

**BID SPECIFICATIONS FOR THE APPOINTMENT OF A DISTRIBUTION SERVICE PROVIDER FOR ALL DoC-PRODUCED PRODUCTS FOCUSING MORE TOWARDS THE NATIONAL, MONTHLY DISTRIBUTION OF THE GOVERNMENT NEWSPAPER, *VUK'UZENZELE*.**

**RFB 009 2014/2015**

**The Opportunity:** The Department of Communications (DoC) is inviting service providers to submit proposals on the distribution of all DoC produced products focusing more on the monthly, DoC-produced newspaper, *Vuk'uzenzele*.

The successful bidder will be appointed for two years, with effect from 1 August 2015.

This is an opportunity for a service provider to join DoC in the dissemination of publications containing information that helps to improve the lives of millions of South Africans and encourages citizens to be active participants in this democratic society.

Bidders should therefore consider themselves as entering into a partnership with the Public Service. Bidders should set out to offer value for money, bearing in mind the importance of public service, the current economic climate and the fact that the funds available are derived from the broader South African public, which includes the business community itself.

For the purpose of evaluating prospective bidders for the tender, the case study will focus on the DoC-produced newspaper, *Vuk'uzenzele*.

**1. Background:**

- 1.1. *Vuk'uzenzele* is a monthly, 16-page, tabloid-format newspaper with a print run of 1,7 million produced by the DoC to enhance awareness of government programmes and opportunities for citizens. The newspaper is distributed in communities that have limited access to mainstream commercial media.
- 1.2. The publication supports DoC's efforts to ensure that citizens are empowered with information about opportunities that they can access and use to improve their lives and those of the communities in which they live.
- 1.3. *Vuk'uzenzele* is available free of charge and is published in all official languages, including Braille. A PDF edition is available at <http://www.info.gov.za/vukuzenzele/>.

## **2. Target Audience of the newspaper**

- 2.1. The primary target market for the newspaper is given preference to communities residing in deep rural, rural and peri-urban areas. Current research findings and the All Media Products Survey (AMPS) figures indicate that rural and peri-urban areas are more predominant in Kwa-Zulu Natal, Eastern Cape and in decreasing numbers in North West, Gauteng, Limpopo, Free State, Mpumalanga, and the Western and Northern Cape.

## **3. Distribution methodologies and channels**

- 3.1. Research conducted by DoC indicates that readers/users of the newspaper prefer knock-and-drop as a distribution method. Currently, not less than 85 % of the publication is distributed to the target audience through knock-and-drop, with an expected penetration level of at least 50% of households in specified distribution areas.

- 3.2. Approximately 15% of the print run is distributed to selected distribution outlets such as:

### **3.2.1. Thusong Service Centres**

These are one-stop government centres which are mostly located in rural areas, townships, etc. where the public are able to access general government information and services such as applying for social grants, IDs, passports etc.

### **3.2.2. DoC Provincial Offices and District Offices**

These offices are located in each province. DoC Senior Communication Officers linked to these offices receive the newspaper and disseminate it during community outreach programmes, events and workshops with the local communities they service. These offices also have Information Resources Centres (IRC) where the public accesses information on government programmes.

### **3.2.3. DoC Head Office**

Located in Pretoria, it serves as a distribution point for getting the newspaper to individual subscribers including Ministers, Deputy Ministers, Directors-General, media representatives and the DoC Information Resource Centre (IRC).

### **3.2.4. Constituency offices**

The Provincial DoC offices distribute to Constituency offices form the copies they receive as its part of their key distribution points.

#### **4. Knock-and-Drop distribution**

- 4.1. This is the primary and preferred means of distribution.
- 4.2. Through the use of research tools / systems, preferably a Geographic Information System (GIS) capable of modelling Census and other associated demographic research data, the appointed distribution service provider must be able to identify the areas and locations of the target market of the publication. This information is critical and must be used to inform the knock and drop distribution strategy.

#### **5. The Challenge:**

- 5.1. Bidders are expected to address the **following DISTRIBUTION OBJECTIVES** in their proposals:

##### ***5.1.1. Effective planning, management and execution of the distribution process.***

- 5.1.1.1. The successful bidder should have recognised, market-related experience and proven competence in knock-and-drop as well as physical distribution to outlets. Such experience should have been gained distributing high volumes of printed marketing, advertising and communication material to the same or similar markets of the newspaper, viz. residing in deep rural, rural and peri-urban markets.
- 5.1.1.2. Experience gained in distribution services to Public Sector organisations is preferred but not an absolute prerequisite.
- 5.1.1.3. The successful bidder should demonstrate a proactive, hands-on approach to the manner in which the work is planned, managed and executed. Formal quality management systems and continuous improvement programmes must form part of the business process of the organisation.
- 5.1.1.4. The successful bidder's services should at all times be available to the DoC. This means bidders must prove effective continuity and disaster management plans as well as the understanding that DoC is a priority customer given the markets served and the nature of the product being distributed.
- 5.1.1.5. A dedicated management/project team will be a requirement. Members should avail themselves to attend pre-distribution, post-distribution and operation meetings/workshops.

