

## 6. LIBRARY SUPPLIER RELATIONS

RR 10611

The Committee received a report from Anne Anderson, Collection Services Manager, seeking the Committee's approval to enter into partnership arrangements with selected library suppliers for the provision of library materials and associated services.

The report gave background to the review undertaken by the library of its collection services functions, which was discussed at a seminar meeting of the Committee in May 1999, which is planned to be implemented in October 1999.

The changes envisaged would enable the library to utilise its buying power to reduce the prices for library materials and services, and allow considerable streamlining of materials processing at both the library and supply ends of the process chain, resulting in cost reductions and service improvements.

The central change would be the establishment of partnerships with a greatly reduced number of suppliers, relating to approximately 80% of the library's annual purchases.

The report detailed the supplier selection process and gave details of the provisionally selected suppliers in relation to serials, monographs and New Zealand monographs.

It is intended that the proposed partnerships be performance-based contracts for a period of up to five years with a right of renewal subject to satisfactory performance. Savings envisaged under the revised arrangement were estimated at some \$560,000 pa, realisable from the second year of the project.

The value of the "partnership" approach, rather than the usual contractual relationships, were detailed as:

- improved services
- more effective working relationships between the contracted parties
- lower price margins
- more effective management performance

The changes would, however, result in a net reduction of the business volume of local suppliers and it is estimated that local businesses would suffer a reduction in their gross profit margins of some \$100,000.

The Libraries Manager was authorised to complete negotiations with:

- (i) Ebsco, for the provision of "serials";
- (ii) Peter Pal for "monographs";
- (iii) Local supplier(s) for "New Zealand monographs".