



Powered By Diversity Interview with **DES BELL** Senior Vice President and Chief Procurement Officer

Des Bell is a Pacific Gas and Electric Company Senior Vice President and Chief Procurement Officer. He is responsible for leading the utility's supply chain, fleet, real estate, environmental, technical and land services operations. Bell has more than 28 years of experience in operations and strategic development, ranging from customer service to engineering, manufacturing and supply chain management. *Powered by Diversity* recently sat down with him to discuss supplier diversity.



Powered by Diversity: In 2006, PG&E made a commitment to purchase 30 percent of its goods and services from diverse suppliers by 2010. As that date approaches, does PG&E remain committed to this goal? If so, is PG&E on target?

Bell: We are absolutely committed to that goal, and are working very hard to achieve it. We realized in 2006 that reaching 30 percent by 2010 wouldn't be easy, but our recent successes demonstrate what can be achieved when we partner internally and externally on

new opportunities. We are determined to improve and reach an all-time-high of 25% spend in 2009. Getting to 30% will be very challenging, given that some of our major spend categories, such as SmartMeter™ and Power Generation, have traditionally had a limited supplier pool. Nevertheless, we are building the foundation needed to meet the 30 percent goal.

Powered by Diversity: What is your perspective on the value that supplier diversity brings to PG&E?

Bell: A successful supplier diversity program, including a strong partnership with suppliers, is invaluable for PG&E and any other business. A vibrant program contributes to the economic vitality of our communities and the customers we serve. And the economic impact means jobs and business opportunities. The benefits are immeasurable.

Powered by Diversity: What strategies are being put in place by PG&E employees and prime supplier partners to support this diversity initiative?

continued on page 2

Supplier Diversity Highlights

Supplier Development

PG&E is pleased to announce that Faye Smothers from **Aura Management Consulting**; Tracy Porter from the **Elite Auto Network**; Winifred Au from **Wau & Company**; Vernie Rogers from **Rogers Helicopters, Inc.**; Russell O'Campo of the **Ocampo-Esta Corporation**; Don Mitchell of **Mitchell Snow, Inc.**; and Carl Hackney from the **MSE Group** successfully completed the UCLA Anderson School of Management – Management Development for Entrepreneurs program.

As a supplier development component, PG&E donated full scholarships to each of these diverse companies. According to one of the participants, "the program was great and a good use of my time. I am always interested in continuous learning and this program provided me the opportunity to accomplish this goal. I sincerely appreciate the sponsorship and support from PG&E."

Transportation Services

Through a pilot initiative with Women Minority Business Enterprise supplier **Agile Sourcing Partners Inc.**, the Transportation Services Department awarded a contract to strategically manage all of PG&E towing services, utilizing a single point of contact and negotiating rates with over 60 tow providers in our service territory. The pilot program was kicked-off on June 1, 2009 and is scheduled to run through September 1, 2009 for three PG&E service areas. After the pilot period we expect to implement the "One-Call Tow" service company-wide. Agile Sourcing Partners established a business relationship with one of PG&E's top spend tow providers, MBE Atlas Tow, for the operational/dispatch service components of the contract. The initiative is expected to provide PG&E

continued on page 2

PG&E's Generation Organization Plays Match-Maker, Hosts Successful Supplier Diversity Event

P G&E's Power Generation organization hosted an event on April 30th that attracted more than 100 people, representing at least 60 diverse suppliers. The event was held at PG&E's San Ramon Valley Conference Center. Suppliers were matched with PG&E procurement staff, including representatives from Nuclear Power, Fossil Fuel, Hydro-electric and Renewable projects. In addition to PG&E staff, multiple prime business partners participated in this event, including representatives from **Altran Solutions, Barnhard, Black & Veatch, Black Diamond Services, MVH Americas, Cannon, Day & Zimmerman, Demark, Enercon, General Electric, Parsons, UTC Power** and **Wartsila**.