- 5.1.1.6. At commencement of the contract, DoC will provide the successful distribution service provider an initial distribution strategy linked to a distribution plan at suburb level. It is a requirement that this data be translated into a foundational distribution plan which will be jointly managed with DoC. It must be noted that this data remains the property of DoC and will be retained at the end of the contract period.
- 5.1.1.7. Bidders must develop a distribution strategy and plan in conjunction with the DoC Distribution Manager during pre-distribution meetings for each edition of the newspaper. This strategy and plan should include distribution via knock-and-drop to homes, DoC Head Office, *Vuk'uzenzele* Head Office, DoC Provincial Offices, DoC District Offices, Parliament and Thusong Service Centres.
- 5.1.1.8. Collection of the newspaper, shrink-wrapped in batches of 100 copies each, from the printers currently based in Johannesburg or any other identified collection venue/s;
- 5.1.1.9. Packaging and transportation of the newspaper to the identified distribution outlets to be informed by the specific distribution strategy and plan agreed between the two parties prior to distribution. This process must be completed within 5 working days from completion of print. A print-run verification sheet confirming stock received must be sent to the Distribution Manager at the end of the 5 day period. DoC will supply a template for completion post award of the tender. Note that shipping is not allowed prior to the finalisation of the distribution strategy; the strategy must be approved by designated officials from both parties.
- 5.1.1.10. The bidder will be responsible for repacking the printed material, according to addresses, quantities and languages indicated in the distribution plan approved by the DoC. Please be aware that the bidder will not be allowed to work from the printer's premises.
- 5.1.1.11. The distribution for each edition should be completed within 10 working days after the agreed commencement date. It is a requirement that distribution to both areas for knock-and-drop as well as to the select outlets be executed in line with a specific date per point (in the case of points) and per area (in the case of knock and drop area). These dates will be assigned by the distribution service provider and communicated to DoC, 5 working days prior to agreed commencement date. No amendments will be accepted after submission of the plan as indicated.

- 5.1.1.12. Currently, promotional posters are printed and distributed per edition. The successful service provider will be expected to assist the Distribution Manager to distribute and display the posters according to the distribution strategy or otherwise directed by DoC.
- 5.1.1.13. The successful service provider must provide daily feedback to the Distribution Manager on planned vs. actual distribution progress made. Standard reports emailed will be required unless otherwise agreed to.
- 5.1.1.14. The service provider must keep distribution documentation per-edition relating to pre-distribution, during distribution and post distribution at branch/depot level, including the service provider head office. These files must be available for inspection by DoC officials and kept in good order.
- 5.1.1.15. The distribution service provider will be required to provide adequate proof of delivery for distribution to outlets as well as through knock-and-drop. These documents must be used to develop a presentation which is to be presented to DoC within 21 working days after the completion of distribution. It is a requirement that proof of delivery must be standardized across the entire distribution network. A copy of the proof of deliveries for knock-and-drop as well as points must accompany this bid for inspection.
- 5.1.1.16. The successful service provider must provide an accurate account of all newspapers received and distributed.
- 5.1.1.17. The successful service provider will be required to attend a weekly operations meeting with the DoC Distribution Manager.
- 5.1.1.18. Where deviations from the agreed distribution plan occur, the service provider will be required to provide resolution within 2 working days of reporting. These will be tracked by DoC on an issue log which is then addressed at the weekly operations meeting.
- 5.1.1.19. One order number will be raised annually. However, the service provider is expected to submit quotations per edition which correspond to the approved distribution strategy.
- 5.1.1.20. DoC will only pay upon supply of adequate proof of delivery; therefore the service provider is expected to provide all proof of deliveries in the agreed format with the invoice. Submission of the invoice as well as supporting documentation as indicated must take place within 21 days post completion of distribution.

- 5.1.1.21. An on-going plan with respect to managing the risk of dumping must be in place. This plan should involve various aspects i.e. internal communication, tracking of vehicles, physical inspection within the scope of operations as well as to high-risk sites which show potential for dumping i.e. recycling facilities.
- 5.1.1.22. DoC will be responsible for quality control of services rendered by the company that is awarded the contract. However, the successful bidder will be required to manage any sub-contractors in a highly professional manner to ensure alignment to the objectives of the newspaper.
- 5.1.1.23. As per the National Treasury regulation: “A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.”

**5.1.2. *Effective reach of the primary target market residing in deep rural, rural and peri-urban areas; also, DoC provincial offices, district offices and Thusong Service Centres.***

- 5.1.2.1. The prospective service provider is required to possess a national infrastructure which is capable of handling current and potential future growth of the publication. This infrastructure includes warehouses, appropriate delivery vehicles, materials handling equipment, distribution management technology and / or manual processes as well as human capital across the network.
- 5.1.2.2. It is expected that the prospective service provider is represented in all nine provinces and is able to reach deep rural, rural and peri-urban markets within the stipulated timeframes.
- 5.1.2.3. Under no circumstances will DoC accept operations conducted out of makeshift warehouses or garages located on private, residential premises. It is expected that the potential service provider maintain a suitable standard of professionalism and security in this regard.
- 5.1.2.4. The service provider should have a pre-existing set of distribution databases containing outlets and areas where the deep rural, rural and peri-urban markets can be effectively reached. These databases should clearly identify a target market at municipal, suburban and pocket (area within a suburb) level. The type of information which should be available is as follows:

5.1.2.5. For knock and drop areas:

- Rural, deep rural and per-urban breakdown per area
- Household counts
- Predominant language

5.1.2.6. For bulk drop points :

- Rural, deep rural and per-urban breakdown per point
- Predominant language
- Physical address
- Postal address

5.1.2.7. Resources which are able to build and maintain databases associated with the distribution of the newspaper will be required.

