

Case Study: Fiber Duct Auction Brings Significant Savings to Buyer

Sempra Communications used Pantellos Dynamic Solutions to fill a need for 500 miles of fiber duct. The Dynamic Solutions auction shortened the procurement cycle to just nine days, meeting Sempra's delivery date and saving nearly 20% of the expected/budgeted costs.



Opportunity

After a successful PDS facilities construction auction that produced 17% savings, Sempra Energy approached Pantellos with another procurement need. A subsidiary, Sempra Communications, required more than 500 miles of fiber duct for an upcoming Mexico Fiberoptic Project to provide fiberoptic access to the Tijuana and Mexicali border markets.

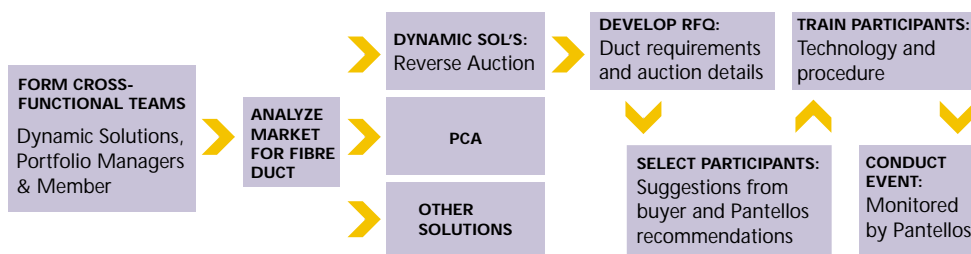
Solution

After receiving several market quotes, Sempra Communications engaged Pantellos Dynamic Solutions to host a reverse auction for the fiber duct. The PDS team developed product specifications, set up the auction, sent out invitations to 15 suppliers and held the auction with seven participating bidders, including two distributors.

Solution Overview

Pantellos Dynamic Solutions (PDS) is an online trading environment where members can purchase goods and services at the lowest possible price, sell off excess inventory and buy equipment at reduced prices.

PROCESS STEPS FOR PLANNING AND CONDUCTING A REVERSE AUCTION:



Results

The PDS auction delivered significant time and cost savings for Sempra Communications. The process from setup and auction training to the event itself took only nine business days, allowing the winning supplier to meet Sempra's desired August delivery date at a savings of nearly 20% compared with the expected cost.

For More Information:

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