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Doing business with CERN

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6 April 2017



Agenda



Procurement budget

What does CERN buy?

How? Procedures and Rules

Some figures

Results of contracts with CERN

How to become a successful supplier

Contacts



CONTRIBUTIONS FOR 2017 (CHF)

Contributions Overview (for 2017)

Country	Percentage of Total	Amount (CHF)	Country	Percentage of Total	Amount (CHF)
 Germany	20.05%	228 895 300	 Finland	1.32%	15 084 950
 United Kingdom	14.81%	169 060 550	 Greece	1.18%	13 454 050
 France	14.05%	160 369 150	 Portugal	1.09%	12 473 650
 Italy	10.42%	118 976 300	 India*	1.02%	11 589 100
 Spain	7.08%	80 811 550	 Romania	0.97%	11 124 850
 Netherlands	4.68%	53 437 050	 Czech Republic	0.92%	10 495 350
 Switzerland	3.84%	43 859 000	 Hungary	0.59%	6 747 400
 Norway	2.84%	32 440 600	 Slovakia	0.47%	5 416 050
 Poland	2.77%	31 593 150	 Turkey*	0.42%	4 769 750
 Belgium	2.71%	30 964 100	 Bulgaria	0.29%	3 283 900
 Sweden	2.68%	30 619 650	 Serbia**	0.17%	1 935 850
 Austria	2.12%	24 250 100	 Pakistan*	0.13%	1 477 950
 Denmark	1.74%	19 844 650	 Ukraine*	0.09%	1 006 750
 Israel	1.46%	16 698 700	 Cyprus**	0.09%	1 000 000
			Total		1 141 679 450

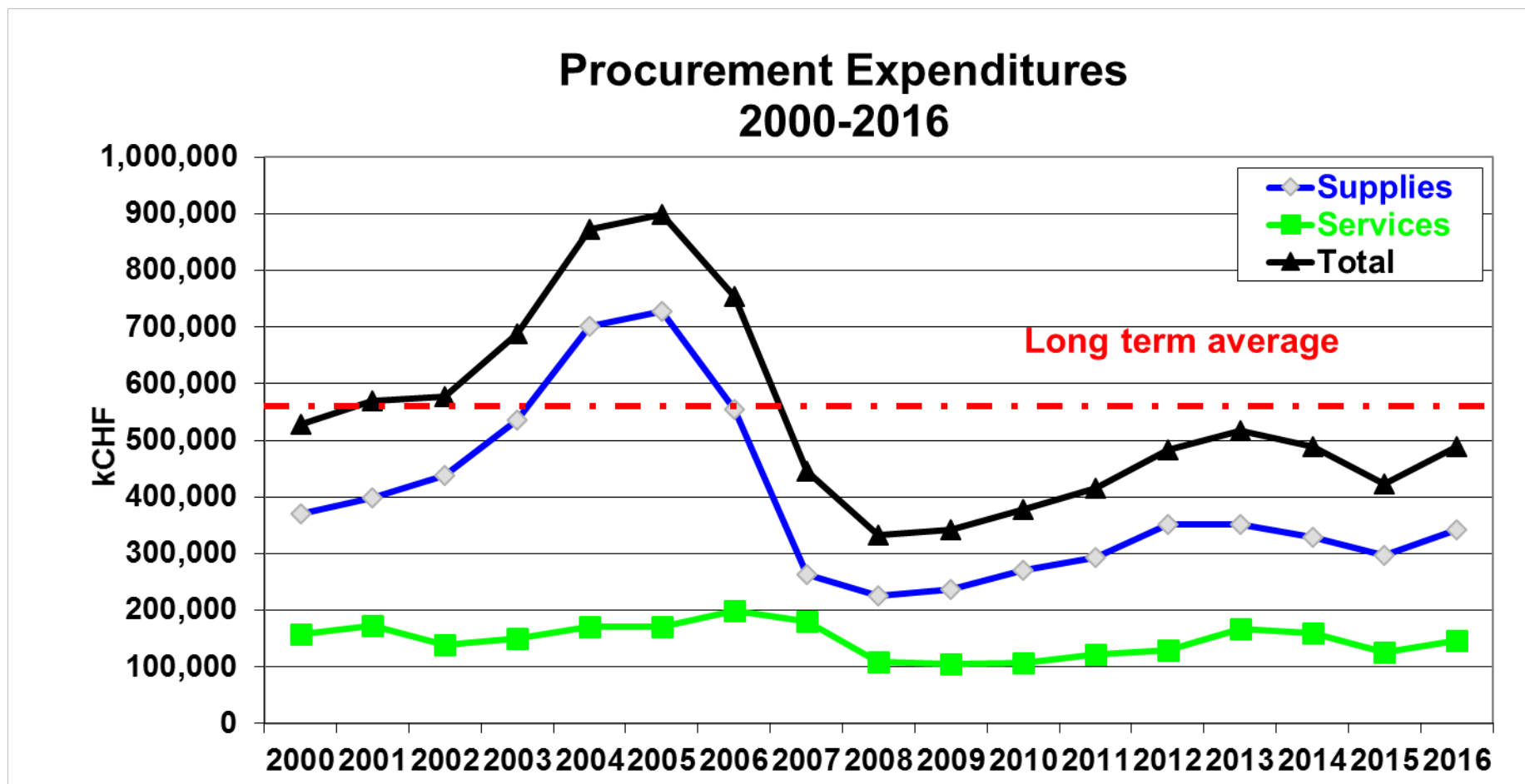
* Associate Member State ** Pre-stage Associate Member State