**5.1.3. *Ensuring that the correct language breakdown is done so that the publication is distributed to the correct target market.***

5.1.3.1. The successful company should demonstrate a sound understanding of the dynamics of the deep rural, rural and peri-urban market. This should be evidenced through longstanding experience gained by serving the same or similar markets coupled with the use of reliable, accurate and relevant demographic data.

5.1.3.2. The potential service provider must make use of a suitable Geographic Information System which is capable of modeling Census as well as other geospatial data which guide and inform the distribution strategy of the newspaper.

5.1.3.3. The successful service will be required to transfer knowledge and skills to DoC officials related to research tools such as Geographical Information Systems (GIS) used to identify and segment target markets.

**5.1.4. *Maintaining a regular, successful distribution turnaround time for each distribution drive:***

5.1.4.1. The successful bidder will be required to distribute the publication within the timeframes agreed to in the distribution strategy approved for each distribution drive.

5.1.4.2. The overall time frame for distribution of the publication is 15 working days broken down as follows; 5 days for shipment preparation and 10 days for distribution to points and distribution areas for knock and drop distribution.

5.1.4.3. The service provider must be able handling current and potential future growth of the publication. e.g. increase in the print run, increase in the number of pages, increase in distribution areas or points and as well the increase in the frequency of the publication to a bi-weekly or weekly distribution thereof.

**5.1.5. *Sustaining a good working relationship between the appointed distribution service provider and DoC as well as other stakeholders internal and external to government***

5.1.5.1. The successful company will work closely with the Distribution Manager of the newspaper in order to ensure an extremely high level of service delivery to the target citizens.

5.1.5.2. It is expected that the service provider appoint or construct a dedicated management/project team headed by a hands on project manager. The team should be comprised of members who are suitably qualified to handle a project of this nature. Ideally, the project team should be focused specifically on the distribution of Vuk'uzenzele. The project team should be able to support any ad-hoc work.

5.1.5.3. The project manager is expected to be available at all times and be highly responsive to the current and future distribution needs of the newspaper or ad-hoc work.

**5.1.6. *Implementation of mechanisms to evaluate the effectiveness and impact of the distribution strategy as well as the distribution processes for the publication.***

5.1.6.1. It will be required that site visits are regularly conducted as well as checks and cold calls (which may involve participation by senior management, auditors, DoC regional managers and departmental counterparts) to distribution sites to verify accuracy of registers, reports and operations by partners.

5.1.6.2. The service provider must have a functional monitoring and evaluation system in place, this means that they must be able to account for all copies of the newspaper received by them, stored and handled during the distribution process as well as after the distribution process has been completed. Regular feedback to DoC on reach and use of the newspaper should be included in the proposal.

5.1.6.3. Make provision for the submission of complete, properly audited reports after each distribution drive including distribution directly to households. These reports are to be presented at a post distribution

meeting, which will take place 21 days after the completion of distribution.

**5.1.7. Innovation**

5.1.7.1. It is required that the successful bidder keep abreast with newspaper and / or physical distribution best practices and informs DoC where areas of opportunity exist – without creating operational instability and undermining current successes at any point in time.

**6. Specific Conditions:**

6.1. DoC reserves the right to increase and decrease the print run and number of pages at any time throughout the contract period.

6.2. DoC reserves the right to increase and decrease the distribution frequency at any time throughout the contract period.

6.3. DoC reserves the right to engage with any distribution service provider able to fulfil a specific distribution need where the successful company is unable to do so within the time, cost and quality aspects of the contract or approved distribution strategy per edition.

6.4. All databases and distribution data generated throughout the contract period is and remains the property of DoC.

6.5. DoC may require that the successful bidder provide quotations and provide services for knock and drop or bulk distribution on projects other than Vuk'uzenzele. These will be communicated as and/or when the need arises.

6.6. The service provider will be required to work in conjunction with the Distribution Manager on any marketing activities undertaken by DoC to promote the newspaper or ad-hoc publications.

6.7. It will be expected of the successful bidder to sign a Service Level Agreement (SLA) with DoC prior to the commencement of distribution. The SLA will contain both performance and conformance penalty clauses.

6.8. Maintain strong ethical standards founded on the values of professionalism, honesty, openness and transparency in its work and its liaison with officials from DoC.

- 6.9. Bidders must take out insurance for their own account to cover possible damage, spoilage, storage period, shrinkages and theft of the printed material to be transported and distributed. Bidders who do not adhere to this requirement will be considered as non-compliant.

**7. Specific requirements associated with the response to the bid:**

- 7.1. The DoC will be receptive to any existing consortium or any consortium being created for the purpose of rendering the required services as indicated in the specifications.

- 7.2. Bids shall be in the form of a proposal in which the bidder will indicate why s/he would be able to execute the contract to the satisfaction of the DoC and the following aspects will have to be addressed in particular:

- 7.2.1. A detailed outline of the *modus operandi* and the handling, operation and servicing of the account must be furnished. An indication of how the service provider will execute the work from first engagement with DoC post appointment and the following phases of distribution of the newspaper:

- Pre
- During
- Post

- 7.3. Considering that the contract comprises the provision of distribution services for 1.7 million newspapers residing in deep rural, rural and peri-urban areas across the country, an indication of the extent of available infrastructure and capacity to handle the entire contract must be provided. A detailed breakdown of people, vehicles, sites, materials handling equipment per branch / agent must be submitted.

- 7.4. The extent to which the bidder is prepared to empower Historically Disadvantaged Individuals (HDIs) with sustainable job opportunities throughout the value chain needs to be stated.

- 7.5 Bid proposals must be accompanied by a valid insurance letter as per point 6.9 above.

