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The State of Georgia Achieves Noteworthy Milestones in Government Procurement Reform

SciQuest's Procurement Automation Solutions Contribute to Early-Stage Success in Georgia's Effort to Extend the Value of Public Funds in All Purchases

CARY, N.C., July 20, 2010 – [SciQuest, Inc.](#), a leading provider of on-demand [strategic procurement](#) and [supplier enablement](#) solutions, today announced the success of its customer, the [State of Georgia](#), on significant milestones achieved in the Georgia Procurement Transformation initiative – the first statewide effort in the nation to redefine how government spends taxpayers' funds. The transformation is a key component of [Governor Sonny Perdue's](#) mandate to operate the state like a business.

Announced in 2005, the Georgia Procurement Transformation put the statutes, technologies, processes, people and protocol in place needed to completely transform the government purchasing process. SciQuest provides significant portions of the on-demand procurement automation technology that powers the [Team Georgia Marketplace™](#), the virtual marketplace in which buyers purchase the goods and services that agencies, counties and municipalities need for utilizing state contracts. As a result, all public entities benefit from prices that reflect the cumulative purchasing power of the public sector in Georgia.

Less than a year-and-a-half after the deployment of the SciQuest pilot program, the State of Georgia achieved many noteworthy results:

- **Sixty percent of spending brought under management:** Georgia increased the percentage of purchases made from preferred, state contracts from six percent in 2008 to 60 percent in February of 2010.
- **All state contracts are now available:** State-negotiated contracts are now available for all public entities in Georgia to shop from in the Team Georgia Marketplace™. More than 1 million goods and services are now covered by these contracts.
- **Suppliers are now enabled:** More than 100 contracted suppliers are conducting business through the Team Georgia Marketplace™ system.
- **More favorable terms and conditions:** The state has already been able to negotiate discounts in the range of five to 20 percent on many contracts as result of the strategic sourcing techniques and visibility over spending the transformation makes possible.
- **Greater operational efficiencies:** Labor-intensive, paper-laden administrative processes typically required for public-sector purchases were dramatically reduced, with many agencies now almost completely paperless in their purchasing activities, while the window-shopping nature of the virtual marketplace makes it easier for public-sector employees in counties and local municipalities to attain the supplies they need quickly.
- **Unprecedented visibility over spending:** The analytics capabilities made possible by the transformation enable leaders to make strategic procurement decisions never before possible, while increasing oversight and compliance enforcement capabilities.

“Government procurement practices as we know them in this country are no longer sufficient. Today, nearly all states face significant budget shortfalls that threaten to undermine agencies in the delivery of services taxpayers rightfully demand and deserve,” said [Brad Douglas](#), commissioner of the State of

Georgia's [Department of Administrative Services](#) charged with leading the transformation. "The Georgia Procurement Transformation is one of the many ways we are working to ensure that public funds are used wisely. We want Georgia's taxpayers to know, not hope, that the agencies that serve them are operating with the same focus on fiscal responsibility they demonstrate every day."

SciQuest has a proven track record serving public-sector entities and other organizations that want to aggregate their purchasing power and decrease the cost of goods and services. The company's on-demand procurement automation solutions require limited IT resources and can be used wherever an Internet connection is available.

"The importance of the bold and proactive steps Georgia has taken to rewrite the book on the one function of government that directly addresses spending cannot be overstated," said [Stephen Wiehe](#), president and CEO of SciQuest. "What we are seeing in the Georgia Procurement Transformation is a new blueprint for government purchasing."

For more information on the State of Georgia's use of SciQuest visit:
http://www.sciquest.com/library/State_of_Georgia_Case_Study_2_24_10.pdf.pdf.

About SciQuest

SciQuest provides a leading on-demand strategic procurement and supplier enablement solution that integrates customers with their suppliers to improve procurement of indirect goods and services. Our on-demand software enables organizations to realize the benefits of strategic procurement by identifying and establishing contracts with preferred suppliers, driving spend to those contracts and promoting process efficiencies through electronic transactions. Using our managed SciQuest Supplier Network, our customers do business with more than 30,000 unique suppliers and spend billions of dollars annually.

Our current target markets are higher education, life sciences, healthcare and state and local governments. We tailor our solution for each of the vertical markets we serve by offering industry-specific functionality, content and supplier connections. We serve more than 160 customers operating in 16 countries and offer our solution in five languages and 22 currencies.

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For more information about SciQuest, please visit www.sciquest.com or call 877-710-0413 in the U.S. or +44 1794 341182 in Europe.

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