



September 22, 2020

Ms. Maureen O'Brien
President and CEO
NYSID
11 Columbia Circle Drive
Albany, NY 12203

Dear Ms. O'Brien:

We have several points of contention with the NYSID letter to Sean Carroll, dated Sept. 4, 2020.

NYSID point #1 – “It should be noted, that NYSID’s approved definition is for the provision of mail-fulfillment services and not for printing as a standalone service offering.”

PIA response: Saying a “printing” operation is “mailing”, doesn’t make it mailing. It is still “printing”

NYSID point #4 – “NYSID’s pricing has proven to be competitive with the market and the price NYSID charges for each contract will continue to be approved by OGS.”

PIA response: We remain unconvinced that NYSID pricing falls within the approved pricing premium of 15% above prevailing market price that is permissible under Preferred Source guidelines. We have yet to see any data on determination of prevailing market pricing for printing.

The recently cancelled \$55 million OTDA contract will save NYS taxpayers approximately \$20 dollars by being produced at an in-house NYS printing facility, per the recent Albany Times Union article. The work will be performed in-house for approximately \$35 million. If one assumes that \$35 million is then the “prevailing market price” (it’s not but that is another argument) the NYSID price is 57% higher, well outside legal parameters.

NYSID point #5 - There are a significant number of ad, marketing and commercial printing contracts that are awarded to out of state vendors (nearly \$1B). The PIA should be advocating on behalf of their membership to have those contracts brought back to NYS.

PIA response: PIA has long believed that the best place for NYS taxpayer dollars to be spent is with New York State businesses. Several years ago we were successful in getting “I Love NY” tourism printing brought back after it was being produced in Canada. We have asked the NYS legislature to pass legislation to give NYS printers a 10% pricing preference against out of state printing companies when competing for state taxpayer funded work, in the effort to have the work done in New York State. The response we got from the legislature and business community was negative due to the reciprocal pricing laws most states have. These laws would require states impacted by any NYS preferred pricing laws to enact similar laws, negatively impacting NYS businesses exporting to those states.

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

Very Truly Yours,

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cc: NYS Procurement Council

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