**8. Parties wishing to bid must:**

- 8.1. Have proven ability and/or manifest potential to provide a satisfactory distribution service to the State.

8.2. Be able to offer a cost-effective service to the State: in other words, the service should cost the State less than what it would cost to handle the distribution itself in a decentralised manner as discounts based on bulk, volume and frequency would be accrued.

**9. Guidelines:**

9.1. Bids should provide a detailed outline of the total cost for each distribution drive, and all the variables that were considered to quantify the quoted cost, as well as special negotiated tariffs / percentage discounts which are offered.

9.2. In the interest of transparency the scores which will be allocated to the proposal, the evaluation criteria, and the maximum score are included in the table for the information of all prospective bidders. These criteria and scores will be used in comparing the various offers.

**10. Information to be submitted by all bidders:**

10.1. Bids should be in the form of a proposal in which the bidder will in general give reasons why s/he would be able to execute the contract to the satisfaction of the State and the following aspects will have to be addressed in particular:

10.1.1. Bid proposals must also include a comprehensive company profile. Bidders must furnish as much information as possible. Relevant aspects, which have to be addressed by all bidders, are reflected in the evaluation criteria.

10.1.2. A detailed outline of the *modus operandi* and the handling, operation and servicing of the account must be furnished.

10.1.3. Completion and submission of the case study as per the attached template (**Annexure A**).

10.1.4. An indication of the extent of infrastructure as well as location as per the attached template (**Annexure B**) and capacity to handle the entire contract or part thereof, considering that the contract comprises the handling of distribution activities monthly, for 1.7 million copies.

10.1.5. An indication of how the bidder will ensure involvement of HDIs throughout the value chain must be included.

10.1.6. Bid proposals must be accompanied by a valid insurance letter as per point 6.9 above.

**11. Compulsory briefing Session:**

11.1. A briefing session will be held at DoC on 23 January 2015, at 10:00 on the ground floor, Press Room, Tshedimosetso House, Building, c/o Frances Baard and Festival Streets, Hatfield, Pretoria.

**12. Pricing:**

12.1. The pricing schedule should be structured as follows:

Period	Total print run	Number of editions	Total cost
01 Augustus 2015 to 31 July 2017	40.8 million	24	

12.2 Rates will be adjusted for the second year (01 August 2016) in line with the national inflation rate of government.

The total cost should **include VAT** and any other costs.

**13. First Evaluation Phase:**

13.1. Bids will be evaluated by an evaluation panel that will use the functionality criteria as well as preference points system as stipulated in the Preferential Procurement Policy Framework Act (Act 5 of 2000) and Regulation (December 2011).

13.2. DoC will only evaluate bids that comply with the requirements and are submitted on the specified time.

13.3. The evaluation of bids will be done as follows:  
DoC will evaluate the functionality of each bid according to the following functional criteria:

## Evaluation criteria for the bid

Aspect	Description	Weight	Value
1. Company profile	1.1 A detailed company profile which outlines broad experience gained serving the same or similar markets as those of the Vuk'uzenzele newspaper.	5	

<p><b>2. Effective planning, management and execution of the distribution process</b></p>	<p><b>2.1. Submission of a comprehensive modus operandi of how the account will be serviced from first engagement post appointment as well as the on-going pre, during and post distribution phases.</b></p> <p><b>2.2. Proven competency in the provision of knock and drop distribution services to areas residing in deep rural, rural and peri-urban markets.</b></p> <p><b>2.3. Proven competency in the provision of physical (bulk) distribution services residing in deep rural, rural and peri-urban markets as well as urban and metropolitan areas as and when required.</b></p> <p><b>2.4. Ability to handle large volumes of printed marketing, advertising and communication material.</b></p> <p><b>2.5. Provision of distribution services to public sector organizations.</b></p> <p><b>2.6. Proven ability to develop distribution plans based on a strategy provided by a client.</b></p> <p><b>2.7. Ability to collect the newspaper from printers currently located in Johannesburg or at any other collection points across the country.</b></p> <p><b>2.8. Proven ability to receive, pick, pack and ship 1.7 Million units per month within 5 days after completion of printing.</b></p> <p><b>2.9. Ability to complete the distribution within 10 working days after the agreed commencement date.</b></p> <p><b>2.10. Ability to provide a specific date of delivery for points identified in the distribution strategy.</b></p> <p><b>2.11. Ability to provide a specific date of delivery for areas (at suburb level) identified in the distribution strategy.</b></p> <p><b>2.12. Ability to provide the dates in 2.12 and 2.13, 5 working days prior to the agreed commencement date.</b></p> <p><b>2.13. Ability to receive, pick, pack, ship and display mobilization posters.</b></p> <p><b>2.14. Ability to provide daily reports on the planned vs. actual distribution progress made to DoC Distribution Manager.</b></p> <p><b>To continue on next page....</b></p>	<p><b>20</b></p>	
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<p><b>2. Continued</b></p>	<p><b>2.15. Ability to keep distribution documentation e.g. planning sheets, manifests, load sheets, trip sheets, logs, proof of deliveries, back checks, branch reports per edition relating to the pre-distribution, during distribution and post distribution phase at branch level.</b></p> <p><b>2.16. Ability to provide adequate proof of deliveries for knock and drop as well as points. Is the proof of delivery standardized across the network? Example of each to be attached.</b></p> <p><b>2.17. Evidence of a distribution feedback presentation to a client which must be able to be produced and conducted within 21 working days after completion of distribution.</b></p> <p><b>2.18. Proven ability to provide an accurate account of 1.7 million copies received and distributed.</b></p> <p><b>2.19. Ability to attend a weekly operations meeting with the DoC Distribution Manager.</b></p> <p><b>2.20. Ability to submit quotations per edition to DoC.</b></p> <p><b>2.21. Ability to provide invoice with supporting documentation within 21 working days after completion of distribution.</b></p> <p><b>2.22. Evidence of an on-going plan to manage the risk of dumping.</b></p> <p><b>2.23. Evidence of an ongoing plan to manage the risk of dumping</b></p>		
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<p>3. Effective reach of the primary target market residing in deep rural, rural and peri-urban areas, including DoC Provincial Offices, DoC District offices and the Thusong Service Centres</p>	<p>3.1. Evidence of a national infrastructure which is capable of handling both the current and potential future growth of the publication.</p> <p>3.2. Is the company represented in all 9 provinces and possess the ability to adequately reach deep rural, rural and peri-urban markets.</p> <p>3.3. Provision of an indication, visuals would be preferred of the type of warehouses used to conduct operations out of.</p> <p>3.4. Evidence of pre-existing distribution databases containing outlets and areas where the deep rural, rural and peri-urban area can be adequately reached. Do these databases clearly identify a target market at municipal, suburb, pocket (area within a suburb) level.</p> <p>3.5. Ability to provide and make use of the following information when planning distribution:</p> <p>3.5.1. Rural, Deep rural and per – urban breakdown per area</p> <p>3.5.2. Household counts</p> <p>3.5.3. Predominant language</p> <p>3.5.4. Physical addresses</p> <p>3.5.5. Postal addresses</p> <p>3.6. In-house resources able to build and maintain databases associated with the distribution of the newspaper</p>	<p>15</p>	
<p>4. Ensuring that the correct language breakdown is done ensuring that the publication is distributed to the correct target market</p>	<p>4.1. Evidence that the prospective bidder possesses a sound understanding of the dynamics of the deep rural, rural and per-urban market. This should be illustrated through both experience as well as factual data. Does the company have a clear process to filter on the ground experience to the client?</p> <p>4.2. Possess a suitable Geographic Information System which is capable of modelling Census as well as other geospatial data. Recognized systems are MapInfo and ESRI.</p> <p>4.3. Ability to transfer knowledge and skills to DoC officials in this regard.</p>	<p>15</p>	

