CERN ProcurementThrough functional specifications versus build-to-print

Is it an important issue ?

(II episode)

Mauro Morandin

Last ILO Forum

Build to print vs. functional specifications

✗ in our HEP environment, it is quite common, for various reasons (necessity, convenience, tradition, ...) to purchase components of the accelerators, detectors and associated systems through **"Build to print"** orders; CERN is no exception

✗ however there are sometimes cases where it's feasible and even desirable to have industry more directly involved in the **design and prototyping phases**

  ◆ these are the opportunities where the suppliers **benefit the most** from the interaction with CERN, in terms of acquiring **increased competitiveness** and **stronger innovation potential**

  ◆ statistical analysis have shown that there is a correlation[1] between **LHC procurement** over time and supplier **revenues**, **profits** and **profit margins** that are significant only for orders where companies are asked to do **customization** and **co-design** work on **high-tech** components (this growth is good for CERN too)

✗ such a collaboration may also be **mutually beneficial**

  ◆ although KT usually flows from CERN to industry, high level industrial involvement may bring **industrial know-how** and **advanced technological knowledge** to CERN as well

(1) M. Florio et al. - FCC week ,Berlin, 31/5/2017

26.9.2017

Today

◆ goal of the discussion today is:

  ✗ check whether the issue is of **general interest for the ILO forum**;

  ✗ decide, if that is the case, to address it in **future ILO forum meetings** aiming at proposing possible **improvement actions**

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◆ conclusion at the last ILO forum was not clear

  ✗ some ILOs showed interest

◆ now after 6 months what is the general feeling ?

Today

◆ if we decide that it's **worth proceeding** we could:

   ◆ **[minimum]** just encourage CERN to **recommend a more extensive use of procurement procedures** based on functional specification rather then on build to print

     ✗ whenever both options are feasible

   ◆ **[good step forward]** ask Procurement to provide data on functional specification usage, for (future) proc. procedures related to an appropriate set of proc. codes and cost ranges, so that we can monitor the situation

     ✗ may require setting up a small working group with ILO/IPT/TE,EN Dep. representatives

   ◆ **[maximum]** working group charged with the task of:

     ✗ identifying technical sector where improvements would be most desirable

     ✗ setting possible **targets** and monitor the **evolution**