

PORTFOLIO TITLE: MULTI-FUNCTION DEVICES AND RELATED SOFTWARE, SERVICES, AND CLOUD SOLUTIONS (2024-2029)

LEAD STATE: COLORADO

OVERVIEW:

Master Agreements have been established with a qualified awarded Supplier to provide Multi-Function Devices and Related Software, Services, and Cloud Solutions to eligible entities.

INITIAL TERM: 2 Years

RENEWALS: 3 Renewals of 1 Year each

TOTAL TERM POSSIBLE: 5 Years

PRODUCTS AND SERVICES:

Group A – Multi-Function Devices, A3
 Group B – Multi-Function Devices, A4
 Group C – Production Equipment
 Group D – Single Function Printers
 Group E – Large/Wide Format Equipment
 Group F – Scanners
 Group G – Software
 Group H – Consumable Supplies

Group I – Managed Print Services
 Sub-Group G1 – Software Related Services
 Sub-Group C1 – Standalone Production Devices
 Sub-Group C2 – Industrial Print Equipment
 Sub-Group D1 – Specialty Printers

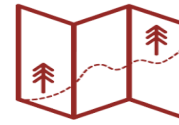
SUPPLIERS AWARDED:

1. Canon USA, Inc.
2. Epson America, Inc.
3. HP, Inc.
4. Konica Minolta Business Solutions USA, Inc.
5. Kyocera Document Solutions America, Inc.
6. Lexmark International, Inc.
7. Ricoh USA, Inc.
8. Sharp Electronics Corporation
9. Toshiba America Business Solutions
10. Xerox Corporation

KEY BENEFITS:

1. Nationwide Coverage
2. Multiple Supplier Award
3. Nine Incumbents Awarded, Minimizing Transition To New Suppliers
4. Pricing Guaranteed For The First Year Of The Master Agreement
5. OEM is now only restricted to Group A – MFD A3 Devices
6. All suppliers will be able to provide MPS on Groups A through F, regardless of which Groups they were awarded
7. Some Suppliers offer lease terms of up to 120 months for Group C
8. Sub-Groups for stand-alone production devices, industrial print equipment, and specialty printers are now included

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PRICING:

The new solicitation has produced a **minimum** discount rate of 2% for Non-OEM products up to a maximum discount rate of 78% for OEM products.

PROCUREMENT BACKGROUND:

The State of Colorado released the RFP for Multi-Function Devices and Related Software, Services, and Cloud Solutions on February 3, 2023. The Sourcing Team conducted individual evaluations from April 18, 2023, through June 1, 2023. The Team held in-person meetings on June 6, 7, and 8, 2023, in Denver, Colorado, to discuss and finalize the evaluation scores. An additional virtual meeting was held on June 15, 2023, to finalize award recommendations.

STATES ON SOURCING TEAM:

1. Colorado (lead state)
2. Connecticut (Evaluator)
3. Florida (Evaluator)
4. Hawaii (Evaluator)
5. Massachusetts
6. Utah (Evaluator)
7. Washington
8. Wyoming

SOLICITATION INFORMATION:

Type: Request for Proposal (RFP)

Solicitation Number: RFP-NP-23-001

Date Released: 02/03/2023

Date Closed: 04/14/2023

PUBLIC POSTING OF SOLICITATION:

Solicitation was Publicly Advertised from 02/03/2023 to 04/14/2023.

- Website Posted On: Colorado VSS
- Posting Link: <https://codpa-vss.cloud.cgifederal.com/webapp/PRDVSS2X1/AltSelfService;jsessionid=0000s2US4rzEVKL8ADz7JQRQ8pLT:1bpovg73I>
- Number of Days Solicitation was Publicly Posted: 70
- Number of Amendments Posted: 1

PUBLIC OPENING

Sealed responses were publicly opened in Denver, Colorado, on April 14, 2023, at 2:00 pm MT.



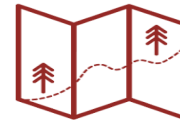
VENDOR RESPONSES:

- Number of Vendor Responses Received: 12
- Number of Non-Responsive Vendor Responses: 1
- Number of Vendor Responses Evaluated: 11

EVALUATIONS:

The due date to submit Responses was March 14, 2023. The evaluators reviewed and evaluated Proposals from March 14, 2023, through June 1, 2023, in their respective home states. The members of the Sourcing Team met in Denver on June 6, 7, and 8, 2023, to discuss and finalize scores and award recommendations. There was a final virtual meeting on June 15, 2023, to finalize award recommendation details.

