have been introduced in the Civilian Audio Visual 2011 – 2012 request for standing offer (RFSO) E60HN-11AVSO.

The main devices are the products listed in the main equipment categories in section 5.1. Proprietary accessories will not be found in the AVSO product catalogues.

To purchase proprietary accessories through an AVSO call-up, the following conditions and procedures must apply:

- The proprietary accessories must meet the definition of a “PA” as provided in the Request for Standing Offer; and
- The price of the Proprietary accessories is determined by multiplying the percentage discount specified in the standing offer by the Manufacturer Suggested Retail Price (MSRP) for the item.

It is the responsibility of the government department to verify that items included on call-ups as proprietary accessories are in fact PAs (as per the Audio Visual Standing Offer (AVSO) definition) and to confirm that the prices are in accordance with the AVSO.

Government departments are prohibited from issuing a call-up for, or receiving delivery of main device items depicted as a proprietary accessory such as, classifying a television as an accessory.

Offerors are prohibited from quoting, or supplying, Audio Visual Standing Offer non-allowable items, or product catalogue items, classified as proprietary accessories, such as, quoting a computer laptop as an accessory.

Government departments may request the following information from standing offer (SO) Holders at any time:

- The Manufacturer’s price lists with quoted proprietary accessories highlighted; and
- The calculation for how the price of each proprietary accessory was generated using the discount specified in the SO.

As an example, \$100 satellite speaker list price multiplied by the percentage discount of 15% equals the final price of \$85.

Relevant Feedback

TOPIC	Purchase of Proprietary accessories	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	Supporting: <ul style="list-style-type: none"> The vast majority responded that the added ability to purchase proprietary accessories separately from the main devices is advantageous. 	Supporting: <ul style="list-style-type: none"> The vast majority responded thought the added ability to purchase proprietary accessories separately from the main devices is advantageous.
OUTCOME	The process for purchasing proprietary accessories separately will be standardized. That is, it will continue to be possible to buy an accessory such as a bracket for a television separately.	

Strategic Direction

To provide greater flexibility in the civilian audio visual standing offer (AVSO) proprietary accessories may be purchased either alongside the main device to which they are an accessory to or on their own call-up document without a main device. The process for acquiring AV proprietary accessories will be standardized. If required, the process will be further refined and clarified in future civilian audio visual request for standing offers (RFSOs).

5.7 Standardize Duration of Audio Visual Standing Offers

Original Recommendation

PWGSC is considering a standardized duration for new standing offers (SO) of one fixed year with a one-year option to extend. The option period provides the GC flexibility to re-compete if there is a need, based on future feedback from suppliers and/or government departments. These changes have been introduced in the Civilian Audio Visual 2011 – 2012 RFSO E60HN-11AVSO.

Relevant Feedback

TOPIC	Duration of audio visual standing offers
SUPPLIERS	
<p>Supporting:</p> <ul style="list-style-type: none"> The majority of respondents (61%) thought the proposed standing offer duration of one fixed year with a one-year option to extend is reasonable. Suppliers want to ensure opportunity is given to update price lists during the duration of SO periods to ensure the government is receiving best value for the products and services it procures. One self-identified small enterprise respondent suggested that the proposed civilian audio visual strategy should take into consideration exchange rate fluctuations. In the respondent's opinion, currency exchange costs are an additional financial burden to small enterprises. <p>Opposing:</p> <ul style="list-style-type: none"> 35% of respondents preferred a longer duration. 	
OUTCOME	<p>PWGSC will standardize the duration for the new standing offers of one fixed year with a one-year option to extend.</p> <p>Exchange rate clauses will not be introduced, as this would cause a major administrative burden to suppliers and Government departments in identifying foreign content for each product, then claiming it on each call-up. The price updates address this situation.</p>

Strategic Direction

PWGSC will apply a standardized duration of one fixed year with a one-year option to extend for new standing offers. The option period will provide the Government of Canada flexibility to re-compete if required. This duration was applied to the 2011-2012 AVSOs and is largely supported by industry.

5.8 Authorization Process from the Standing Offer PWGSC Authority

Original Recommendation

Government departments must abide by the following conditions and procedures in order to receive authorization to procure a non-listed allowable main device product(s). These changes have been introduced in the Civilian Audio Visual 2011 – 2012 request for standing offer (RFSO) E60HN-11AVSO audio visual standing offer (AVSO) with the intent of providing clarity for government departments.

