



Letters Received Regarding the NYS Industries for the Disabled Mail Fulfillment Services Application

For NYS Procurement Council consideration at the May 25, 2016 meeting:

Organization	Date Received	Reference
Printing Industries Alliance	May 6, 2016	Pages 2-4
Assemblyman Robin Schimminger	May 17, 2016	Page 5
Assembly Task Force on People with Disabilities	May 24, 2016	Page 6
Senator Neal Breslin	May 25, 2016	Page 7
Teamsters Local 249	May 25, 2016	Page 8
Empire State Development Memo	May 25, 2016	Page 9
Senator G. Ortt	May 27, 2016	Page 10



May 5, 2016

RECEIVED
MAY 06 2016

Ms. RoAnn Destito
Commissioner
New York State Office of General Services
Corning Tower, 41st Floor, Empire State Plaza
Albany, NY 12242

BY:

Dear Commissioner Destito:

Printing Industries Alliance is the trade association representing printing and print related companies in New York State. As you know, printing plays a significant role in the New York State economy. There are over 2,500 printing firms located in practically every city, town, and village in New York State. These businesses provide well-paying manufacturing jobs to our families, friends, and neighbors. These jobs pay mortgages, put children through colleges, and pay taxes to New York State. Printing in New York State is a small business industry with approximately 89% of New York State printing firms having less than 50 employees.

We are writing to express our opposition to the New York State Industries for the Disabled (NYSID) application, dated April 1, 2016, to become a Preferred Source for Mail Fulfillment.

It is important to note that NYSID is careful to reference that the Preferred Source application for Mail Fulfillment specifically requests that "Document Production" be included in the activities included in the "Mail Fulfillment" task. This is a not so thinly disguised attempt to get to the real goal - Preferred Source status for "variable data printing", also known as "digital printing". In fact, a recently submitted NYSID application, dated March 22, 2016, specifically requested that "variable data printing" be included in the "Mail Fulfillment" task. The April 1 application is requesting the same thing, in a roundabout way. "Document Production" for "Mail Fulfillment" is done utilizing digital printing. When you read "Document Production" in the April 1st NYSID application, you should think "Digital Printing" and you will see the true meaning of the proposal.

Approval of this application will have a significant negative impact on a substantial number of New York State printing companies in the form of lost business and lost jobs. We oppose this application and would note the following concerns that our membership has expressed:

- The 2016 NYSID application is designed to achieve the same goal as an application NYSID submitted in 2013 to become a Preferred Source for digital printing. "Document Production", as a component of "mail fulfillment", is done utilizing "digital printing/ variable data printing" technology. The 2013 application was previously rejected by the Procurement Council, as this one should be. Again, while the wording has been changed the result will be the same - lost business for New York State printing firms and lost jobs for their employees.
- NYSID's April 1, 2016 application to the Procurement Council is factually incorrect. The cover letter states:

PIA Headquarters
636 North French Road, Suite 1
Amherst, NY 14228
tel: 716-691-3211 or 800-777-4742
fax: 716-691-4249

NY/NJ Metro Office
195 Prospect Park West
Suite 1A
Brooklyn, NY 11215
cell: 203-912-0804

www.PIAAlliance.org | info@PIAlliance.org

“Procuring agencies now require a complete turnkey solution for mail fulfillment services. All aspects of the job from label to envelope to mailing must be performed by the contractor.”

This is simply not correct. Printing Industries Alliance has any number of printer members who do not do mailings and mailing members who do not print. Printing firms who don't do mailing, work with mailers. Mailers who don't do printing, work with printing firms. It's actually quite simple.