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**EVALUATION CRITERIA:**

The Evaluation Team evaluated the technical components of each Proposal, while the Lead State evaluated the cost components of each Proposal.

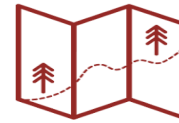
Technical Criteria Evaluation. Each evaluation committee member scored each technical evaluation factor on a 0-5 scale. After finalizing technical scores, each 0-5 evaluation factor was added together, averaged, and then multiplied by the relative weight below to create a final weighted score. Then, the weighted scores for each evaluation factor were added together to determine the score percentage for each Offeror.

The factors below were assigned the following relative weights:

- a) Ability to meet the Scope of Work requirements - 10%
- b) Dealer Engagement - 9%
- c) Useful Life and Legacy Equipment - 2%
- d) Performance Standards - 3%
- e) Customer Service - 8%
- f) Ordering Process - 6%
- g) Organizational Security - 2%
- h) Hard Drive Protocols - 3%
- i) Warranties - 6%
- j) Recycling and Trade-In Programs - 2%
- k) Supply Management - 2%
- l) Managed Print Services - 5%
- m) Promotion of the NASPO ValuePoint Master Agreement - 2%

Cost Evaluation (Groups). Offerors were able to offer products in each Group and were required to submit all newly manufactured devices in each segment of each Group in which they offered products. The Lead State pre-determined the segments within each Group that would be evaluated prior to proposal submission. The products were then compared and evaluated against one another per Buyer's Lab Inc.'s recommendation of comparable products. The lowest-priced product received the highest score, and all other products were then evaluated against it based on a percentage from low methodology. A score of 1-10 was assigned based on a pre-determined percent from low. This methodology was applied to each Group, resulting in a total of 182 models being evaluated. Then, those scores were averaged, resulting in the highest score receiving a 10 and all other scores being based on a percent from the highest total points. All overall scores were then averaged, and this score was then weighted for each vendor based on the number of segments each provided products in, with the vendor who offered products in the most segments being awarded the highest score. Below is an example of how this final weighted score was calculated:

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SEGMENT 5 (51-60) Color/B&W																	
Vendor	Model	MSRP	Discounted Price	% from low	Score	36 month FMV Payment	% from low	Score	36 month \$1 Buyout Payment	% from low	Score	TCO	% from low	Score	Total Points	% change from highest total points	Overall Score
Canon	DX C5860i	\$ 30,045.56	\$ 10,377.32	32.07%	7	\$ 511.13	30.54%	7	\$ 541.84	31.07%	7	N/A	N/A	N/A	7.00	30.00%	8
Epson	AM-C6000	\$ 29,080.00	\$ 10,723.06	34.26%	7	\$ 508.07	30.12%	7	\$ 538.95	30.70%	7	N/A	N/A	N/A	7.00	30.00%	8
HP	E8760DN	\$ 41,692.49	\$ 9,589.27	26.49%	8	\$ 376.54	5.72%	10	\$ 395.72	5.61%	10	N/A	N/A	N/A	9.33	6.67%	10
Konica	BiZHU8 C550i	\$ 37,810.00	\$ 9,805.55	28.11%	8	\$ 495.32	28.33%	8	\$ 502.38	25.65%	8	N/A	N/A	N/A	8.00	20.00%	9
Kyocera	TASKalfa 6054ci	\$ 23,409.00	\$ 7,049.28	0.00%	10	\$ 355.02	0.00%	10	\$ 373.51	0.00%	10	N/A	N/A	N/A	10.00	0.00%	10
Lexmark	XC9455	\$ 24,703.23	\$ 16,431.18	57.10%	5	\$ 629.59	43.61%	6	\$ 664.42	43.78%	6	N/A	N/A	N/A	5.67	43.33%	7
Ricoh	IM C6000	\$ 29,079.00	\$ 10,611.50	33.57%	7	\$ 466.67	23.93%	8	\$ 484.93	22.98%	8	N/A	N/A	N/A	7.67	23.33%	8
Sharp	BP-70C55	\$ 24,715.00	\$ 8,168.65	13.70%	9	\$ 460.92	22.98%	8	\$ 466.31	19.90%	9	N/A	N/A	N/A	8.67	13.33%	9
Toshiba	ESTUDIO5525AC	\$ 35,208.00	\$ 8,251.31	14.57%	9	\$ 369.09	3.81%	10	\$ 394.42	5.30%	10	N/A	N/A	N/A	9.67	3.33%	10
Xerox	C8155H2	\$ 33,640.00	\$ 12,764.00	44.77%	6	\$ 506.23	29.87%	8	\$ 538.90	30.69%	7	N/A	N/A	N/A	7.00	30.00%	8