Prior to the match-making session, the event kicked off with a message delivered by Senior Vice President John Conway. Conway encouraged PG&E staff and prime supplier partners in attendance to work together in seeking out the opportunities to increase spending with diverse suppliers. The event also included an "open house" networking session for the diverse business guests. Participants represented the construction, engineering, project management, logistics and other fields that support PG&E's Power Generation operations. These companies were based throughout the country with the majority offering utility experience and California Public Utilities Commission Clearinghouse certification.

The event was facilitated by Sourcing Director Michael Meko, Portfolio Manager Michael Ritter and Senior Supplier Diversity Consultant Skip Solorzano. According to Solorzano, "Based on the feedback received from participants, this type of activity offered the ideal opportunity for suppliers to introduce their capabilities, establish relationships with key business contacts and provide business networks." PG&E will report back on any success stories resulting from this event in future editions of the *Powered by Diversity* newsletter. ■

Supplier Diversity Highlights *continued from page 1*

considerable time savings, by managing one contract through **Agile Sourcing Partners** rather than multiple towing contracts, and cost savings through negotiated subcontracts with tow providers and consolidated billing for the local PG&E garages. It will also provide better customer service with a 24-hour live operator to initiate requests and dispatch to the local subcontractors.

Consulting Services

Lynx Consulting Group finalized a Joint Business Relationship Agreement with PG&E prime supplier **PricewaterhouseCoopers (PwC)**. Lynx's consultant will be the Training Development Lead on PG&E's Enterprise Time Collection Project working alongside PwC.

Recognition

BLACK ENTERPRISE (BE) announced its fifth annual tally of the *40 Best Companies for Diversity* in its July issue. PG&E was included as one of the companies identified in the special report for demonstrating strength and outperforming their peers in one or more of four key categories: board of directors, employee base, senior management and supplier diversity. ■

Interview with Des Bell

continued from page 1

Bell: PG&E senior leadership has communicated the value of supplier diversity and our commitment to achieving 30 percent throughout the company and with our business partners. We have embedded supplier diversity as a requirement into our Request for Proposal (RFP) process and have set new expectations as we implement our strategic sourcing initiatives. Employees and third parties, alike, now understand that supplier diversity is a component of how PG&E does business. The proof is the \$755 million in diverse spending we achieved in 2008.

Powered by Diversity: The subject of supplier development has been mentioned as a strategy to expand our diversity spending. Could you explain what that would mean and are you of the opinion that a formal program should be initiated?

Bell: I believe that it should be initiated, and our organization will soon include a team dedicated to do exactly that. A supplier development program would define supply requirements, assess current and potential suppliers against supply chain opportunities and determine the technical assistance needs and levels of investment necessary to expand business opportunities with them. In developing suppliers we will also seek support from our prime partners to create new opportunities and help us build capacity.

Powered by Diversity: Any closing thoughts you wish to share?

Bell: I'm very excited to be leading this organization. I consider our corporate services team to be the "engine" that drives company operations. We've come a long way already, and I am confident that our company will continue to increase diverse spending. We are well-positioned for continued success. ■

Fong Brothers Printing, Inc.

In this issue, we profile one of PG&E's strategic business Partners, Fong Brothers Printing, Inc. A diverse-owned company, Fong Brothers works with PG&E's internal Reprographics Department to supplement PG&E's custom printing needs. PG&E's partnership with this CPUC Clearinghouse supplier has extended 30 years.

Fong Brothers Printing, Inc. was founded in 1971 with a mission to provide interpersonal and quality service within the San Francisco Bay Area at a competitive price. Fong Brothers Printing has become one of the largest printing companies in Northern California. With over 200 employees, the company headquarters occupies an 86,000 square-foot printing facility in Brisbane, California.

Fong Brothers Printing is dedicated to providing customers with cutting-edge printing solutions that precisely meet their ever-changing needs. By offering a full range of prepress, press and post-press services, the company streamlines the production process with a "one-stop"

shop, delivering the most enhanced scheduling and cost-effective project solutions. To stay on the cutting-edge of printing technologies and to provide the most efficient levels of service, Fong Brothers Printing acquires the most sophisticated and high-quality tools.