* Associate Member States



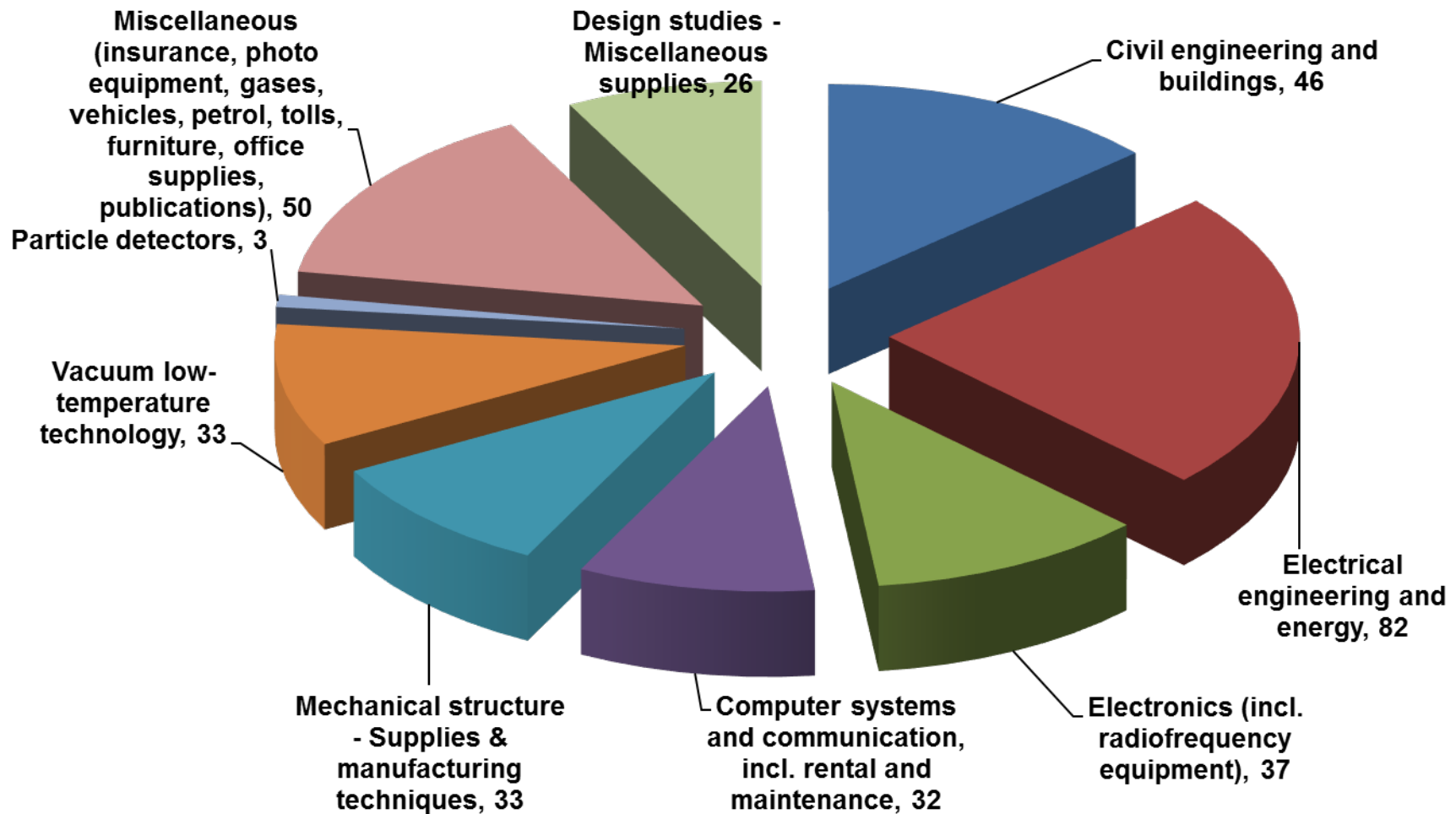
European Organization for Nuclear Research
Organisation européenne pour la recherche nucléaire

Procurement Expenditures 2000-2015



What do we buy ?

Supplies for 342 MCHF (2016)





What do we buy?