<p>5. To ensure that the distribution turnaround time is maintained for each distribution drive</p>	<p>5.1. Ability to distribute the publication within the overall timeframe broken down as follows:  5.1.1. 5 working days for shipment preparation.  5.1.2. 10 working days for distribution to points and knock and drop areas.  5.2. Ability to handle current and future growth of the publication e.g increase in the print run, number of pages, areas, points and frequency.</p>	<p>15</p>	
<p>6. Sustaining a good working relationship between the appointed distribution service provider and DoC as well as other stakeholders internal and external to government</p>	<p>6.1. Appointment of a project team leads by a project manager who possesses sound experience in handling the operations as well as the client relations aspects of the account.  6.2. Dedicated management team dedicated to the DoC account.  6.3. 24/7 availability of the dedicated project manager to service DoC needs.</p>	<p>10</p>	
<p>7. Implementation of mechanisms to evaluate the effectiveness and impact of the distribution strategy as well as the distribution processes for the publication</p>	<p>7.1. Evidence of a structured site visit program which is executed by the prospective service provider and will allow participation by DoC officials as and when required.  7.2. Evidence of a functional monitoring and evaluation system which will provide the ability to account for all copies handled by the service provider from the point of receipt to final distribution.  7.3. Ability to submit properly audited reports after each distribution drive.  7.4. Ability of the full project team to attend a post distribution meeting held 21 days after the completion of distribution.</p>	<p>10</p>	
<p>8. Utilizing existing distribution networks as well as continuous expansion through the identification of new distribution opportunities in line with the specified target audience</p>	<p>8.1. Awareness and practical use of distribution tactics which will enhance the profile of the newspaper amongst the rural, deep rural and peri-urban market.</p>	<p>5</p>	

9. General	<p>9.1. Willingness to execute work on any knock and drop that DoC may require which is not part of Vuk'uzenzele but other projects such as Programme of Action, etc.</p> <p>9.2. Ability to work in conjunction with the DoC Distribution Manager on any marketing activities undertaken to promote the newspaper.</p> <p>9.3. Willingness to sign an SLA (Service Level Agreement).</p> <p>9.4. Evidence of a sound practice of corporate governance founded on the values of professionalism, honesty, openness and transparency.</p> <p>9.5. Evidence of insurance taken out for the account of the prospective bidder which will cover possible damage, spoilage, storage period, shrinkages and theft during storage and / or transportation.</p> <p>9.6. An outline of the extent to which Historically Disadvantaged Individuals (HDI's) are empowered with sustainable job opportunities and development throughout the value chain.</p>	5	
<b>TOTAL</b>	<b>100</b>		

#### 14. Second Evaluation Phase

14.1. Bidders that score 70% or more for functionality will be invited to give oral presentations to the evaluation panel (at no cost to DoC). This provides the opportunity for bidders to clarify or elaborate the initial proposal. This is a fact finding and explanation session only and does not include negotiation. DoC shall schedule the time and location of these presentations. DoC will again evaluate these bidders on functionality according to the following criteria:

Aspect	Description	Weight	Value
10. Company profile	1.1A detailed company profile which outlines broad experience gained serving the same or similar markets as those of the Vuk'uzenzele newspaper.	5	

