



University of Pittsburgh

Pittsburgh, Pennsylvania 15260

TO: Health Sciences, School of Medicine, PCI, WPIC, Arts & Sciences, and Engineering Deans, Directors, Department Chairs and University Purchasers

FROM: Arthur G. Ramicone, Senior Vice Chancellor and Chief Financial Officer *AGR*
Dr. Mark Redfern, Vice Provost for Research *MSR*

DATE: February 24, 2017

SUBJECT: **Fisher Scientific – Contract Renewal and Enhancements**

The Offices of the Chief Financial Officer and the Provost are pleased to announce the renewal of the University's agreements with Fisher Scientific (part of Thermo Fisher Scientific Inc.) and *Thermo Fisher Scientific* (formerly *Life Technologies Corporation*).

Over the last five years, the University has worked diligently to strategically reduce costs and increase purchasing efficiencies related to scientific supplies, one of the largest categories of purchases across the University. One of the ways in which the University has pursued this mission is through a strategic partnership with our Preferred (Platinum Level) Provider, Fisher Scientific. Our first agreement with Fisher Scientific was projected to save the University \$7 million over five years through aggressive pricing, improved discounts, free next day shipping, and many other cost saving initiatives. We are pleased to announce that an external review at the end of the original agreement concluded that the University has confirmed savings of over \$7.8 million, or \$800,000 more than projected.

Continued Scientific Community Engagement

Because scientific supplies are critically important to the scientific community, we employed several mechanisms to obtain customer feedback as the original contract expiration approached.

- We issued a broad scientific supplies customer satisfaction survey to the University's scientific community. Respondents rated Fisher Scientific an average of 4.5 of 5 in product availability, customer service, and overall.
- We formed a Scientific Advisory Team (SAT) composed of key stakeholders from across the University's scientific community. The SAT shares concerns and ideas with us that are central to the research community's missions and needs.

New Contract Benefits

We used the survey results and feedback from the SAT to guide our review of the expiring agreement with Fisher Scientific and to negotiate enhancements. As a result, the University has renegotiated improved discounts based on our updated purchasing patterns resulting in an *additional* \$5.5 million in savings over the next five years and other enhancements that [are explained on this page](#).

In conclusion, the renewed agreement with Fisher Scientific will benefit the University in savings, convenience, product quality, and service, and we appreciate your cooperation in achieving the full benefits of this renewed contract by making Fisher Scientific your first stop for scientific supplies.