Recurrent supplies and services

- **Civil engineering**

Buildings, roadworks

- **Utilities**

Cooling & ventilation

Power distribution, cables, overhead cranes

- **Infrastructure & services**

Metal structures

Mechanical engineering

Radiation shielding

Transport & handling

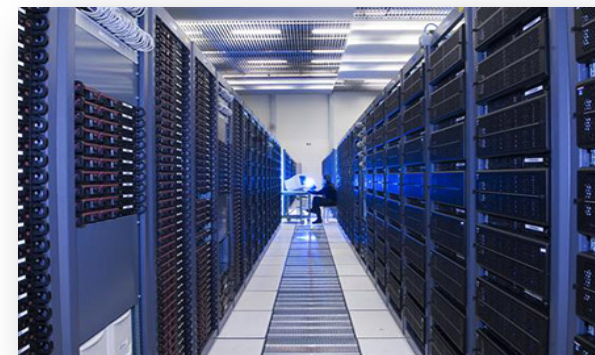
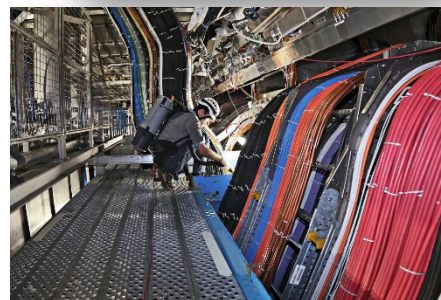
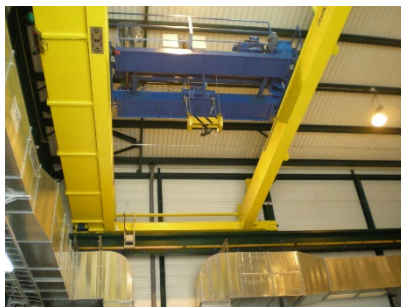
Safety & access control

- **Installation, operation & maintenance**

- **Data acquisition, computing & networking**

- **Various supplies**

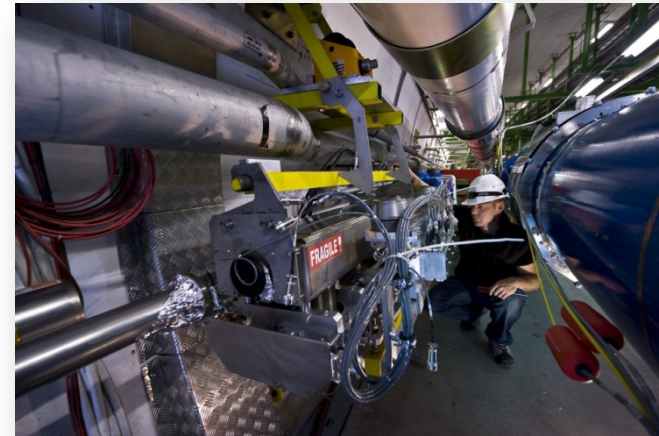
Furniture, tooling, gases, etc.



What do we buy?

Accelerator technologies required for consolidation projects and new developments

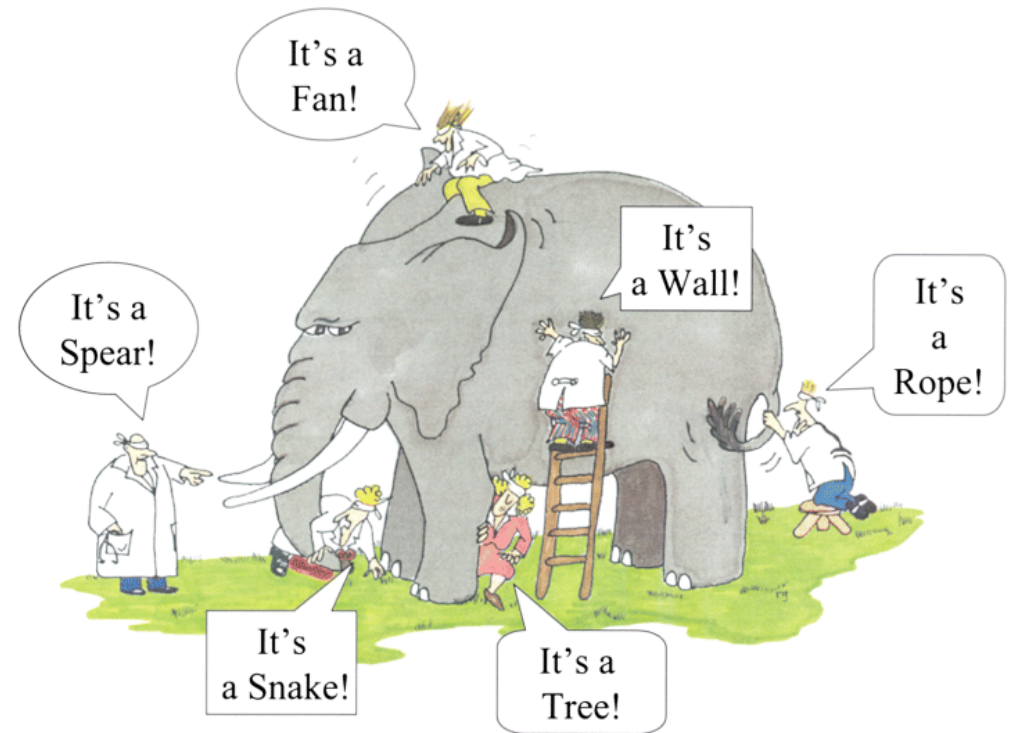
- Industrial controls & field buses
- Timing & “fast” real-time controls
- Beam collimation
- Beam injection, ejection & dump
- Radio-frequency equipment
- Power converters
- Beam instrumentation & diagnostics
- Permanent and electro-magnets
- Cryogenic equipment
- Vacuum equipment



What do we buy ?

Standard or Non-Standard?

- Off-the-shelf or non-standard products which can be produced with existing manufacturing techniques and/or technologies => functional specification
- Non-standard products where industry has neither the required know-how nor the immediate interest to develop and design the products for its existing markets => built to print
- Prototypes and/or pre-series needed?



CERN "Shopping list"

Forthcoming market surveys and calls for tenders

Advance information on forthcoming market surveys and calls for tenders expected to exceed 200,000 Swiss francs.

In the line entitled Cost Range, a very rough indication of the cost range of the product is given in the form of letters **A, B, C, D**.