According to company CEO Tony Fong, "We employ a team approach and attention to detail that enables us to consistently strive for the complete and ongoing satisfaction of our customers. We exercise this responsibility, adhering to quality and environmental management systems, through employee training and a firm commitment to a corporate culture that promotes continual improvement." In addition, Fong understands the value of embracing a green business philosophy. "Fong Brothers Printing makes every effort to cut down the impact of pollution on human health



From left to right: Zarik Ali, Karl Ashley, Debbie Yee, Yolanda Wong-Huey, Tony Fong, Rick Hokanson, Greg Fong and Paul Fong.

and the environment," said Fong. We meet all environmental regulations mandated by local, state, and federal laws."

Examples of how the company minimizes waste include: using recycled paper, not using solvent inks or film and recycling all paper and press plates.

Fong Brothers Printing clients list include: PG&E, The Gap, Gymboree, Blue Shield, Apple and Hewlett Packard. Fong Brothers can be reached at 415-467-1050, or by visiting their Web site at www.fbp.com. ■



Introducing Our Newest Supplier Diversity Team Member – MIRANDA REYES



PG&E's supplier diversity team is pleased to introduce its newest team member, Miranda Reyes. As a senior supplier diversity consultant, Miranda will support Corporate Services and IT. Reyes comes to PG&E from Hewlett Packard where she most recently worked as a Strategic Program Manager. Miranda's background includes supplier diversity strategic program management, business planning, supply chain initiatives, business analysis and process improvement. A native San Franciscan, Miranda is a USF graduate. Please join us in welcoming her to PG&E. ■

Powered by Diversity
is presented by the PG&E
Supplier Diversity team.
This edition was produced
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designed by William Mar Design.

PG&E's Supplier Diversity Team

Our Supplier Diversity team is at your service. Below you'll find our current team members and their assigned business portfolios. Look for new members to be introduced in our next edition. We encourage you to visit our pages on the PG&E Web site for the most current updates and information.

PG&E's Supplier Diversity Team Members



Jerilyn Gleaves
j1gi@pge.com
Customer Care,
Energy Efficiency



Joy Ong
jaoj@pge.com
Energy Delivery
Services and
Energy Delivery
Materials



Perry Bumanlag
pvb1@pge.com
Direct and Sub-con-
tracting Reporting



Tanya Nixon
tnn7@pge.com
Transportation,
Environmental
Services



Al "Skip" Solorzano
aas6@pge.com
Generation -
Hydro Facilities,
New Generation
Projects, Diablo
Nuclear Power Plant



Miranda Reyes
merl@pge.com
Corporate Services,
Consulting Services,
Legal, Finance,
Human Resources,
IT/Telecom

Upcoming Events

The Supplier Diversity team is on the move, and we invite you to join us in our support of the following organizations and activities.

July - Oct 2009

July 12-14	AICCOCC Annual Business Expo/CPUC Small Business Expo American Indian Chamber of Commerce California	Rancho Mirage, CA	www.aiccal.org
July 20-24	5th Annual National Veteran Small Business Conference & Expo National Veteran Small Business Conference & Expo	Las Vegas, NV	www.nationalveteransconference.com
August 8	13th Annual Latina Women's Conference Central California Hispanic Chamber of Commerce	Fresno, CA	www.cchcc.net
August 14	3rd Annual Business Match-making & Networking Event City of Fresno Economic Development Department	Fresno, CA	www.fresno.gov
August 19-21	Elite SDVOB Network Annual Conference Elite SDVOB Network	Colorado Springs, CO	www.elitesdvo.org
August 19-22	CHCC Annual Conference / CPUC Small Business Expo California Hispanic Chamber of Commerce	San Diego, CA	www.cahcc.com
August 20-22	CA Black Chamber of Commerce Economic Summit California Black Chamber of Commerce CPUC Small Business Expo	San Jose, CA	www.calbcc.org
September 16-19	Annual USHCC Conference US Hispanic Chamber of Commerce	Denver, CO	www.ushcc.com
October 22	CPUC Small Business Expo California Public Utilities Commission	Chico, CA	smallbiz@cpuc.ca.gov
October 25-28	NMSDC Annual Conference National Minority Supplier Development Council	New Orleans, LA	www.nmsdc.org