<p><b>11. Effective planning, management and execution of the distribution process</b></p>	<p><b>11.1. Submission of a comprehensive modus operandi of how the account will be serviced from first engagement post appointment as well as the on-going pre, during and post distribution phases.</b></p> <p><b>11.2. Proven competency in the provision of knock and drop distribution services to areas residing in deep rural, rural and peri-urban markets.</b></p> <p><b>11.3. Proven competency in the provision of physical (bulk) distribution services residing in deep rural, rural and peri-urban markets as well as urban and metropolitan areas as and when required.</b></p> <p><b>11.4. Ability to handle large volumes of printed marketing, advertising and communication material.</b></p> <p><b>11.5. Provision of distribution services to public sector organizations.</b></p> <p><b>11.6. Proven ability to develop distribution plans based on a strategy provided by a client.</b></p> <p><b>11.7. Ability to collect the newspaper from printers currently located in Johannesburg or at any other collection points across the country.</b></p> <p><b>11.8. Proven ability to receive, pick, pack and ship 1.7 Million units per month within 5 days after completion of printing.</b></p> <p><b>11.9. Ability to complete the distribution within 10 working days after the agreed commencement date.</b></p> <p><b>11.10. Ability to provide a specific date of delivery for points identified in the distribution strategy.</b></p> <p><b>11.11. Ability to provide a specific date of delivery for areas (at suburb level) identified in the distribution strategy.</b></p> <p><b>11.12. Ability to provide the dates in 2.12 and 2.13, 5 working days prior to the agreed commencement date.</b></p> <p><b>11.13. Ability to receive, pick, pack, ship and display mobilization posters.</b></p> <p><b>11.14. Ability to provide daily reports on the planned vs. actual distribution progress made to DoC Distribution Manager.</b></p> <p><b>To continue on next page....</b></p>	<p><b>20</b></p>	
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<p><b>3. Continued</b></p>	<p><b>11.15. Ability to keep distribution documentation e.g. planning sheets, manifests, load sheets, trip sheets, logs, proof of deliveries, back checks, branch reports per edition relating to the pre-distribution, during distribution and post distribution phase at branch level.</b></p> <p><b>11.16. Ability to provide adequate proof of deliveries for knock and drop as well as points. Is the proof of delivery standardized across the network? Example of each to be attached.</b></p> <p><b>11.17. Evidence of a distribution feedback presentation to a client which must be able to be produced and conducted within 21 working days after completion of distribution.</b></p> <p><b>11.18. Proven ability to provide an accurate account of 1.7 million copies received and distributed.</b></p> <p><b>11.19. Ability to attend a weekly operations meeting with the DoC Distribution Manager.</b></p> <p><b>11.20. Ability to submit quotations per edition to DoC.</b></p> <p><b>11.21. Ability to provide invoice with supporting documentation within 21 working days after completion of distribution.</b></p> <p><b>11.22. Evidence of an on-going plan to manage the risk of dumping.</b></p> <p><b>11.23. Evidence of an ongoing plan to manage the risk of dumping</b></p>		
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<p><b>12. Effective reach of the primary target market residing in deep rural, rural and peri-urban areas, including DoC Provincial Offices, DoC District offices and the Thusong Service Centres</b></p>	<p><b>12.1. Evidence of a national infrastructure which is capable of handling both the current and potential future growth of the publication.</b></p> <p><b>12.2. Is the company represented in all 9 provinces and possess the ability to adequately reach deep rural, rural and peri-urban markets.</b></p> <p><b>12.3. Provision of an indication, visuals would be preferred of the type of warehouses used to conduct operations out of.</b></p> <p><b>12.4. Evidence of pre-existing distribution databases containing outlets and areas where the deep rural, rural and peri-urban area can be adequately reached. Do these databases clearly identify a target market at municipal, suburb, pocket (area within a suburb) level.</b></p> <p><b>12.5. Ability to provide and make use of the following information when planning distribution:</b></p> <p><b>12.5.1. Rural, Deep rural and per – urban breakdown per area</b></p> <p><b>12.5.2. Household counts</b></p> <p><b>12.5.3. Predominant language</b></p> <p><b>12.5.4. Physical addresses</b></p> <p><b>12.5.5. Postal addresses</b></p> <p><b>12.6. In-house resources able to build and maintain databases associated with the distribution of the newspaper</b></p>	<p><b>15</b></p>	
<p><b>13. Ensuring that the correct language breakdown is done ensuring that the publication is distributed to the correct target market</b></p>	<p><b>13.1. Evidence that the prospective bidder possesses a sound understanding of the dynamics of the deep rural, rural and per-urban market. This should be illustrated through both experience as well as factual data. Does the company have a clear process to filter on the ground experience to the client?</b></p> <p><b>13.2. Possess a suitable Geographic Information System which is capable of modelling Census as well as other geospatial data. Recognized systems are MapInfo and ESRI.</b></p> <p><b>13.3. Ability to transfer knowledge and skills to DoC officials in this regard.</b></p>	<p><b>15</b></p>	