Relevant Feedback

TOPIC	Authorization/approval process	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> • A very large majority of respondents (94%) indicated that the authorization/approval process was clear for non-listed audio visual items. • Respondents agree that the authorization/approval process for non-listed audio visual items addressed most situations. <p>Opposing:</p> <ul style="list-style-type: none"> • Only one respondent indicated that the authorization/approval process is not clear for non-listed audio visual items and did not find the process addressed most situations. 	<p>Supporting:</p> <ul style="list-style-type: none"> • A very large majority of respondents indicated that the authorization/approval process was clear for non-listed audio visual items, and agree that this process addresses most situations. <p>Opposing:</p> <ul style="list-style-type: none"> • Only one respondent indicated that the authorization/approval process is not clear for non-listed audio visual items and did not find the process addressed most situations.
OUTCOME	This recommendation was implemented in the civilian audio visual 2011 – 2012 RFSO. Further clarification is not required.	

Strategic Direction

The feedback received was positive therefore PWGSC has achieved its goal. There is no strategic direction for this recommendation therefore no longer required in the National Procurement Strategy.

TOPIC	Authorization Process from the Standing Offer PWGSC Authority: Lack of level of details on quotes submitted by AV standing offer holders.	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <p>Lack of details on quotes received by standing offer holder, recommend the following elements be mandatory on all audio visual standing offer (AVSO) quotes:</p> <ul style="list-style-type: none"> • AVSO Part Number • AVSO Part Description 	<p>Supporting:</p> <ul style="list-style-type: none"> • One respondent recommended that companies should be quoting by standing offer (SO) number and part number that they submitted in the SO. Often they combine different SO products on one quotation, this creates extra work and

<ul style="list-style-type: none"> • AVSO Price (in Canadian funds) • Type of equipment: Main Device, Incidental, or Accessory. • Breakdown of installation labour costs (for example, 2 technicians for 2 days) • AVSO Rank • Manufacturer Suggested Retail Price (MSRP) (for items not available on the standing offer – which will be sent to the AVSO contracting authority for approval). 	waste time.
OUTCOME	<p>PWGSC will clarify the information suppliers are required to provide on quotes by improving the process in order to eliminate extra work and waste of time for both suppliers and client departments. This process will be monitored on a yearly basis to ensure that clients are being provided with the proper information on the quotes.</p> <p>Note: It is the government departments' responsibility before issuing the call-up to ensure that the item(s) they are ordering are in fact on the suppliers' Standing Offer and at the Audio Visual Standing Offer price.</p>

Strategic Direction

There is no strategic direction on this recommendation therefore is no longer required in the National Procurement Strategy.

5.9 Product Catalogue

Original Recommendation

It is recommended that PWGSC develop a strategy to streamline the information submission process and improve presentation to government departments. In addition, PWGSC will refine the current instructions used by manufacturers when assisting PWGSC in the development of the catalogue. This was included in the Civilian Audio Visual 2011 – 2012 RFSO E60HN-11AVSO.

PWGSC is investigating whether there is capacity to deliver and maintain product catalogues online and explore the industry's ability to provide services for the maintenance of product lists in the catalogue. This would potentially reduce the need for PWGSC to internally maintain catalogues.

Relevant Feedback

TOPIC	Product catalogue building process
SUPPLIERS	
<p>Supporting:</p> <ul style="list-style-type: none"> • Respondents were divided regarding this question with exactly 50% saying they were satisfied with the current catalogue building process. • Suppliers offered the suggestion that suppliers should be more involved in building product and service audio visual standing offer catalogues. <p>Opposing: Those respondents who indicated they were not satisfied, provided varied suggestions and comments, that included:</p> <ul style="list-style-type: none"> • Two firms build the catalogue, after which duplicates can be removed, thereby providing the potential for a greater range of products to be included in the audio visual standing offer. • Respondents suggested that manufacturers and/or distributors should be responsible for populating the catalogue with all of their products and services and subsequently updating the list once every three to six months. • Suppliers suggested that they should be allowed to provide a detailed civilian audio visual standing offer catalogue to clients thereby simplifying the overall standing offer process and possibly reducing time and resource costs incurred by both parties. • Some respondents thought selected dealers should not be allowed to complete the catalogue for other winners because they felt this reduces overall government transparency and fairness. These respondents felt selected dealers may have an unfair advantage by being able to potentially populate the catalogue with those items that favour their business. 	
OUTCOME	Two suppliers will not be used as this creates duplication. This was done in the past and there were the same part numbers submitted by two different suppliers with and without spaces and hyphens which creates duplicates and would result in a larger catalogue with duplicates. The supplier who is ranked number one in most cases will supply the product detail as they should be receiving the majority of the business.

