

# The Home Depot Resources & Support for USCOM

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Home Depot PRO  
SEPT 2009



# Strategic Supplier Selection

- **Current funding issues impacting Governments:**
  - Declining tax revenues
  - Timeline & cost pressure for planning and implementation of allocated funds via public bid process
  - Capacity issues related to procurement
  - With respect to Federal funding support, new and different role for state & local government – many will seek partnerships with potential supplier resources to support local implementation of funds
  - Streamlining of procurement process is a high priority



# Solutions from US Communities & Home Depot

- Existing national contract in place offering a portfolio of Best in Class suppliers
- Knowledgeable and experienced national USC Program Managers and Home Depot PRO Government Managers
- Major brand products and services that are focused on supporting facilities maintenance, housing renovation, rehabilitation and energy efficiency
- A national high capacity logistics and supply network spanning 2000 locations



# The Home Depot Value Proposition

- Fortune 25 industry leading enterprise with national logistics platform, best in class products and services, and guaranteed price leadership.
- Ability to leverage unmatched supply chain resources (THD, vendors, partners) to meet immediate & ongoing material needs.
- Single point-of-contact with major customers to facilitate business partnership, creating strategic supply solutions.
- National Programs - US Communities Purchasing Program is a comprehensive solution reducing the total costs incurred in the procurement of indirect and direct materials.
- Experience, relationships & credibility at all levels of State & Local government.

**The Ideal Strategic Supplier**

# USC / Home Depot Contract – What It Is

- A publicly solicited contract awarded to The Home Depot by Maricopa County, AZ for Maintenance, Repair and Operating supplies under the auspices of the US Communities Government Purchasing Alliance, a Govt Purchasing Cooperative
- Targeted support for State & Local Governments
- Authorizes contractual access to THD guaranteed everyday low price, i.e. consistent with our standard business practices and value proposition
- Enables national State, Local & Education clients to “piggyback” on this contract, thereby avoiding the costly and time consuming public bid process, and gives them a contract vehicle to consolidate their spend with a high profile national strategic supplier



# How the US Communities Contract Works

- Gov clients register with US Communities and enroll with The Home Depot @ [www.homedepot.com/gov](http://www.homedepot.com/gov) to access contract benefits
- Access to all products in all Home Depot stores, plus over 200,000 products via Special Order
- Access Volume Pricing Program for procurements over \$2500
- Program purchases are tracked and reported to support spend management
- Annual rebate on all procurements



# Additional Key Contract Benefits

- **Renovation Services**

Home Depot teams can service your installation needs with a complete turnkey solution including products, services and labor – all backed by The Home Depot warranty.

- **BEHR Paints**

A complete program for supply of paints and coatings, complete with the expertise of a dedicated salesforce, top quality products, delivery services, and special Govt volume pricing program.



# THD Renovation Services Program

**THD's "Home Renovation Services" is a turn-key residential remodeling program offering a full line of renovation products and services through a general contractor platform**

- Single point of contact of the entire project from start to finish
- Single solution for product and labor needs
- US Communities Contract applies
- Davis-Bacon Compliant
- 24-48 hr turn-around on bids on residential projects
- Competitive pricing
- Full scope of renovation services\*
- Licensed, background checked and badged installers
- One-year warranty on workmanship backed by THD
- Locally sourced labor

\* Does not include structural repairs or MALP remediation



## Services Included in the Program

This program facilitates rehabilitation and/or improvements that are **non-structural** in nature

- Repair/Replacement/Upgrade of:
  - Roofs, gutters and downspouts
  - Existing HVAC systems
  - Plumbing/Septic & electrical systems
  - Floor Coverings
  - Exterior decks, patios, porches
  - Windows, doors, exterior wall siding
- Minor remodeling, such as kitchens (non-structural repairs)
- Painting, both exterior and interior
- Weatherization, including storm windows/doors, insulation, weather stripping
- Purchase and installation of appliances, including free-standing ranges, refrigerators, washers/dryers, dishwashers and microwave ovens
- Accessibility improvements for persons with disabilities
- Basement finishing, waterproofing & remodeling (non-structural repairs)
- Aging in home and ADA renovations



### **Not Included:**

- ✘ Major structural work
- ✘ Pool installation, maintenance or repair
- ✘ Termite bonds
- ✘ Removal / remediation of mold, asbestos or lead paint

# Renovation Services Snapshots

Before



After



**A High Quality, Cost Effective Turnkey Solution**



# Home Depot / US Communities/BEHR Paint

- Home Depot National Government Solutions field sales teams partnered with BEHR field sales teams & US Communities Program Managers
  - Product specification
  - In field technical support
  - On site job inspections / Adherence to specification
- Teams are totally focused on State and Local Government cost saving opportunities via US Communities national contract featuring special pricing and services
- Acquire BEHR superior products via Home Depot world class logistics & supply organization to reduce costs of direct and indirect spend





# BEHR MARKET POSITION

- BEHR is the 2<sup>nd</sup> Largest Architectural Coatings Company in North America and 14<sup>th</sup> in the World.
- 8 Manufacturing Facilities in North America
- 11 Distribution Centers in North America.
- Behr brand seen by 25 million consumers a week.
- Two Great brands: **BEHR and Kilz®**

# BEHR Program Features

## Key Solutions

- Annual volume based pricing program
- Access to national Home Depot/BEHR supply network
- Ability to direct ship for large requirements
- Field sales teams partner to customize relationship
- Reporting and spend management support
- Top quality products from BEHR PAINT
- Annual volume rebates
- Published “Satisfaction Guaranteed” warranty by The Home Depot



# USC & Home Depot – The Complete Solution

- No RFP required leads to lowest cost procurement efficiency
- USC / Home Depot contract leverages national buying power with best GOV pricing and rebate structure for over 250K products from high capacity logistics platform of over 2000 U.S. stores
- Renovation Services turnkey solution
- BEHR Paint special program
- National USC/THD field sales teams to support contract implementation and access
- No minimum orders, no fees, no purchase commitments
- **BEST VALUE FOR YOUR PROCUREMENT DOLLARS**



# Resources

- **Michael Fiorot, National Manager, Government**  
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