<p>14.To ensure that the distribution turnaround time is maintained for each distribution drive</p>	<p>14.1. Ability to distribute the publication within the overall timeframe broken down as follows:  14.1.1. 5 working days for shipment preparation.  14.1.2. 10 working days for distribution to points and knock and drop areas.  14.2. Ability to handle current and future growth of the publication e.g increase in the print run, number of pages, areas, points and frequency.</p>	<p>15</p>	
<p>15.Sustaining a good working relationship between the appointed distribution service provider and DoC as well as other stakeholders internal and external to government</p>	<p>15.1. Appointment of a project team leads by a project manager who possesses sound experience in handling the operations as well as the client relations aspects of the account.  15.2. Dedicated management team dedicated to the DoC account.  15.3. 24/7 availability of the dedicated project manager to service DoC needs.</p>	<p>10</p>	
<p>16.Implementation of mechanisms to evaluate the effectiveness and impact of the distribution strategy as well as the distribution processes for the publication</p>	<p>16.1. Evidence of a structured site visit program which is executed by the prospective service provider and will allow participation by DoC officials as and when required.  16.2. Evidence of a functional monitoring and evaluation system which will provide the ability to account for all copies handled by the service provider from the point of receipt to final distribution.  16.3. Ability to submit properly audited reports after each distribution drive.  16.4. Ability of the full project team to attend a post distribution meeting held 21 days after the completion of distribution.</p>	<p>10</p>	
<p>17.Utilizing existing distribution networks as well as continuous expansion through the identification of new distribution opportunities in line with the specified target audience</p>	<p>17.1. Awareness and practical use of distribution tactics which will enhance the profile of the newspaper amongst the rural, deep rural and peri-urban market.</p>	<p>5</p>	

18.General	<p>18.1. Willingness to execute work on any knock and drop that DoC may require which is not part of Vuk'uzenzele but other projects such as Programme of Action, etc.</p> <p>18.2. Ability to work in conjunction with the DoC Distribution Manager on any marketing activities undertaken to promote the newspaper.</p> <p>18.3. Willingness to sign an SLA (Service Level Agreement).</p> <p>18.4. Evidence of a sound practice of corporate governance founded on the values of professionalism, honesty, openness and transparency.</p> <p>18.5. Evidence of insurance taken out for the account of the prospective bidder which will cover possible damage, spoilage, storage period, shrinkages and theft during storage and / or transportation.</p> <p>18.6. An outline of the extent to which Historically Disadvantaged Individuals (HDI's) are empowered with sustainable job opportunities and development throughout the value chain.</p>	5	
<b>TOTAL</b>		<b>100</b>	

14.2. Bidders that score 70% or more for functionality during the presentation phase will be further evaluated in terms of price and the 90/10 preference points system, where 90% will be for price and 10% for BBBEE status level of contribution. Bidders can only claim BBBEE credential points, provided they submit an original or certified BBBEE certificate.

14.3. DoC will assess the functionality of each proposal taking into account the following criteria:

TECHNICAL	WEIGHT	VALUE
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Values: 1 = Poor; 2 = Average; 3 = Acceptable; 4 = Very good; 5 = Excellent

The percentage for functionality will be calculated as follows:

$$\frac{A}{B} \times 100$$

Where:

A = total score of the bidder

B = maximum score, i.e. 500

**Bidders that wish to claim points in terms of preferential procurement must complete the SBD 6.1 form.**

The breakdown of points for this phase will be as follows:

<b>Area of evaluation</b>	<b>Points</b>
1. Price	90
2. BBBEE Level of Contribution	10
<b>TOTAL</b>	<b>100</b>

Bidders other than EMEs must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS

## **15. General**

- 15.1 Unless prior approval has been obtained from Contract Management, no adjustment in contract prices will be made.
- 15.2 Applications for price adjustment must be accompanied by documentary evidence in support of any adjustment.
- 15.3 CPA applications will be applied strictly according to the specified formula and parameters above as well as the cost breakdown supplied by bidders in their bid documents.
- 15.4 In the event where the supplier's CPA application, based on the above formula and parameters, differs from Contract Management's verification, Contract Management will consult with the supplier to resolve the differences.
- 15.5 An electronic price adjustment calculator will be available on request from Contract Management.

## **16. *Documents that must accompany the Bid Proposals***

- 16.1. The proposal must be accompanied by the following Documents:
- 16.2. A valid SARS tax certificate. Proposal submitted without this information will not be considered!
- 16.3. A valid in insurance letter as per point 6.9 above.

**17. Submission of the Bids**

- 17.1. Potential service providers are welcome to call the DoC to get clarity on the current infrastructure or CMS implementation.
- 17.2. Deadline for submission of bids: Prospective service providers must submit their bids (information required and all relevant Documents and forms attached to this bid) to DoC by **no later than 11:00 on 13 February 2015.**
- 17.3. Complete all the attached forms in full.
- 17.4. **Bids must include a valid tax clearance certificate.**
- 17.5. Deposit bids in a sealed envelope in the “Tender Box” at the reception at DoC headquarters, 1035 Tshedimosetso House, Cnr Festival and Frances Baard Streets.

**18. Disclaimer**

- 18.1. DoC reserves the right to not award the bid should a suitable bidder not be identified.
- 18.2. DoC reserves the right to award the bid in part.
- 18.3. DoC reserves the right to award the required services to multiple service providers.