TOPIC	Product Catalogue: Product location/search process of locating an AV product or solution
GOVERNMENT DEPARTMENTS	
<p>Supporting:</p> <ul style="list-style-type: none"> • Only half of those who responded were satisfied with the process of locating an AV product or solution. • A quarter of respondents indicated they use the portable document format (PDF) file to find products. <p>Opposing:</p> <ul style="list-style-type: none"> • Half of respondents are not satisfied with the process of locating an AV product or solution. • A quarter of respondents said they do not use the PDF file to find products, and half reported using other means to search. 	
OUTCOME	Improve the process of locating an AV product or solution and presentation to government departments in order to facilitate government departments' searches for line items and remove irritants associated with not being able to locate products.

TOPIC	Product Catalogue: Product identification in catalogues
SUPPLIERS	
<p>Supporting:</p> <ul style="list-style-type: none"> • Three quarters of suppliers stated that they understood how the numbers of products currently permitted per manufacturer in catalogues are identified. <p>Opposing:</p> <ul style="list-style-type: none"> • 25% of respondents do not understand how the number of products currently permitted per manufacturer in catalogues is identified. 	
OUTCOME	Refine the current instructions on how the products in the catalogues are identified by manufacturers.

TOPIC	Product Catalogue: Online Catalogues	
	GOVERNMENT DEPARTMENTS	SUPPLIERS
	<p>Supporting:</p> <ul style="list-style-type: none"> • Instead of having PDF catalogues, have an electronic portal that purchases could be done directly through it. <p>Opposing: None.</p>	<p>Supporting:</p> <ul style="list-style-type: none"> • Most suppliers said that their company or manufacturer(s) company have online catalogues. However, only 33% of those who do have online catalogues are able to provide them in both official languages. • The majority of respondents (78%) indicated that they cannot provide a product catalogue maintenance service. Those who can provide this service specified that either their webmaster provides the service and/or the service can be customized to meet their client needs.

	<p>Opposing</p> <ul style="list-style-type: none"> • 44% do not have online catalogues. • A third of respondents answered that their catalogues could not be customized to display all products permitted under a resulting standing offer. • 53% of respondents did not know if their online catalogues could be customized. • 13% reported that they could not customize their online catalogues.
OUTCOME	PWGSC will investigate further the value of continuing with the current PDF Product catalogues as a short-term solution.

Strategic Direction

PWGSC will continue to investigate the streamlining of any resulting catalogue submission process and improve how this information is presented to government departments.

PWGSC will work with Industry to develop a more efficient process to submit and update products and pricing in the product catalogues, if required. PWGSC will continue to work with government departments to ensure the catalogue tools (e.g. Offeror Ranking Summary spreadsheet and any resulting PDF product catalogues) are available in a timely manner and present information in an accessible, easy to understand format. This will involve a re-evaluation of the tools to ensure they support appropriate search and comparison capabilities will also be examined.

5.10 Environmental Considerations

Original Recommendation

PWGSC would like to encourage the use of Green Products and initiate Greening of Civilian Audio Visual procurement. The incremental incorporation of appropriate and consistent environmental considerations in Civilian AV solicitation and contract documents will simplify the process for all stakeholders and be contributing factors in helping GC meet the objectives of the Policy on Green Procurement.

PWGSC is proposing a 5 year implementation framework in order to give government departments and supplier communities' time to adjust to changing requirements as well as work with PWGSC to better define capabilities. Progress against the implementation plan will be monitored.

PWGSC requested all suppliers identify green products in the catalogues submitted.

Relevant Feedback

TOPIC	Environmental considerations and the use of green products
SUPPLIERS	
<p>Supporting:</p> <ul style="list-style-type: none"> • Three quarters of respondents said that they agreed with the approach outlined above. <p>Opposing:</p> <ul style="list-style-type: none"> • Some suppliers felt this approach would produce an increased time, resource, and personnel commitment in order to complete the standing offer. • Respondents also mentioned uncertainty over whether PWGSC could ensure that the star-rating system used to assess Offeror's environmental initiatives would be objective, fair and transparent. • One concern mentioned by a SME-identified respondent was that this process creates undue financial, resource, and time pressure and commitments on small and medium businesses trying to compete versus larger firms who can devote more financial, time and personnel resources to receive green accreditation, or who can purchase greater quantities of green products. 	
OUTCOME	Discuss concerns raised regarding Green 'Star' initiative with PWGSC Green Procurement Team and refine the green procurement process.

