Continuity of Supply Initiative (CoSI) Strategy

A group of public procurement peers have come together as volunteers to assure, as timely and as well as possible, that critically-needed supplies, equipment, and services will be available at acceptable costs in future widespread emergencies.

Here are the elements of the strategy we have developed:

* Resilient "nationwide" master agreements, developed in selected goods/services categories through unprecedented levels, scopes, and types of collaboration, will provide for the uninterrupted supply of critically-needed supplies, equipment, and services during widespread (i.e., national and global, as opposed to regional) emergencies.
* The unprecedented level and scope of collaboration in each category will occur within and among the manufacturers, distributors, suppliers, service providers, supply chain specialists, state and local procurement officials, end-users, and other SMEs and stakeholders in the particular category.
* The set of diverse participants to be involved in the unprecedented collaboration in each category will be referred to collectively as the “state and local procurement network for [name of goods/services category]."
* The master agreement(s) in each category must be formed through true cooperative procurement, meaning that the state and local entities that intend to use the master agreement(s) must commit up-front to (1) buying an estimated quantity in each sub-category during "routine" times and (2) using the master agreement to fulfill its requirements during widespread emergencies. (Unquestionably, the "committed procurement power" represented in each solicitation must be sufficient to assure that suppliers make and honor the desired commitments. The question of whether other entities that did not make upfront commitments will be able to piggyback the master agreements has not been addressed yet, but it must be. )
* The lead agencies in each category will use the competitive sealed proposals/competitive negotiation method of source selection to form the agreement(s). Each offeror will be required to submit a business plan and pricing for “normal” times and a business plan and pricing for times of widespread emergencies. (There has been some discussion of an additional requirement for a business plan and pricing for local and regional emergencies, but that has not been agreed.)
* The Steering Group has selected medical equipment and supplies as the category for an initial pilot/proof of concept.
* The unprecedented level and scope of collaboration within and among the various sets of members of the state and local procurement network for medical equipment and supplies begin soon.

Achieving the desired collaboration within each category will involve an enormous amount of detailed but essential effort, including (but not limited to) identifying and securing the participation of the "right" organizations and people, deciding the types of "meetings" to be held and their purposes, figuring out how those meetings need to "work," and fostering and supporting the necessary individual norms and culture within the network.

Here are some of the organizational considerations, which although important, are subordinate to achieving the mission and goals:

* The CoSI Steering Group may formally organize itself at a time TBD as a nonprofit “think tank.” However, it also could continue to function "as is" for the foreseeable future.
* The CoSI steering group currently is exploring how to "persuade" existing "cooperative procurement" groups and group purchasing organizations to form master agreements that will assure the availability of critically-needed supplies, equipment, and services, at acceptable prices during widespread emergencies.
* If the group were to decide to organize itself as a nonprofit, it might enter into a partnership of some type with one or more governmental, non-profit, and/or for-profit organizations that would do more or less what the cooperative procurement groups and GPOs currently do, except, as noted above, master agreements would be created through true cooperative procurement.