**19. Enquiries**

For information on **bidding procedures and procurement related issues**, please contact:

**19.1. FOR CONTENT RELATED QUERIES ONLY**

Contact Person: Nicolette Prinsloo  
Deputy Director: Distribution  
Tel: (012) 473 0203 / 0723352801  
Email: [nicolette@doc.gov.za](mailto:nicolette@doc.gov.za)

19.2. **FOR BIDDING PROCEDURES QUERIES ONLY**

19.2.1. Contact Person: Leshoka Mahloromela  
Supply Chain Management  
Tel: (012) 473 0151  
Email: [leshoka@doc.gov.za](mailto:leshoka@doc.gov.za)

19.2.2. Contact Person: Keneilwe Mafa  
Supply Chain Management  
Tel: (012) 473 0182  
Email: keneilwem@doc.gov.za

**Approved**

**Mr Harold Maloka**  
**Deputy Director General**  
**Content Processing and Dissemination**  
**Date:**

Annexure A - CASE STUDY/PRICING SCENARIO 2014				
CLIENT	DoC			
CAMPAIGN	Vukuzenzele			
TARGET AUDIENCE	Deep rural, rural and per-urban			
LAST PRINTING DATE	31 July 2015			
COLLECTION, PACKAGING AND DISPATCHING	03 August 2015 - 07 August 2015 ( Max 5 working days )			
SUBMISSION OF DISTRIBUTION DATES PER POINT OR PER AREA	04 August 2015			
DISTRIBUTION DATES	11 August 2015 - 24 August 2015 ( Max 10 working days - no distribution on public holiday's)			
POST DISTRIBUTION MEETING	23 September 2015			
ITEMS TO BE DISTRIBUTED				
QUANTITY	TYPE	SIZE	MASS	DELIVERY AREA
1700000	Newspaper	Tabloid	50 grams per newspaper	Nationwide
<i>Special note: The 1700000 consist of 11 official languages, 16pages</i>				
182	Posters	A1	260g	Nationwide
<i>Special note: To be inserted into tubes</i>				
PACKING CONFIGURATION				
	1) 1700000 newspapers packed in shrink-wrapped packs of 100 units each			
	2) 15000 - newspaper per pallet			
	1) 182 x Posters flat on pallet	A1		Nationwide
MATERIAL COLLECTION POINT				
	Printers- Johannesburg			

DISTRIBUTION OUTLETS									
DELIVERY AREA	RURAL / PERI URBAN SPLIT	Total Pallets Per province	Branches per province	Average Pallets per branch	NUMBER OF OUTLETS	AVERAGE QUANTITY per OUTLET	Total Quantity	Posters	
<b>Outlets - Bulk</b>									
Outlets - EASTERN CAPE (REG)	90 / 10	2	2	1	16	1138.00	18208	18	
Outlets - FREE STATE (REG)	90 / 10	2	2	1	13	1050.00	13650	13	
Outlets - GAUTENG (REG)	90 / 10	5	2	3	43	1251.63	53820	43	
Outlets - KWA-ZULU NATAL (REG)	90 / 10	2	3	1	22	948.32	20863	22	
Outlets - LIMPOPO (REG)	90 / 10	2	1	1	21	1094.29	22980	21	
Outlets - MPUMALANGA (REG)	90 / 10	2	2	1	16	1038.94	16623	16	
Outlets - NORTH WEST (REG)	90 / 10	2	2	1	17	991.18	16850	17	
Outlets - NORTHERN CAPE (REG)	90 / 10	2	3	1	12	1058.33	12700	12	
Outlets - WESTERN CAPE (REG)	90 / 10	2	2	1	22	1071.64	23576	22	
<b>Homes - Knock and Drop</b>									
Homes - EASTERN CAPE (REG)	90 / 10	19	4	5	261396	1.00	261396		
Homes - FREE STATE (REG)	90 / 10	12	2	7	168279	1.00	168279		
Homes - GAUTENG (REG)	90 / 10	4	2	3	41674	1.00	41674		
Homes - KWA-ZULU NATAL (REG)	90 / 10	17	6	4	244128	1.00	244128		
Homes - LIMPOPO (REG)	90 / 10	25	2	13	366180	1.00	366180		
Homes - MPUMALANGA (REG)	90 / 10	11	3	4	135061	1.00	135061		
Homes - NORTH WEST (REG)	90 / 10	9	2	5	127872	1.00	127872		
Homes - NORTHERN CAPE (REG)	90 / 10	4	2	3	56950	1.00	56950		
Homes - WESTERN CAPE (REG)	90 / 10	8	3	4	99190	1.00	99190		
							1500730		

CHARGES

Activity	Specification	Charge incl VAT
COLLECTION FROM PRINTERS	Collect 142 pallets (1.2m x 1m) from 1 point in Johannesburg	
STORAGE	Store 142 pallets for a period of 2 weeks whilst splitting material	
SPLITTING & PACKAGING	Breakdown down bulk pallets and prepare : 1) 182 shipments to outlets, shrink-wrapped packs of 100 need to be repacked to be delivered to the outlet in correct quantities and language breakdown , average kg delivery per outlet calculates to 67kg. One poster per outlet and to be inserted in a tube. Volumetric weight of the poster in the tube is 390g  2) Shrink-wrapped pallets as per volumes outlined in column C heading " Total pallets per province"	
Note: PACKAGING / SHIPMENT PREPARATION :	Shipments need to be packed into 2 scenarios: 1) Where your business delivers directly to homes or points as part of your own service offering  2) Where distribution to homes is contracted out and pallets need to be transported to the service providers depots so that they can execute the final leg of distribution	
TRANSPORT TO DEPOTS	Bulk transport of packaged goods from central hub to branches in your network.	
FINAL DISTRIBUTION :		
OUTLETS	Total cost from branch to final outlet as per distribution plan	
POSTERS	Cost of delivery if <b>not</b> included in the above cost already	
HOMES	Final distribution cost from branch to final knock and drop area as per distribution plan	
TOTAL CHARGE		