A represents items estimated at less than 750 kCHF, **B** represents items between 750 kCHF and 5 MCHF, **C** represents items between 5 MCHF and 10 MCHF and **D** represents items above 10 MCHF.

Firms may reply to the Market Survey published in the table below up to two weeks before the corresponding Invitation to Tender is sent out. Therefore, in case the deadline for replies indicated in the Market Survey cover letter is over, please send your reply to the Market Survey at the earliest possible date.

The countries of origin of supplies and services shall be [CERN Member States](#), except if provided otherwise in the table below.

References marked with "New" have been posted during the last 8 weeks.

Search Menu		Links Menu	
Type of Contract: <input type="button" value="All"/>	Market Survey dispatched: <input type="button" value="All"/>		
Reference: <input type="text"/>	Call for Tenders scheduled for dispatch: <input type="button" value="All"/> <input type="button" value="All"/>		
Activity Code: <input type="text"/>	Description and/or Specific Condition: <input type="text"/>		
Requirement: <input type="text"/>	Commercial contact: <input type="button" value="All"/>		
Cost Range: <input type="button" value="All"/>	Publication Date: <input type="text" value="From"/> <input type="text" value="To"/> dd-mm-yyyy		
<input type="button" value="Search"/> <input type="button" value="Reset"/>			

Publication Date	Type of Contract	Reference	Requirement (Activity Code)	Description/Specific Condition	Cost Range	Market Survey scheduled for dispatch	Contacts and Interest in being contacted / Market Survey Documents	Invitation to Tender scheduled to dispatch
02-03-2017	Supply	New MS-4309/EN/HL-LHC	Supply of Nb (Niobium) and NbTi (Niobium Titanium) for HL-LHC Crab Cavities. (05010100)	CERN intends to place a contract for the supply of approximately ... Interested firms shall have all in-house competence, facilities and experience with ... <input type="button" value="Read More"/>	B	First quarter 2017	To express an interest please send an e-mail to procurement.service@cern.ch Technically: C. Zanon Commercially: J. Pierlot	Second quarter 2017
02-03-2017	Supply	New MS-4308/EN/HL-LHC	Supply of DQW Dressed Cavities. (05040407)	CERN intends to place a contract for the supply of ... Interested firms shall have all in-house facilities, competence and experience with ... <input type="button" value="Read More"/>	B	First quarter 2017	To express an interest please send an e-mail to procurement.service@cern.ch Technically: C. Zanon Commercially: J. Pierlot	Second quarter 2017
02-03-2017	Supply	New MS-4307/EN/HL-LHC	Supply of Cold Magnetic Shields. (05040407)	CERN intends to place a contract for the supply of ... Interested firms shall have all in-house facilities, competence and experience with ... <input type="button" value="Read More"/>	A	Second quarter 2017	To express an interest please send an e-mail to procurement.service@cern.ch Technically: C. Zanon Commercially: J. Pierlot of origin	First quarter 2018
01-03-2017 https://www.cern.ch/fp-dep	Supply	New MS-4306/EN/HL-LHC	Supply of HOM couplers and pickups (05040407)	CERN intend to place a contract for the supply 31 ... Interested firms shall have all in-house facilities, competence and experience with ... <input type="button" value="Read More"/>	B	First quarter 2017	To express an interest please send an e-mail to procurement.service@cern.ch Technically: C. Zanon Commercially: J. Pierlot	Second quarter 2017

<https://found.cern.ch/java-ext/found/CFTSearch.do>

HL-LHC “Shopping list”



HL-LHC Industry
Industry Relations and Procurement Website for the HL-LHC project

[Home](#)
[General Info](#)
[Procurement Overview](#)
[Tendering](#)
[Acquisition Timeline](#)
[Events](#)
[Contact](#)

Building the HL-LHC with the Industry

The HL-LHC Industry Website has been specially designed for all those firms that wish to participate in this ambitious project. We want to share all the relevant information related to the procurement that will be required to accomplish this major upgrade of the LHC.

The industry will have a crucial role and will be heavily involved within the [HL-LHC Project](#) since it will be the main source to provide the technologies and equipment that are required to successfully achieve the goals of this upgrade of the LHC.

The HL-LHC will collaborate with many types of industries and businesses to pursue its goals. Knowledge and technology to be developed during the HL-LHC project will make a lasting impact on society.




ILOS
[ILOS Portal](#)

HIGHLIGHTS
10 Mar 2016
[HL-LHC is now part of the ESFRI Roadmap](#)
The 2016 Roadmap highlights the strong socio-economic impact of research infrastructures as well as their potential to generate innovation through collaboration with industrial partners.
[More information on the ESFRI Roadmap 2016](#)

8 Feb 2016
[QUACO Open Market Consultation](#)
CERN, as member of the European pre-competitive procurement (PCP) Instrument QUACO, is pleased to invite you to the Open Market Consultation (OMC) that will take place on 30th

Main Domains of Activity - HL-LHC Project

Work Packages

Cryogenics systems		WP9
Magnets components and assemblies		WP3, WP11
Electrical equipments, electronics & instrumentation for accelerators		WP4, WP5, WP6A, WP6B, WP7, WP13
Ultra High vacuum components and systems		WP12
Collimators and new material resists to high temperatures		WP5, WP8, WP14
Cryostats and subcomponents for cryogenic equipment		WP3, WP4, WP6A, WP9, WP11
High precision assembling and manufacturing technologies		WP4, WP5, WP8, WP12, WP14
Others		WP6A, WP10, WP15, WP16
Raw materials		WP3, WP4, WP5, WP8, WP11, WP12, WP14
Civil engineering and technical infrastructures		WP17