PERCENT FROM LOW BID SCORING KEY:	10	9	8	7	6	5	4	3	2	1
	0% - 9.99%	10% - 19.99%	20% - 29.99%	30% - 39.99%	40% - 49.99%	50% - 59.99%	60% - 69.99%	70% - 79.99%	80% - 89.99%	90%+

PERCENT FROM HIGHEST TOTAL POINTS SCORING KEY:	10	9	8	7	6	5	4	3	2	1
	0% - 10.99%	11% - 21.99%	22% - 32.99%	33% - 43.99%	44% - 54.99%	55% - 65.99%	66% - 76.99%	77% - 87.99%	88% - 98.99%	99%+

Vendor	Number of Segments Offered & Number of	Total Score	Weighted Score (FINAL)
Canon	11 / 5	8.20	7.52
Epson	5 / 3	8.33	3.49
HP	10 / 5	9.00	7.51
Konica	12 / 5	8.80	8.80
Kyocera	12 / 5	10.00	10.00
Lexmark	5 / 3	8.00	3.35
Ricoh	12 / 5	7.80	7.80
Sharp	12 / 5	8.40	8.40
Toshiba	12 / 5	9.20	9.20
Xerox	10 / 5	7.60	6.34

12 Segments in Group A

12 = 100; 11 = 91.7; 10 = 83.4; 9 = 75.1; 8 = 66.8; 7 = 58.5; 6 = 50.2; 5 = 41.9; 4 = 33.6; 3 = 25.3; 2 = 17; 1 = 8.7

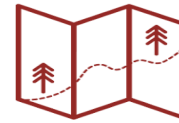
Cost Evaluation (MPS). Offerors were able to submit pricing for MPS based on required services, which include implementation, remote device monitoring, end-user support, account management, and cost-per-click rates. Pricing for each Offeror was then compared against one another based on an average blended rate and a hypothetical number of clicks per month, number of units, and number of hours for end-user support. These calculations resulted in a total monthly amount billed. The Offeror with the lowest price received the highest score of 5, and all other Offerors received scores based on a percentage from low bid methodology. Below is the result of the MPS evaluation:

