

# City firms lay bare their buying plans

By Richard Tyler

EVER wondered why the big company buyer sitting across the table has agreed to meet?

Several dozen small businesses tried to find out exactly that at a recent "meet the buyer" networking event designed to help them win contracts with City companies.

The banks, law firms and construction companies at the event, which was organised by The City of London Corporation, all admitted that small firms were often discouraged by the demands they placed on those tendering for work. But they offered some tips on how to get a foot in the door.

Julian Ashley Cranwell, procurement manager from international law firm Clifford Chance, is part of team that spends hundreds of millions of pounds each year.

He said the firm gave points to small and medium-sized enterprises (SMEs) applying for appropriate contracts if they came from the local area under its corporate social responsibility initiatives.

"We would like to see at least 10pc of our supply chain over the next two years be provided by small, local companies," said Mr Ashley Cranwell. At present the percentage is between 5pc and 10pc, he said.

"It is to help us meet our corporate social responsibility objectives. We manage our supply chain in ways that improve supplier diversity, support local suppliers and communities where

we can, and encourage our suppliers to set environmental objectives and perform against them."

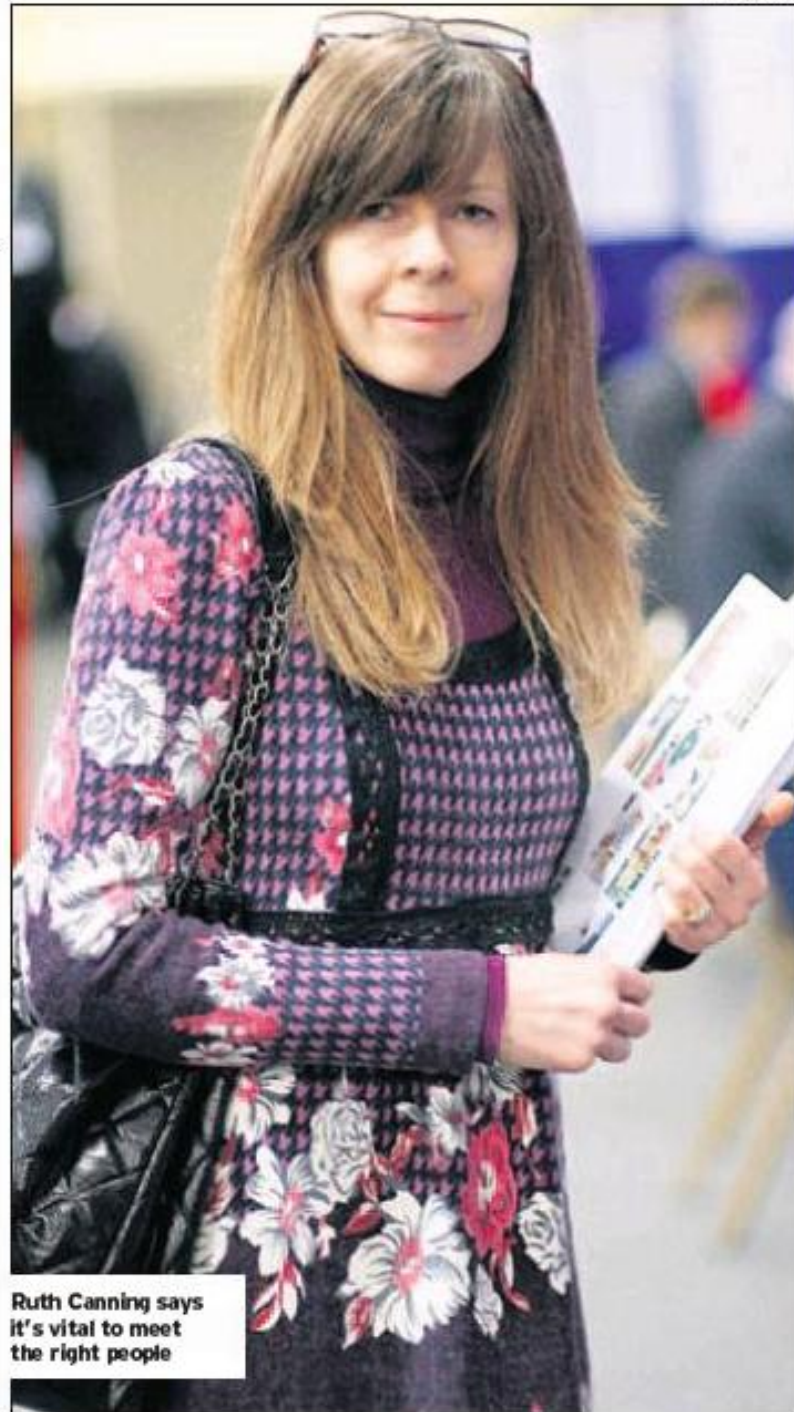
He added: "Smaller companies often give up if the process appears onerous. What we would encourage them to do is explain to us that they are a small company and have potentially a unique offering."

There is a trade off. Clifford Chance does not hesitate about employment policies and general levels of legal compliance. All suppliers complete a three-page self-assessment spreadsheet that probes for everything from the gender and ethnicity make-up of the management team to evidence of apprenticeship programmes and whether certain environmental standards have been met.

"If a firm is supplying us and is largely managed by women or from a diverse ethnic ownership we would give them every chance. It's a metric that has some value," said Mr Ashley Cranwell. "Firms that make no effort and don't have any sort of story would not be looked upon favourably."

Daniel O'Kelly, a buyer at Skanska Private, takes a different stance. He said that after a tough period the company was "refocusing" its supply base and was keen to hear from suppliers to improve competition for work. "We want to refocus our supply base and increase value for ourselves and our clients," he said. "The more suppliers you can see the more you can refine. And the more competition there is the more value there is."

Mr O'Kelly said it was tough for



Ruth Canning says it's vital to meet the right people

JANE MCGAY

## You simply can't beat meeting face-to-face

Ruth Canning, left, of Canning and Sheridan Interiors, is trying to build the customer base of her Southwark-based business. "I have done one before that did not yield anything. I will have to see," she said as she prepares to sit down with a buyer from law firm Berwin Leighton Paisner. "If you are a small business it can be quite difficult. You really don't know who to contact. I can't afford to buy the databases," she said. So was the ESO entrance fee worth it? "It's the face-to-face, the meeting the right people," she said. "I want to take it to the next stage. Everyone receives so many emails these days. They just delete them."

small firms to get on approved lists of suppliers. "Any big organisation gets cold calling all the time. We might get 10 a day," he said, before advising: "Try to find an angle so you can differentiate yourself from the competition."

Stephen Cook, head of facilities management at British Arab Commercial Bank, is also more matter of fact. He buys everything from photocopier paper to security services in three-year contract cycles and looks for a combination of quality, price, service and environmental impact.

"There's been a big push in the last five years to become green," he says. However, Mr Cook adds another dimension to his buying strategy: reputation. He regularly meets his peers at other City businesses to share information on suppliers. "I ask who are you using? Are you happy with them? Give me their card," he said. "To be honest, more often than not I only have to pick up the phone and ask people in the industry about who is good and who is bad."