<http://project-hl-lhc-industry.web.cern.ch/content/main-procurement-needs-hl-lhc>





Legal framework

- CERN, an Intergovernmental Organization, was established in July 1953, by the “Convention for the establishment of a European Organization for Nuclear Research”.
- As an Intergovernmental Organization, CERN is not a legal entity under national law but governed by public international law.
- CERN benefits from immunity from national jurisdiction and execution. Thus, legal disputes between CERN and its suppliers and contractors are not submitted to national courts but solved via international arbitration.
- CERN is thus entitled to establish its own internal rules necessary for its proper functioning, such as the rules under which it purchases equipment and services.

Mission of Procurement and Industrial Services

The mission of the Procurement and Industrial Services group is to:

- procure all supplies and services for CERN;
- meeting all requirements;
- at the lowest possible overall cost, while;
- achieving balanced industrial return for the CERN Member States, and;
- respecting the CERN Procurement Rules.



Procurement Principles

- CERN purchases supplies and services and awards contracts in compliance with the principles of *transparency* and *impartiality*
- Limited to firms established in the Member States.
- Invitation to tender documents are drafted in an *objective* way so as to guarantee *fair competition*
- As a rule, CERN's tendering procedure is *selective* and does not take the form of open invitations to tender or price enquiries
- The opening, negotiation and evaluation processes of the bids are *strictly confidential*
 - Is either the lowest; or
 - Represents the best value for money.




Procedures for obtaining offers

- **Requirements < 10'000 CHF**
Users may issue enquiries directly provided CERN procurement rules are followed
- **Requirements > 10'000 CHF and < 200'000 CHF**
 - Price Enquiries issued by Procurement Service
- **Requirements > 200'000 CHF**

Announcement, Market Surveys & Calls for Tenders




Procurement & Industrial Services Group

[Home](#)

Forthcoming market surveys and calls for tenders

Advance information on forthcoming market surveys and calls for tenders expected to exceed 200,000 Swiss Francs.

In the line entitled Contract Number, a very rough indication of the cost range of the product is given in the form of letters **A, B, C, D**.
A represents items estimated at less than 750'000 CHF, **B** represents items between 750'000 and 1'500'000 CHF, **C** represents items between 1'500'000 and 2'250'000 CHF and **D** represents items above 2'250'000 CHF.

Prices may refer to the Market Survey published in the table below for two weeks before the corresponding Invitation to Tender is sent out. Therefore, in case the deadline for replies indicated in the Market Survey cover letter is over, please send your reply to the Market Survey at the earliest possible date.

The countries of origin of supplies and services shall be **CERIN Member States**, except if provided otherwise in the table below.

References marked with "item" have been posted during the last 8 weeks.

Search Menu
[Links Menu](#)

Type of Contract: **All** Market Survey dispatched: **All**
 Reference: **All** Call for Tenders scheduled for dispatch: **All**
 Activity Code: **Description and/or Specific Condition:**
 Requirement: **Commercial contact:**
 Cost Range: **All** Publication Date: **from** **to** **dd-mm-yyyy**

[Search](#)
[Reset](#)

Publication Date	Type of Contract	Reference	Requirement (Activity Code)	Description/Specific Condition	Cost Range	Market Survey scheduled for dispatch	Contacts and Interest in being contacted / Market Survey Documents	Invitation to Tender scheduled to dispatch	
02-09-2015	Supply	WS-11-126-126		Supply installation and commissioning of an all-metal vacuum furnace (208)	CERIN intends to place a contract for the supply, installation and commissioning of an all-metal vacuum furnace ... Read More	A	Third quarter 2015	To express an interest please send an e-mail to procurement.enquiries@cerin.ch Technically, J. Bortoluzzi Commercially, J. Bortoluzzi	Fourth quarter 2015
14-08-2015	Supply	WS-11-126-126		Ventilation systems for the building 107: air extraction from the surface treatment equipment and from the PCB production equipment; all extraction equipment of a scrubber device; one open door ISO8. (133, 127)	Supply, installation, testing and commissioning of the HVAC systems including the ... Read More	C		Market Survey documents	Fourth quarter 2015

Country of origin

Supply contract: country(ies) in which the goods are manufactured or where the last major modification will take place.

Service contract: country(ies) in which the bidder is established.



The alignment rule



- For supply contracts to be awarded on the lowest compliant bid basis and exceeding **100'000 CHF** in value
- A bidder offering goods originating from **poorly balanced** Member States is offered to **align** his price, under certain conditions, to that of the lowest bidder and thereby be awarded the contract

The following countries are considered to be well-balanced in the period 01.03.2017 until 28.02.2018 for Supply contracts:

Bulgaria, Czech Republic, France, Hungary, Italy, Switzerland



Basis of Award – Supply contracts

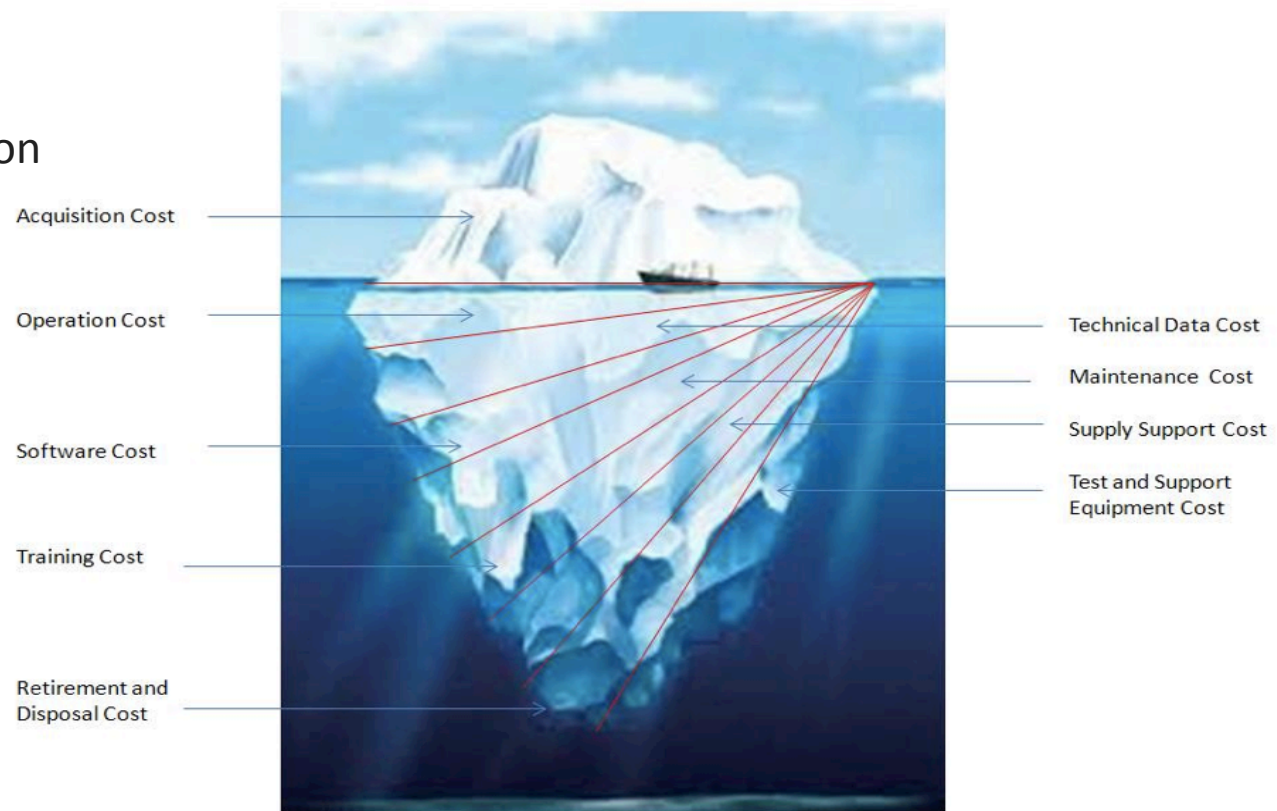
Supply contracts shall be awarded on FCA price,
«Lowest compliant bid » basis....



Lowest cost?

Takes into account:

- Initial investment
- Operating costs:
 - Energy consumption
 - Spares
 - Maintenance
 - Training, etc.
- Disposal costs



Basis of Award – Service contracts

Service contracts are awarded on a
«Best Value for Money» basis
to the bidder submitting
the most economically advantageous bid

Price // Quality

The diagram shows the words "Price" and "Quality" in orange, separated by a double slash //. A dark brown arrow points downwards from "Price", and another dark brown arrow points upwards from "Quality".

Best Value For Money

The following criteria and weights will be applied by CERN to evaluate the bids for Service contracts:

Criterion	Weight
Price (inc. all relevant costs)	XX
Quality <ul style="list-style-type: none">▪ Experience of the key personnel▪ Stability of the personnel▪ External references▪ Technical know-how▪ Technical training▪ Quality of the bid▪ Tests▪ Etc.	XX
TOTAL	100

