

2nd of a Series

Best Purchasing Practices

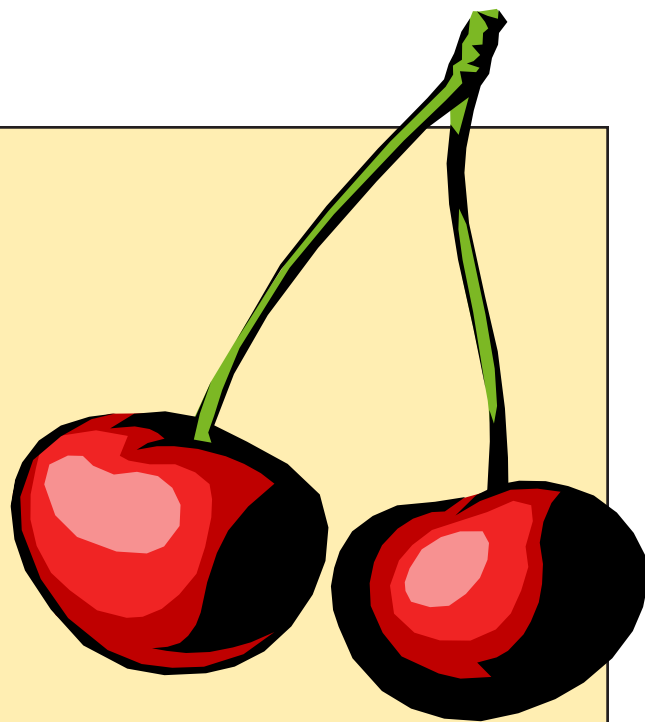
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the myth that cherry picking saves you money

Cherry picking is the practice of picking off lowest prices from a variety of vendors or purchasing contracts.

Best practices demand a better approach. Evaluate and choose your lowest-price purchasing contract as a whole; then stick with that contract. Yes, you will always find one item here or there that is lower. A sales rep is likely to come through the door and say, "I can beat your price on yellow tablets." But consistent buying from a contract that has the lowest total overall cost, especially factoring in usage, will be your best value over time.

Avoid the temptation to cherry pick. It is the savvy buyer who understands *total cost of ownership*. Picking up one item here and then another there, adds to total cost of ownership. The added costs of research, accounting and multiple deliveries quickly erode any savings you would get by cherry picking and spot buying. Trust your analysis from the beginning. Buy from your chosen contract.



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