

From: Cherry, Brian K
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To: tas@cpuc.ca.gov (tas@cpuc.ca.gov)
Cc:
Bcc:
Subject: FW: MPC - PG&E Helps Diverse Suppliers Achieve

FYI

From: owner-Newsflash-Real-Time@pge.com [mailto:owner-Newsflash-Real-Time@pge.com] **On Behalf Of** News Flash
Sent: Thursday, August 16, 2012 4:54 PM
To: Newsflash-Real-Time
Subject: MPC - PG&E Helps Diverse Suppliers Achieve

My Purchasing Center published a story on PG&E's Supplier Diversity program. John Kerr, the director of supplier diversity and supplier development for PG&E, was quoted.

PG&E Helps Diverse Suppliers Achieve

By Rich Weissman

My Purchasing Center™ online, August 16, 2012

Ask **Joan Kerr** about the stale reputation of companies that participate in supplier diversity programs being not high performers and she will quickly set you straight.

“Smaller diverse companies are actually more focused on customer service and work harder to prove that they are equal to or better than non-diverse businesses,” says **Kerr, the Director of Supplier Diversity and Supplier Development for the San Francisco-based Pacific Gas & Electric (PG&E)**. “We are committed to work with diverse businesses to provide safe and reliable gas and electric services to the 15 million customers we serve in Northern and Central California.”

To acknowledge the company's dedication to supplier diversity, *HispanicBusiness* magazine, a leading business publication for the Hispanic market, recently named PG&E as the leader among the 25 best companies nationwide for supplier diversity.

According to Mike Caplinger, research supervisor at HispanicBusiness Inc., the magazine's parent company, "PG&E continuously demonstrates its strong focus on incorporating supplier diversity into its procurement process, so it was no surprise for the company to top the list this year." The utility's spend with Hispanic-owned business increased 200% over the past five years.

Diversity is a core value and hallmark of PG&E's heritage, and for more than 30 years the company has been committed to diversity and inclusion. "PG&E has developed one of the state's leading supplier diversity programs that supports economic development and job creation in communities it serves by partnering with diverse suppliers to generate innovation and increase competition," says **Kerr**. She adds that PG&E has played a contributing role in helping diverse suppliers achieve success by increasing sales for their businesses and expanding into new lines of business.

"Using diverse suppliers is a company-wide philosophy, not just a supply chain issue, and we couldn't be happier with our success," say **Kerr**. "Our work in this area is not limited to smaller MRO type suppliers. Many of our diverse suppliers are quite large and are part of our core nuclear, gas, and electric business." **Kerr** adds that there is an active supplier development effort for their smaller suppliers. "It is important that our suppliers succeed."

Kerr notes the Supplier Diversity Champions Program designates individuals with each of PG&E's business areas to work closely within the Supplier Diversity team and Sourcing as an advocate in identifying competitive suppliers to meet business needs, forecasting to ensure there is a clear direction to meet goals, and identifying opportunities to improve diverse supplier participation. "These cross-functional teams meet monthly to share ideas, discuss strategic initiatives, and ensure PG&E as a company is on track to meet year end objectives."

In 2011, the utility spent an all-time high of \$1.61 billion with diverse suppliers, accounting for just over 36.6% of its total procurement base.

In data tracked by the California Public Utilities Commission, PG&E spent more on products and services from minority owned business, women and service-disabled veterans than any of the more than 30 other utilities and telecommunication companies in California.

In addition to being recognized by *HispanicBusiness*, PG&E has been named to Black Enterprise's "40 Best Companies for Diversity" list. PG&E was also recognized by *DiversityInc* magazine as the "Top Regional Utility for Diversity" and one of its "Top 10 Companies in Supplier Diversity" and was named as one of "America's Top Corporations for Women's Business Enterprises" by the Women Business Enterprise National Council.

PG&E was also selected as a co-recipient of the Supplier Diversity Innovation Award by Edison Electric Institute.

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