



A4 BSGA RECOMMENDED CODE OF PRACTISE FOR INTERNET AUCTIONS

DISCLAIMER

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RECOMMENDATION

The member companies of the British Sign and Graphics Association (BSGA) recognise the increasing use internet or buyers' auctions by major sign purchasers as a means to procure the lowest (but not necessarily the best) price for the implementation of national and international sign programmes.

Whilst acknowledging that this is a new and dynamic manner in which to conduct on-line tenders for such programmes, the BSGA asks that organisations wishing to follow such a route do so in such a manner that is fair and transparent to all participants. Accordingly, BSGA members recommend that the following code is adopted as best practise by sign purchasers and manufacturers alike.

Sign Purchasers should:

Thoroughly vet all on-line participants in advance of the auction to satisfy themselves that bidders:

- a) Have previous experience of projects of a similar nature and scale.
- b) Have the manufacturing capacity at their disposal to cope with the volume and timetable of the programme.
- c) Have the installation resources at their disposal to cope with the volume and timetable of the programme.
- d) Have the resources to manage the programme.
- e) Ensure that all participants will be provided with sufficient cashflow resources to fund the programme, including any advance purchase of any special materials or tooling.

Ensure that all participants are provided with:

- a) Adequate training before the auction takes place.
- b) A period to practice on the system after the training session and before the auction takes place.

Provide a bidding process which:

- a) Is clearly time limited.
- b) Ensures that the lowest price bid is clearly visible to all participants.
- c) Allows minimum changes to bids in increments of £2,500 (or equivalent).
- d) Allows bids to be amended upwards as well as downwards (or if technology will not allow then permits the withdrawal of any bid within a set time).
- e) Request quantities and delivery timetables that honestly reflect their organisation's intent and ensure that, if they subsequently prove to be unrealistic, the successful bidder is then given a full opportunity to either review their prices or withdraw their offer.



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- f) Provide all participants with a full specification for each of the sign types required and check thoroughly that bids received accurately reflect that specification. In the event that lower bids reflect a different specification, such bids should either be eliminated or, if the alternative specification is acceptable, sign purchasers should offer each original participant the opportunity to submit fresh prices against it.

Sign Manufacturers should:

- a) Accurately supply all reasonable, written requests for information (RFIs) requested at the pre-auction stage.
- b) Facilitate any reasonable request for factory visits or site inspections to demonstrate both their in-house capabilities and experience of any similar projects already undertaken.
- c) Honestly admit to any shortage of resources which may hinder their ability to deliver the sign programme as the sign purchaser and/or their advisors have indicated.
- d) Alert the sign purchaser and/or their advisors to any minimum order quantities or materials lead times that might adversely affect the anticipated delivery of the project.
- e) Highlight to the sign purchaser and/or their advisors any legislative issues (planning or technical) which may hinder or prevent delivery of the sign programme as anticipated.
- d) Provide pricing based upon the exact specification(s) contained within pre-auction documentation supplied by the sign purchaser and/or their advisors.
- e) Separately offer any alternative written specification or technique which the sign manufacturer believes to be of sufficient merit to be worthy of consideration by the sign purchaser.
- f) Monitor the actual performance of the sign purchaser and/or their advisors against timetables and sign quantities as compared to those indicated at the time of the auction.
- g) Request an increase in prices where the programme falls short of pre-agreed targets as a result of non-delivery by the sign purchaser and/or their advisors.