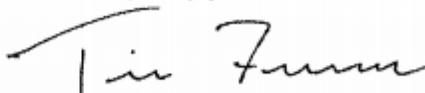
- The NYSID application seeks to control a market that is estimated to currently be approximately 150 million dollars per year. While the application portrays the work in question to be merely some simple statements and letters that would be printed and mailed, this is far from the case. It also includes anything that can be digitally printed, personalized or not, and sent through the mail. Examples include:
 - Sophisticated personalized marketing pieces sent to prospective students from SUNY
 - Personalized invitations to an exhibit at a public museum
 - Personalized vehicle registration information from DMV
 - Personalized invitations to a public hospital fundraiser
 - Personalized tourist information, including “I Love NY” mailed to potential visitors
 - . . . and more! The list is endless!
- A large number of our members currently utilize New York State community rehabilitation agencies as a vital part of their production process, often times for mail fulfillment. We recently surveyed our Board of Directors on their company's utilization of community rehabilitation agencies. We surveyed 29 Board member companies. Of the 20 who responded, 16 currently or regularly utilize employees from these agencies as vital partners in their production process. These companies employ handicapped, hearing impaired, and vision impaired individuals as well as a large number of veterans. It would be ironic and unfortunate if the decreased business to New York State printers resulted in less utilization of community rehabilitation agencies and lost jobs within that community.
- The competitive nature of the New York State printing industry delivers rock bottom pricing to governmental entities purchasing mail fulfillment/ printing, protecting the New York State taxpayer. Adoption of the NYSID application will decrease competition and raise costs to the New York State taxpayer.
- The NYSID application seeks to restrict access to this 150 million dollar digital print/mail market. Production of this work would be limited to NYSID, the NYSID members listed in the application, and a very limited and hand selected list of for profit printing firms that they chose to work with. During the discussion about the 2013 application, several of our members approached NYSID and requested information about becoming a “Preferred Source” vendor to NYSID. They were advised that NYSID did not require any additional vendors.
- The NYSID application references the fact that “Mail Fulfillment contracts do not and will not include Offset Printing” The lines between what can be done digitally versus offset have become blurred and there is no way for OGS to reliably police whether a mailing contract is being produced digitally or offset. Also, many mailing jobs are produced utilizing a combination of offset and digital printing. The offset “shell” is produced, and then it is

personalized for mailing, utilizing digital equipment. It is impossible to police this production process.

- NYSID does not have experience, training or knowledge about personalized variable data printing.
- Variable Data Printing is not “copying” or “document processing”. Digital printing equipment is expensive and requires extensive maintenance to keep operational. Working with digital files and operating a digital printing press is quite complex especially when producing variable data printing. The equipment needs to be operated 3 shifts to be cost effective, otherwise the maintenance and capital costs are too high to be economical.
- Granting “Preferred Source” status gives an unfair competitive advantage to NYSID and their partners and essentially creates a monopoly in a multi- million dollar market. Granting Preferred Source status for mailing/printing does not provide the transparency and level playing field that the New York State taxpayer deserves.
- By their own admission, granting this application will allow NYSID to move into all areas of “digital printing/mail fulfillment” including the high end and high volume examples cited above.
- If approved by the Procurement Council, a decision will have been made negatively impacting the work lives of thousands of New Yorkers based on a proposal that was rejected several years ago.

In closing, we would ask that this application be rejected by the Procurement Council. It is truly a “wolf in sheep’s clothing”. The utilization of the term “Document Processing” to replace “variable data printing” speaks volumes as to the intent of the proposal. Approval of the application will have a significant negative impact on a substantial number of New York State companies and their employees, including members of the disabled workforce. We appreciate your thoughtful consideration of this request to reject the proposal and would be pleased to answer any questions you may have. Thank you.

Very truly yours,



Timothy Freeman
President

cc: Ms. Susan Filburn, Deputy Chief Procurement Officer, New York State Office of General Services
New York State Procurement Council Members (via email)
Additional Interested Parties (via email)



THE ASSEMBLY
STATE OF NEW YORK
ALBANY

CHAIRMAN
Committee on Economic Development,
Job Creation, Commerce and Industry

COMMITTEES
Codes
Health
Ways & Means

ROBIN SCHIMMINGER
140th District

May 17, 2016

RoAnn Destito
Commissioner
N.Y.S. Office of General Services
Corning Tower, Empire State Plaza
Albany, NY 12242

Dear Commissioner Destito

I am writing in regard to a matter I understand is pending with OGS that is of great concern to our state's printing industry.

