



June 21, 2013

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Subject: Fisher Scientific Preferred Supplier Award through eStores

The Purchasing Department is pleased to announce the award to Fisher Scientific, part of Thermo Fisher Scientific Inc., as the preferred supplier of scientific supplies, scientific equipment and instrumentation through eStores.

This contract award resulted from a competitive negotiation process overseen by a commodity advisory team consisting of representatives from OSU Purchasing and OSUWMC Purchasing Departments. In conjunction with this negotiation, the team conducted a thorough analysis of our purchasing preferences, service requirements, and the scientific supplies market segment.

This six-month project resulted in very **significant product cost savings, estimated at approximately \$5.0 million over the next three years, for University faculty and researchers.** Additionally, Fisher and their sister division, Unity Lab Services, worked with us to include a service offering in this contract to address warranty, asset management, and other complementary service needs your lab might need. This truly makes them our only one-stop-shop supplier on campus.

The new contract provides the highest discounts on the items we currently buy from Fisher with consistent pricing to the entire Ohio State University network. Additionally, the contract includes 100% free freight and very significant package discounts on any new lab start-up.

This new preferred supplier partnership with Fisher Scientific will benefit individual customers as well as the University as a whole. The significant contractual benefits to researchers and scientists will be achieved in part by consolidating volume with the preferred supplier. Therefore, we request that you make Fisher the first-stop for all of your scientific supply needs.

Specifically, we encourage the following purchasing choices in order to maximize the potential savings:

- Consider the total cost of purchasing a product – see page two for examples on how using Fisher via eStores can save money vs. using a non-preferred supplier outside of eStores.
- Exact match (same brand and item) products should be purchased from Fisher. Purchasing these items from other sources will be monitored for compliance.
- First consideration should be given to Fisher's top-quality, technically equivalent, discounted products.

To fully support our conversion initiatives, Fisher Scientific has a dedicated OSU team and we ask that you reach out to them as we work to leverage spend through their channel:

- Sales Representatives – to be contacted with any product or technical application questions. They can facilitate supplier specialist visits, demos, and provide samples for conversion opportunities.

Brenda Boyle – brenda.boyle@thermofisher.com / 614-937-5610 / OSU

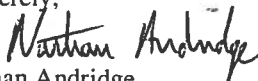
Mackenzie Angner – mackenzie.angner@thermofisher.com / 614-439-5119 / OSU

Ellen Mitchell – ellen.mitchell@thermofisher.com / 614-439-8818 / OSU Med Ctr

- Onsite Customer Service Representative – to be contacted for order support, shipping questions, and any other general questions related to your order.

Tracy Fowler – Tracy.Fowler@thermofisher.com / 614-292-2062

Sincerely,


Nathan Andridge
Senior Director - PRSM

Total Cost of Product Purchases

The Ohio State University values its research community and recognizes that the most important thing our researchers can do with their time is to focus on research. For that reason, we would like you to review the following information and consider these variables when a researcher is taken away from their research to shop.

Case Study Example – Freight Variance

Example 1: Researcher X wanted to buy Hexane from a competitor for \$57.00 because Fisher was \$59.00 (\$2.00 higher). They spent 2 hours shopping, etc. but the competitor charges hazardous charges of \$28.00, so total cost is actually \$85.00 vs. Fisher's final cost of \$59.00.

Example 2: Researcher X wanted to buy a -20C freezer. Fisher was \$50.00 higher than the competitor. They spent 2 hours shopping, comparing specifications, and gathering quotations at an avg rate of \$25/hr. (Additional admin cost of \$50.00 offsets the product savings) The competitor charged \$400.00 for shipping and inside delivery, so the total cost was actually \$400.00 higher than Fisher.

We analyzed 5 of Fisher's top competitors and see that their freight charges range from **5 – 25%** of the total product price. These suppliers include **BioExpress, VWR Scientific, Life Technologies, Sigma Aldrich, and USA Scientific.**

Many times we make purchases purely based on product price and do not see freight and other ancillary charges until they are billed. These extra fees come out of your respective budgets and should be considered as part of the total price.

****FISHER DOES NOT CHARGE FOR: NORMAL FREIGHT, FUEL SURCHARGES, HANDLING FEES, HAZARDOUS MATERIAL FEES, DRY ICE, OR ANY OTHER TYPE OF ANCILLARY SHIPPING CHARGE****