Vendor	Blended Click Rate (Average)	Clicks Per Month	Total Billed Clicks Per Month	Number of Units	Implementation (Price Per Unit)	Implementation Total Cost	Remote Device Monitoring (Price Per Unit)	Remote Device Monitoring Total Cost	Job Accounting (Price Per Unit)	Job Accounting Total Cost	End-User Support (Price Per Hour)	Number of Hours Per Month (End User Support)	End-User Support Total Cost	Account Management (Price Per Unit)	Account Management Total Cost	Total Amount Billed
Canon	0.1028	500,000	\$ 51,385.71	300	INCL	N/A	INCL	N/A	INCL	N/A	INCL	20	N/A	INCL	N/A	\$ 51,385.71
Epson	0.1086	500,000	\$ 54,285.71	300	\$ 100.00	\$ 30,000.00	\$ 5.00	\$ 1,500.00	INCL	N/A	\$ 300.00	20	\$ 6,000.00	INCL	N/A	\$ 91,785.71
HP	0.0434	500,000	\$ 21,715.71	300	INCL	N/A	INCL	N/A	INCL	N/A	INCL	20	N/A	INCL	N/A	\$ 21,715.71
Konica	0.1075	500,000	\$ 53,764.29	300	INCL	N/A	INCL	N/A	\$ 5.64	\$ 1,692.00	INCL	20	N/A	INCL	N/A	\$ 72,556.29
Kyocera	0.0500	500,000	\$ 25,000.00	300	\$ 11.00	\$ 3,300.00	\$ 0.11	\$ 33.00	INCL	N/A	\$ 150.00	20	\$ 3,000.00	\$ 125.00	\$ 37,500.00	\$ 68,833.00
Lexmark	0.0448	500,000	\$ 22,407.14	300	\$ 499.00	\$ 149,700.00	\$ 1.30	\$ 390.00	INCL	N/A	\$ 130.00	20	\$ 2,600.00	\$ 7.91	\$ 2,373.00	\$ 177,470.14
Ricoh	0.0622	500,000	\$ 31,107.14	300	\$ 40.00	\$ 12,000.00	\$ 6.10	\$ 1,830.00	N/A	N/A	\$ 225.00	20	\$ 4,500.00	INCL	N/A	\$ 49,437.14
Sharp	0.0584	500,000	\$ 29,178.57	300	\$ 5.00	\$ 1,500.00	\$ 5.00	\$ 1,500.00	INCL	N/A	\$ 100.00	20	\$ 2,000.00	\$ 5.00	\$ 1,500.00	\$ 35,678.57
Toshiba	0.0944	500,000	\$ 47,214.29	300	INCL	N/A	INCL	N/A	INCL	N/A	INCL	20	N/A	INCL	N/A	\$ 47,214.29
Xerox	0.0829	500,000	\$ 41,428.57	300	\$ 56.76	\$ 17,028.00	\$ 7.32	\$ 2,196.00	INCL	N/A	INCL	20	N/A	\$ 9.48	\$ 2,844.00	\$ 63,496.57

Vendor	Total Amount Billed	% from low	Total Score
Canon	\$ 51,385.71	57.74%	3
Epson	\$ 91,785.71	76.34%	2
HP	\$ 21,715.71	0.00%	5
Konica	\$ 72,556.29	70.07%	3
Kyocera	\$ 68,833.00	68.45%	3
Lexmark	\$ 177,470.14	87.76%	2
Ricoh	\$ 49,437.14	56.07%	3
Sharp	\$ 35,678.57	39.14%	4
Toshiba	\$ 47,214.29	54.01%	3
Xerox	\$ 63,496.57	65.80%	3

PERCENT FROM LOW BID SCORING KEY:	5	4	3	2	1
	0% - 24.99%	25% - 49.99%	50% - 74.99%	75% - 99.99%	100%+

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SCORING AND AWARD:

It was anticipated that this RFP would result in multiple Master Agreement awards. Awards were determined by Group:

Each Group and MPS cost score was added to the technical score for each Offeror to determine the final score for that Group. Total scores were represented by a percentage, with 100% being the highest possible score. Awards were determined by looking for a natural break in the scoring; however, in several instances, there were no natural breaks, or the natural break would have resulted in only one or two Offerors receiving an Award. In such cases, the Sourcing Team's decision was based on the collective interest of the Participating States since restricting the number of Awards in each Group would have precluded Purchasing Entities from upgrading devices or acquiring new products. The following represents the total scores that each of the Offerors received (green represents what each Offeror was awarded, and red represents no award for that Group):

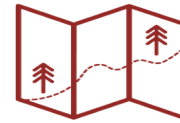
	Canon	Epson	HP	Konica	Kyocera	Lexmark	OPEX	Ricoh	Sharp	Toshiba	Xerox
COMBINED SCORE - GROUP A (Max 100%)	69.60%	50.41%	74.27%	74.30%	77.04%	51.06%	NO BID	69.09%	72.33%	75.10%	67.94%
COMBINED SCORE - GROUP B (Max 100%)	65.89%	47.61%	82.98%	52.35%	59.12%	59.60%	NO BID	56.14%	54.65%	54.63%	66.78%
COMBINED SCORE - GROUP C (Max 100%)	69.18%	44.50%	NO BID	68.00%	43.79%	NO BID	NO BID	73.29%	55.53%	49.90%	65.70%
COMBINED SCORE - GROUP D (Max 100%)	54.45%	52.20%	73.25%	52.04%	56.04%	62.29%	NO BID	62.58%	58.78%	52.11%	58.87%
COMBINED SCORE - GROUP E (Max 100%)	53.68%	49.15%	58.17%	49.24%	50.23%	NO BID	NO BID	50.54%	NO BID	47.49%	54.50%
COMBINED SCORE - GROUP F (Max 100%)	73.91%	68.82%	77.59%	70.62%	NO BID	NO BID	39.56%	68.92%	73.27%	54.73%	64.33%