I'm advised that New York State Industries for the Disabled (NYSID) has applied to OGS to create a "preferred source" arrangement for the "mail fulfillment/printing" needs of state government and local governments throughout the state. This application, if approved, would allow NYSID to effectively create a monopoly in a market estimated to be in the hundreds of millions of dollars, resulting in the elimination of competition for a significant portion of New York State contracting and the loss of many good paying manufacturing jobs across the state.

I am certainly cognizant and supportive of the importance of providing job opportunities to disabled and veteran New Yorkers. It's my understanding that many in the printing industry currently employ disabled and veteran workers in a variety of positions, and that the majority of them also utilize New York State certified rehabilitation agencies as valued partners in their production process. It would be unfortunate and cruelly ironic if approval of the NYSID application resulted in a loss of these jobs and a reduction in business going to the rehabilitation agencies in our communities.

The current "preferred source" application submitted by NYSID is similar to one that NYSID proposed in 2013 for "digital printing," which was subsequently rejected. While the purpose has changed somewhat, the likely consequences have not – lost jobs at printing companies in every corner of New York State. I respectfully urge you to carefully weigh all the factors and reject this application.

Thank you for your consideration. With best regards, I remain

RECEIVED
MAY 20 2016

Sincerely yours,

Robin Schimminger

BY:
RS:kbb



Assembly Task Force on People with Disabilities

May 24, 2016

RoAnn M. Destito, Commissioner
NYS Office of General Services
Corning Tower, Empire State Plaza
Albany, New York 12242

Assemblymember
David I. Weprin, Chair

Kimberly T. Hill, Director
Room 203, Legislative Office Building
Albany, NY 12248
518-455-4592

Dear Commissioner Destito:

I am writing on behalf of the Center for Disability Services (Center) in support of NYSID's application for mail fulfillment services.

As you know, the Center is a member agency of NYSID and has provided mailing services to a multitude of government agency customers for over 30 years, employing over 165 individuals with disabilities in the mailing division with hourly rates between \$9-\$21 per hour; and has invested nearly \$3 million in equipment related to mail fulfillment.

Supporting this application is a solid and easy decision for the state. It simply serves as an update of the definition of the mail fulfillment service, reflecting the technological changes in how the information is delivered to the agency handling these services. In fact, the only thing that has changed is the means of delivering documents, and pressing "print" instead of "copy."

This application was written expressly to address the Printing Industry Alliance's (PIA) concerns, and would not threaten PIA's business, and any statement to the contrary is a misrepresentation. The application is supported by several Legislative leaders and by the Teamsters.

Finally, and perhaps most importantly, a denial of this application would cost people with disabilities their jobs, and would be contrary to the policy decision made by the state over 30 years ago.

I strongly urge the approval of this application so that dedicated employees with disabilities can continue to perform work of significance within the context of mail fulfillment. Short of that, if there is a need for additional study on this, I would ask that during the time period of such study the NYSID member agencies be allowed to receive agency documents, physically or electronically, for the purpose of a mail fulfillment contract. Further, I would ask that such ability *not* prevent a mail fulfillment contract from being preferred source eligible.

Thank you for your consideration.