Strategic Direction

PWGSC will support emerging environmental technologies and demonstrate environmental leadership by encouraging suppliers and government departments to use environmentally preferable goods, services and processes while striving for the optimal balance between departmental requirements, supplier capabilities and ensuring value to Canadians.

PWGSC will continue to explore all applicable environment considerations and standards, and the use of green products for the civilian audio visual procurement. The incremental incorporation of appropriate and consistent environmental considerations in civilian AV solicitation and contract documents over a five-year period will give government departments and supplier community time to adjust to changing requirements and work with PWGSC to define capabilities more adequately.

Suppliers will be requested to identify environmentally responsible goods they offered and indicate applicable certification(s) for their star-rating. Government departments will then have the option to take this into consideration when selecting products.

Environmental surcharges will be included in the cost of the good being purchased and not identified separately on quotes or invoices.

5.11 Consultation with Industry and Government Departments

Original Recommendation

It is recommended that a web page be established to include a frequently asked question (FAQ) page where answers to questions on the AV process are readily available.

PWGSC will continue to consult informally with both government departments and industry, as required. Formal consultation periods may be scheduled to occur when feedback will have the greatest impact. For example, if changes to the Civilian Audio Visual method of supply were being considered, then feedback would be requested via Government Electronic Tendering Service from industry and GCpedia from Government departments.

Relevant Feedback

TOPIC	Consultations with Industry and Government Departments: Audio visual information on Buyandsell.gc.ca	
GOVERNMENT DEPARTMENTS	SUPPLIERS	
<p>Support:</p> <ul style="list-style-type: none"> • Only half of clients said that they are aware that Buyandsell.gc.ca has an “Audiovisual and Videoconferencing Equipment” page under the topic “Information on Goods and Services on buyandsell.gc.ca. • When asked to provide insight on what information would be useful to their departments on Buyandsell.gc.ca, respondents offered the following suggestions: <ul style="list-style-type: none"> • More equipment to address adaptive technology needs. • Purchasing process - vendor contacts - detailed equipment description - reviews and comments section for products. • Ranking categories and description supplier contact information. • To provide guidance regarding access to existing local firms for AV related professional services. • Descriptions be added to FAQs regarding professional services, service categories and introduce clear boundaries of what is allowable under each category. • Warranty information and advice as part of FAQ. 	<p>Support:</p> <ul style="list-style-type: none"> • Suppliers suggested that a closer relationships between themselves and the federal government is required in order to build a better client understanding of the goods and services offered, and where the industry overall is heading. • The concept of an annual supplier round table bringing together suppliers and government buyers to discuss issues and trends in the industry was proposed to improve communications and relationships between suppliers and buyers. 	
OUTCOME	Improve the current AV website in order to provide examples, definitions,	

	instructions also include frequently asked questions and answers page where answers to questions on the AV process are readily available.
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TOPIC	Consultations with Industry and Government Departments: Training for government buyers on Audio visual standing offer (AVSO)
GOVERNMENT DEPARTMENT	
Supporting	<ul style="list-style-type: none"> Audio visual standing offer (AVSO) training for government buyers. This should cover the entire standing offer procedures, and end with questions and answers dialogue. Perhaps a webinar or teleconference would be adequate.
OUTCOME	Improve communications by offering AVSO specific training to government buyers.

Strategic Direction

PWGSC will continue to consult informally with both government departments and industry. Formal consultation periods may be scheduled to occur when feedback will have the greatest impact, for example, if changes to the civilian audio visual method of supply were being considered, then feedback would be requested through the Government Electronic Tendering System from Industry and GCpedia for government departments.

PWGSC will improve communication by publishing additional AV information on Buyandsell.gc.ca, accessible to both industry and government departments.

In response to feedback received, PWGSC will develop and provide supplementary information. This may include, but is not limited to:

- Definitions and examples of each sub-category;
- Answers to frequently asked question (FAQ);
- Examples illustrating the call-up approaches and rational for determining which approach provides best overall value in a given scenario;
- Examples of Supplier Selection Method;
- Instructions, with an example, on how to search the ranking summary;
- AV specific statement of work (SOW) template(s); and
- AVSO specific training for government departments.