The determination for the Award of each Group was based on the following rationale:

Group A: The scores ranged from 50.41% to 77.04%. The difference between the lowest score (50.41%) and the next lowest score (51.06%) was less than 1%, whereas the difference between 51.06% and the next lowest score of 67.94% was approximately 17%. This represented the largest spread among all 10 scores and, therefore, the natural break, so it was determined that Epson and Lexmark would not receive an Award for this Group.

Group B: The scores ranged from 47.61% to 82.98%. Although HP's score was the clear outlier and represented a natural break in the scoring, the Team decided that it would not be in the best interest of the Participating States to only award Group B to HP, given that numerous Purchasing Entities have Group B devices in large MPS fleets from current vendors, and this would prevent those vendors from upgrading or placing new devices for customers. Therefore, the Team analyzed the remaining 9 scores, which ranged from 47.61% to 66.78%. While an argument could have been made to Award to Canon (65.89%) and Xerox (66.78%) only since all other Offeror's scores were below 60%, the Team again determined that only awarding to three vendors would not be in the best interest of the users. The team then decided that all Offerors who scored in the 50 percentile would receive an Award, which left the Team to determine whether or not Epson should be eliminated from consideration. Ultimately, because Epson's score of 47.61% was only 4.74% away from the next highest score (Konica at 52.35%), and Canon's score of 65.89% was 6.29% away from the next highest score of 59.60% (Lexmark), it was decided that the fair and equitable decision would to be also Award Epson Group B.

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Group C: The scores ranged from 43.79% to 73.29%. It was determined that the natural break in the scoring occurred with Xerox's score of 65.70% since the next lowest score represented a more than 10% spread. Therefore, only Canon, Konica, Ricoh, and Xerox were awarded Group C.

Group D: The scores ranged from 52.04% to 73.25%. Although HP's score was the clear outlier and represented a natural break in the scoring, the Team determined that it would not be in the best interest of the Participating States to only award Group D to HP, given that numerous Purchasing Entities have removed to remote work environments, and thus, there has been an increase in demand for single-function printers in home-office environments. Therefore, the Team analyzed the remaining 9 scores, which ranged from 52.04% to 62.58%, and determined that all 10 vendors would receive an Award for this Group since the spread among the scores was only slightly more than 10%, which resulted in no natural break.

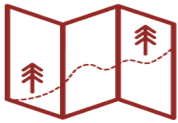
Group E: The scores ranged from 49.15% to 58.17%, which resulted in no natural break among the scores; therefore, it was determined that all vendors who submitted a response for Group E would receive an Award.

Group F: The scores ranged from 39.56% to 77.59%. OPEX was a clear outlier in this Group, so it was determined they would not receive an Award. The next lowest score of 54.73% was almost 10% away from Xerox's score of 64.33%, so it was determined that Toshiba would also not receive an Award for this Group since the difference between Xerox's score and the next highest score of 68.82% was only slightly more than 4%. Because Xerox, Canon, Epson, HP, Konica, Ricoh, and Sharp all had scores in the 60th and 70th percentile, the Team determined that these vendors would be awarded Group F.

Based on the RFP award methodology, awards were made to Offerors in the Groups listed in the chart below. Further, all Offerors receiving Awards are also able to provide MPS for any Group, BUT only place devices in the Groups in which they were Awarded:

GROUP A	GROUP B	GROUP C	GROUP D	GROUP E	GROUP F
CANON	CANON	CANON	CANON	CANON	CANON
HP	EPSON	KONICA	EPSON	EPSON	EPSON
KONICA	HP	RICOH	HP	HP	HP
KYOCERA	KONICA	XEROX	KONICA	KONICA	KONICA
RICOH	KYOCERA		KYOCERA	KYOCERA	RICOH
SHARP	LEXMARK		LEXMARK	RICOH	SHARP
TOSHIBA	RICOH		RICOH	TOSHIBA	XEROX
XEROX	SHARP		SHARP	XEROX	
	TOSHIBA		TOSHIBA		

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	XEROX		XEROX		

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