Sincerely,

David I. Weprin, Chair
New York State Assembly
Task Force on People with Disabilities

RECEIVED
MAY 24 2016

BY:

NEW YORK
STATE
SENATE

ALBANY, NEW YORK 12247



NEIL D. BRESLIN
SENATOR, 44th DISTRICT

LEGISLATIVE ETHICS COMMISSION

RANKING MINORITY MEMBER
INSURANCE COMMITTEE

COMMITTEES

BANKS
EDUCATION
FINANCE
HIGHER EDUCATION
JUDICIARY
RULES

ROOM 411
STATE CAPITOL
ALBANY, NEW YORK 12247
TEL. 518-455-2325
FAX 518-436-6807

May 25, 2016

RoAnn M. Destito, Commissioner
New York State Office of General Services
Corning Tower, Empire State Plaza
Albany, New York 12242

Dear Commissioner Destito:

I am writing on behalf of the Center for Disability Services (Center) in support of New York State Industries for the Disabled's (NYSID) Application for Mail Fulfillment Services.

As you know, the Center is a member agency of NYSID and has provided mailing services to a multitude of government agency customers for over 30 years, employing over 165 disabled individuals in the mailing division with hourly rates between \$9-\$21 per hour; and has invested nearly \$3 million in equipment related to mail fulfillment.

Supporting this application is a "no brainer" for the State. It simply serves as an update of the definition of the mail fulfillment service, reflecting the technological changes in how the information is delivered to the agency handling these services. In fact, the only thing that has changed is the means of delivering documents, and pressing "print" instead of "copy."

This application was written expressly to address the PIA's (Printing Industries of America) concerns, and would not threaten PIA's business, and any statement to the contrary is a misrepresentation. The application is supported by several Legislative leaders and by the Teamsters.

Finally, and perhaps most importantly, a denial of this application would cost disabled individuals their jobs, and would be contrary to the policy decision made by the State over 30 years ago.

I strongly urge the approval of this Application so that the dedicated disabled employees of the Center for Disability Services can continue to perform work of significance within the context of Mail Fulfillment. Short of that, if there is a need for additional study on this, I would ask that during the time period of such study the NYSID Member agencies be allowed to receive Agency documents, physically or electronically, for the purpose of a mail fulfillment contract. Further, I would ask that such ability *not* prevent a mail fulfillment contract from being preferred source eligible.

Sincerely,

Neil D. Breslin
Member of Senate

TEAMSTERS LOCAL 294
AFFILIATED WITH
INTERNATIONAL BROTHERHOOD OF TEAMSTERS
LABOR TEMPLE 890 THIRD STREET ALBANY, N.Y. 12206
PHONES: 489-5436 • 489-5437 • 489-5438
FAX 518-453-9251

JOHN BULGARO
PRESIDENT
and PRINCIPAL EXECUTIVE OFFICER

THOMAS L. QUACKENBUSH
SECRETARY-TREASURER



May 25, 2016

RoAnn M. Destito, Commissioner
NYS Office of General Services
Corning Tower, Empire State Plaza
Albany, New York 12242

Dear Commissioner Destito:

I am writing to express the support of the Teamsters' Local 294 for the Application of NYSID (New York State Industries for the Disabled) to the New York State Procurement Council for Mail Fulfillment Services. Members of our union are employed by Center Transportation, the transportation services division of the Center for Disability Services. The Center is a member agency of NYSID and provides a great number of Mail Fulfillment services to state agencies through their Commercial Services division.

The Center has provided mailing services to a multitude of government agency customers for over 30 years, employing over 165 disabled individuals in the mailing division with hourly rates between \$9 and \$21 per hour and has invested nearly \$3 million in equipment related to mail fulfillment.

Although the Printing Industry Alliance (PIA) has indicated its objection to the approval of the Application, claiming that it would allow NYSID member agencies to engage in "digital printing", the Application was written expressly to address the concerns of the PIA and would only allow "printing" where a document is sent electronically in connection with a mailing. Approval of the Application does not threaten PIA's business, and any statement to the contrary is a misrepresentation.

Finally, and perhaps most importantly, a denial of this Application would cost disabled individuals their jobs, and would be contrary to the policy decision made by the State over 30 years ago.

I strongly urge the approval of this Application so that the dedicated disabled employees of the Center for Disability Services can continue to perform work of significance within the context of Mail Fulfillment.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "John Bulgaro", is written over the word "Sincerely,".

