

SOUTHWESTERN NEWS

Contact: Bridgette Rose McNeill
(214) 648-3404
or e-mail: bmcnei@mednet.swmed.edu

UT SOUTHWESTERN INCREASES BUSINESS WITH MINORITY-, WOMEN-OWNED FIRMS TO MORE THAN \$10.5 MILLION IN 1995

DALLAS — January 22, 1996 — A distinctive new partnership idea enabled UT Southwestern Medical Center at Dallas to increase the volume of contracts to minority- and women-owned businesses to 15.8 percent of all its purchases in the 1994-95 fiscal year. More than \$10.5 million was paid to these companies.

The share of business conducted with minority- and women-owned firms has been rising steadily from 1.1 percent in 1989-90, just before the university began participating in the UT System Historically Underutilized Business (HUB) program. The HUB program is designed to boost the amount spent on goods and services provided by firms owned by minorities or by women.

HUB vendors received \$2.5 million more than the previous fiscal year from UT Southwestern — a 28 percent increase over 1993-94 and a 400 percent increase since 1990-91.

The new partnership idea was initiated with the aid of a management consultant in October 1994. The university established "business-teaming relationships" between non-HUB and HUB vendors, allowing the university to purchase commodities from HUB distributors as representatives of major non-HUB suppliers. At least 18 of 25 targeted non-HUB suppliers have committed to teaming with HUB suppliers.

"The business-teaming relationships are unique because it enables smaller minority- and women-owned companies to compete for UT Southwestern contracts. That in turn helps build a more diverse local economy and create new jobs," said Abby Freeman, vice president for human services administration.

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Freeman also chairs the university's Community Relations Advisory Committee, which is made up of ethnically and economically diverse leaders from the community and monitors the effectiveness of the HUB program.

Officials expect the partnerships will lead to an increase of \$5 million to \$7 million in expenditures with HUB firms by next fiscal year.

The medical center was among three UT System components singled out for its innovative outreach strategies and was nominated as the D/FW Minority Business Development Council Corporation of the Year.

In 1993, UT Southwestern received the Minority Personnel Utilization Award from the Greater Dallas Chamber and Dallas Citizens Council. The award recognizes support of minority economic development that has made a significant impact on the greater Dallas community.

"This program has permitted UT Southwestern to continue to build upon its reputation within the Dallas-Fort Worth area, the state of Texas and across the country as an institution that cares about its community and the growth and prosperity of all its businesses," said Dr. Peter Fitzgerald, executive vice president for business affairs.

"In addition to the partnership initiative, buyers in the purchasing office participated in several local economic development forums and trade shows to increase business with HUB firms," said Joe Behrens, director of purchasing. "Departments throughout the campus have also aggressively sought out HUB vendors."

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UT Southwestern HUB Growth
Volume as a Percent of Total Payments
Fiscal Years 1990 through 1995