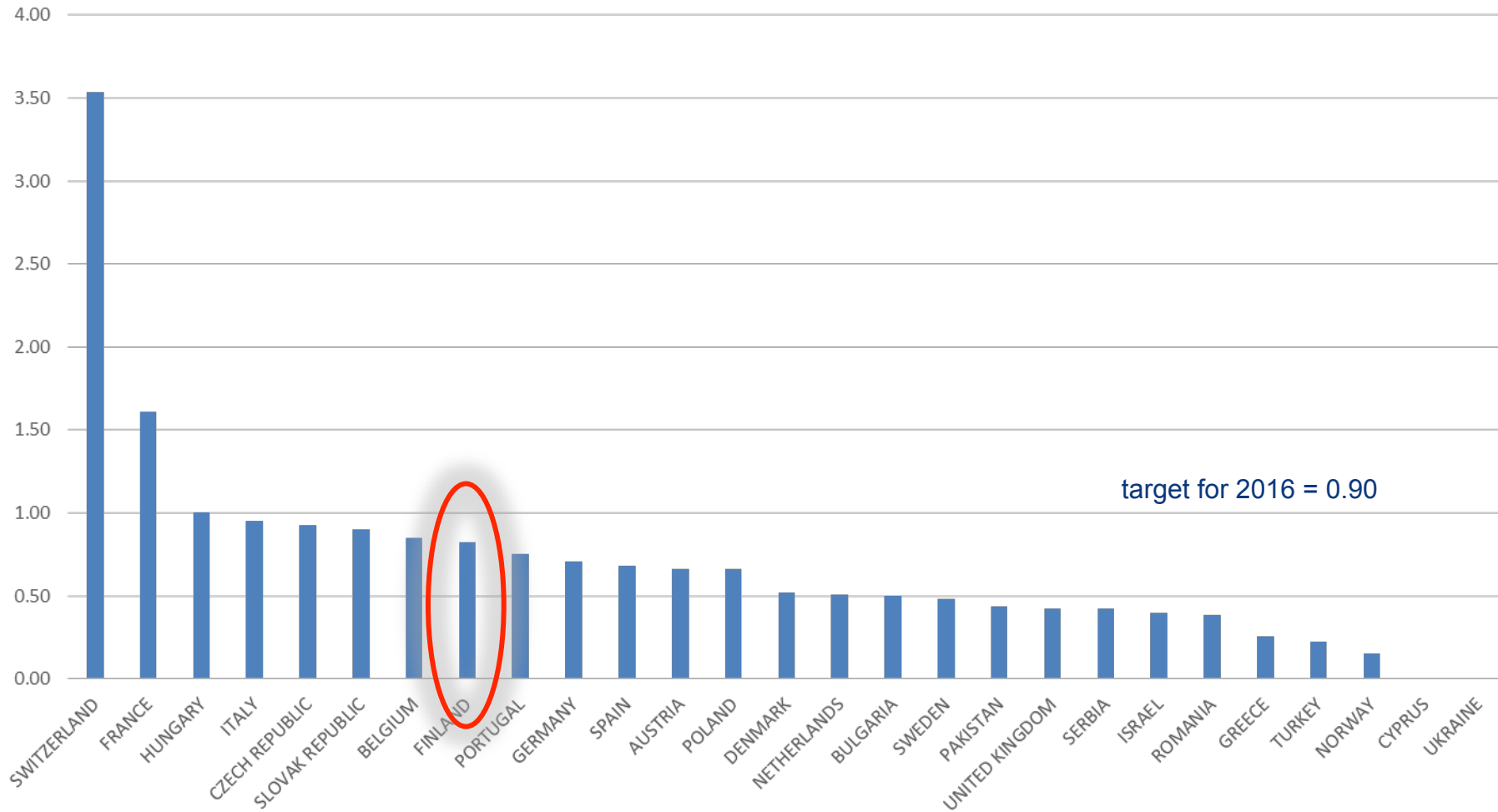
Collaboration with Finland

- Industrial return for supplies, target for 2016 = 0.90



Collaboration with Finland

Supplies (average from 1996 to 2016)