CC: Members of the New York State Legislature

A small, dark, irregular ink smudge or mark is located at the bottom center of the page, below the CC line.



TO: NYS Procurement Council
FROM: Christine McCann, ESD Designee, Empire State Development
DATE: May 25 2016
RE: NYSID Application to Add Document Production to Mail Fulfillment Services

Empire State Development supports the mission of the preferred sources, including approval of application requests made by NYS Industries for the Disabled (NYSID). Our agency's responsibility is to review offering applications to determine if the offering would have a significant impact on a substantial number of NYS businesses. We are requesting NYSID's application be considered at the September 14, 2016 NYS Procurement Council Meeting.

We request that Council postpone its recommendation for the following reasons:

1. **The term "document production" is vague.** This can be interpreted as any printed material that is inserted into an envelope and mailed. State agencies mail out a variety of printed documents including but not limited to pamphlets, posters, palm cards, guides on fishing/camping/traveling in NYS, SUNYs and CUNYs booklets, etc. The term "document production" needs to be better defined.
2. **ESD is unable to determine the impact on businesses to make a recommendation to the Council at this time.** We are unable to support or oppose the application until the term "document production" is more clearly defined. Due to the lack of specificity ESD is unable to determine how this request would impact the New York State businesses that operate in this space.

CHAIRMAN
MENTAL HEALTH &
DEVELOPMENTAL DISABILITIES

COMMITTEE MEMBER
CITIES

CIVIL SERVICE AND PENSIONS
CORPORATIONS, AUTHORITIES
AND COMMISSIONS

ENVIRONMENTAL CONSERVATION
HIGHER EDUCATION
LOCAL GOVERNMENT
VETERANS, HOMELAND SECURITY
AND MILITARY AFFAIRS

THE SENATE
STATE OF NEW YORK



ROBERT G. ORTT
SENATOR, 62ND DISTRICT
May 27, 2016

ALBANY OFFICE:
ROOM 815
LEGISLATIVE OFFICE BUILDING
ALBANY, NEW YORK 12247
(518) 455-2024
FAX: (518) 426-6987

DISTRICT OFFICE:
175 WALNUT STREET, SUITE #6
LOCKPORT, NEW YORK 14094
(716) 434-0680
FAX: (716) 434-3297

Roann Destito
Commissioner of Office of General Services
41st Fl, Corning Tower
Empire State Plaza
Albany, NY 12242

RECEIVED
MAY 31 2016

BY:

Dear Commissioner Destito,

We are writing in support of NYSID's Application for Mail Fulfillment Services. The Center for Disability Services is a member agency of NYSID and is very concern with the pending application, as the Center provides a great number of Mail Fulfillment services to state agencies.

As you know, the Center is a member agency of NYSID and is very concerned with the pending application, as the Center has provided mailing services to a multitude of government agency customers for over 30 years, employing over 165 disabled individuals in the mailing division with hourly rates between \$9-\$21 per hour; and has invested nearly \$3 million in equipment related to mail fulfillment.

Supporting this application is a "no brainer" for the State. It simply serves as an update of the definition of the mail fulfillment service, reflecting the technological changes in how the information is delivered to the agency handling these services. In fact, the only thing that has changed is the means of delivering documents, and pressing "print" instead of "copy."

This application was written expressly to address the PIA's concerns, and would not threaten PIA's business, and any statement to the contrary is a misrepresentation. The application is supported by several Legislative leaders and by the Teamsters.

Finally, and perhaps most importantly, a denial of this application would cost disabled individuals their jobs, and would be contrary to the policy decision made by the State over 30 years ago.

We strongly urge the approval of this Application so that the dedicated disabled employees of the Center for Disability Services can continue to perform work of significance within the context of Mail Fulfillment.

Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Rob-G. Ort". The signature is stylized and includes a circular flourish at the end.

Robert G. Ort
Senator, 62nd District