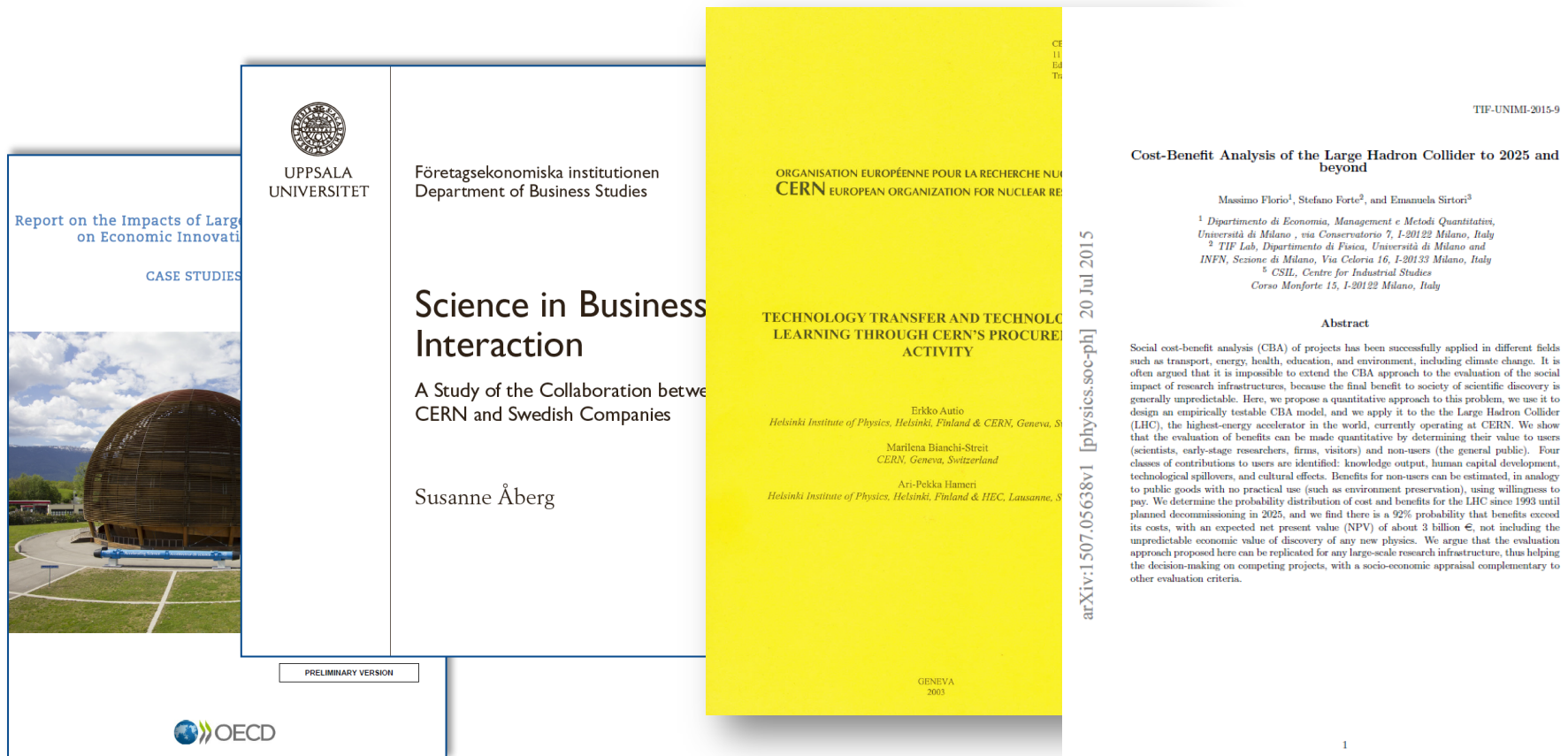
Collaboration with Finland

Some recent suppliers in Finland

Supplier name	City
MIRION TECHNOLOGIES (FINLAND)	TURKU
ELEKMERK	KEURUU
SEE UNIV57 **HELSINKI UNIVERSITY OF TECHNOLOGY	HELSINKI
LUVATA (FINLAND)	PORI
AP-TELA	KOKKOLA
ADVACAM	ESPOO
TOOLMAN OY	OUTOKUMPU
LAPIN AMK	KEMI
MANSNER OY HIENOMEKANIikka	KARKKILA
METLAB OY	TAMPERE
ETS LINDGREN	EURA
VAISALA OY	HELSINKI
KALLIOSUUNNITTELU OY ROCKPLAN LTD	HELSINKI
GEORGE ATANASSOV PHOTOGRAPHY	ESPOO
UNIVERSITY OF HELSINKI	HELSINKI
RAMENTOR OY	TAMPERE
AALTO-UNIVERSITY - DESIGN FACTORY	AALTO
THE QT COMPANY	ESPOO
MARIMILS OY	VANTAA
SKS SENSORS	VANTAA

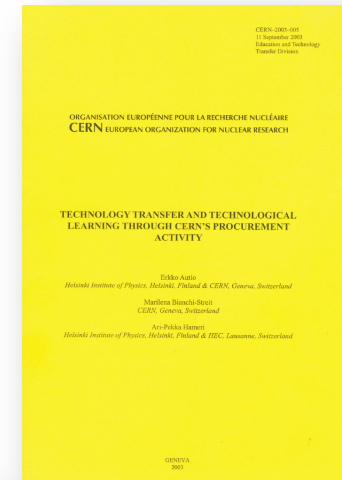


Reports and studies



Results of contracts with CERN

- 38% had developed new products
- 42% increased international exposure
- 44% improved technological learning
- 52% would have had poorer sales performance without CERN
- 17% opened a new market
- 60% acquired new customers
- all firms had derived great value from CERN as a marketing reference





Successful bidders and contractors

- Often small – medium sized and **flexible** firms
- Ensure **full** understanding of specifications – **exceeded** specifications may be **too expensive** (adjudication to lowest compliant bid for supplies)
- Communicate with CERN (problems, issues, alternatives, etc.)
- Take into account test requirements and documentation
- Make best offer directly
- Ensure good working relationship with partners and sub-contractors

Contacts with CERN

Procurement web page

<http://procurement.web.cern.ch/>

Industrial liaison Officer (ILO)



Mr Hannu JUUSO

Senior Technology Adviser
Tekes
P.O. Box 69
FIN-00101 Helsinki
Finland

TEL: +358 2950 55732

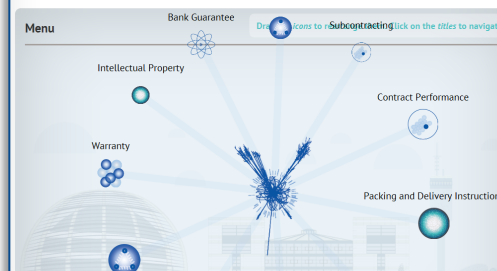
EMAIL: hannujuuso@tekes.fi



Doing business with CERN

DOING BUSINESS WITH CERN

Having a Contract with CERN



FP Procurement and Industrial Services Group

DOING BUSINESS WITH CERN

Doing business with CERN

Procurement Strategy and Policy

Code of Professional Ethics Extract

Market Surveys and Calls for Tender

Who to contact at CERN

Who to contact in your Country

Register for our Suppliers Database

Law applicable to contractors' personnel

Key Reference Documents

Welcome

The mission of the Procurement and Industrial Services (PI) group is to procure all supplies and services for CERN, meeting the specified and contractual technical, delivery and performance requirements at the lowest possible overall cost, while achieving balanced industrial return for the CERN Member States and respecting the CERN Procurement Rules.

The group monitors and reports procurement activities and statistics to the CERN management and member states.

The group also handles the organization's temporary labour requirements.

NEWS

Doing business with CERN

Old Announcements

DOING BUSINESS WITH CERN

BROCHURE

VIDEO



European Organization for Nuclear Research
Organisation européenne pour la recherche nucléaire



