

CASE STUDY: Education, Government

# How Amazon Business helps large Baltimore organizations buy from small businesses

## Overview

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It takes a lot of supplies to keep Johns Hopkins University and the City of Baltimore's many departments up and running. Purchasing on Amazon Business not only helps these large organizations easily buy the business supplies they need at work every day, but Amazon Business also provides them with the ability to support their local economy by purchasing directly from small, local businesses. With Amazon Business, these organizations can easily identify credentialed suppliers, including minority- and women-owned businesses that have the products they need. And thanks to the logistics support of a local Amazon fulfillment center, small businesses are able to keep up with the supply these Baltimore institutions need and can ship and deliver items quickly. The combination of big buyers, local sellers and Amazon Business helps the city and university support thriving local commerce.

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**Give enterprise access**  
to small businesses



**Provide organizations**  
with easy discovery  
of diverse sellers



**Enable growth**  
for small businesses

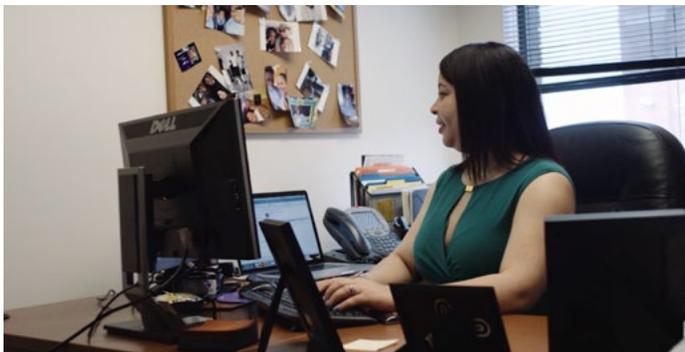


## Innovation in academic purchasing

Based in Baltimore, Maryland, Johns Hopkins University was founded in 1876 as the first research university in the United States. Its long history hasn't stopped it from staying on the leading edge of innovation. The university is known for academic rigor, scientific advancements, award-winning alumni and faculty and receiving major federal research grants.

When considering what it takes to remain a leading scientific research university, it might not be obvious that procurement is an essential part—but the procurement team knows it is. "We cannot enable science without a robust procurement supply chain," says Brian Smith, Chief Procurement Officer at Johns Hopkins University. "The goal of our department is to support the university's mission to teach students, empower research and discovery and improve medicine."

To better fulfill its mission of research, education and patient care, the university needed a step up in its capabilities to purchase products like lab supplies, office products, maintenance repair items and IT peripherals. Johns Hopkins turned to Amazon Business in 2017 for the solution.



## University support for small, local businesses

Johns Hopkins University was drawn to Amazon Business for the convenience, selection, centralized management and fast delivery of business-specific products. But purchasing on Amazon Business helps the university pursue one of its major strategic goals, too: the ability to support Baltimore-area small businesses. In 2015 the university launched an initiative called HopkinsLocal to promote economic growth and employment in Baltimore.

By purchasing on Amazon Business, Johns Hopkins can more easily support local businesses because the university gains

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### CRYSTAL BURNS

**Small Business and Supplier Diversity Lead, Johns Hopkins University**

more visibility into their products and profile. "When small, local businesses sell on Amazon Business, they are suddenly on an equal playing field with the large businesses, and they have access to obtaining our business," says Smith.

The revenue that Johns Hopkins University has been able to channel toward small businesses isn't a negligible amount or token gesture. As one of the largest employers in Baltimore, Johns Hopkins has a considerable impact on the local economy. The university spends around \$1 billion in annual purchasing and has 5,000 active requisitioners that buy a diverse array of goods and services.

"By intentionally purchasing locally on Amazon Business, Johns Hopkins has created significant opportunities for small and local businesses here in the city," says Crystal Burns, Small Business and Supplier Diversity Lead at Johns Hopkins University.

According to Burns, a local lab supplier in Baltimore has been able to hire four additional people due to the increased purchases on Amazon Business from the university.

"We have such large spending power, it's our responsibility to make sure that we are supporting our community," says Burns. Through Amazon Business, the university is now using thousands of new small businesses to supply the institution.

**Thousands**  
of small businesses supply Johns Hopkins  
through Amazon Business

**“When small, local businesses sell on Amazon Business, they are suddenly on an equal playing field with the large businesses.”**

**BRIAN SMITH**

Chief Procurement Officer, Johns Hopkins University

As part of HopkinsLocal, the university committed to increasing contracts with minority- and women-owned businesses. By using Amazon Business, the procurement staff can filter their search results by seller certifications to ensure they are discovering and purchasing from vendors with a variety of different diversity certifications.

“Seller credentials are very important for Johns Hopkins University because we have a lot of grants and part of our contracts is access to diverse businesses,” says Burns. “The money we spend locally stays here, which creates jobs and pays our firefighters and schoolteachers.”

In 2016, Johns Hopkins University brought together other Baltimore-based businesses to launch the BLocal initiative to help create more economic opportunities in the city. As part of the initiative, the university works closely with city businesses and peer institutions to foster the development of small businesses.

“Our destiny with the City of Baltimore is really intertwined,” says Brian Smith. “We work collaboratively with city anchor institutions to exchange ideas and best practices on how to reach out to small and diverse local businesses and direct more spend towards them.”

## Purchasing for the City of Baltimore

The Baltimore City Department of Finance procures goods and services for approximately 50 departments, offices and commissions in the city, including the police department, state attorney's office, fire department, health department, court system, department of public works and parks and recreation.

The city decided to start purchasing on Amazon Business so it could increase visibility into off-contract supply spending and ensure that purchases were made with the appropriate tax-exempt status.

Before adopting Amazon Business, the city spent a lot of money on one-off toner purchases that were not captured under city contracts. In fact, it took one staffer most of her day to manage spend, as the department's reporting capabilities were limited and it was difficult to gain visibility into exactly what employees were purchasing. Now her time is freed up to do more valuable work for the agency.



“We can buy local by negotiating toner prices with a locally certified minority- and woman-owned business, so the off-contract toner spend is now captured in Amazon Business,” says Erin Sher Smyth, City Purchasing Agent at Baltimore City Department of Finance. “It’s a huge benefit to us that we have more transparency with pricing using Amazon Business.”

In addition to veteran-, minority- and woman-owned businesses, the city was also recently able to work more closely with the LGBTQ business community. Amazon Business makes it easy for agencies to identify based on seller certifications. “We really like that Amazon Business has the ability to filter search results by different criteria, and we could find opportunities with LGBTQ businesses,” says Smyth.

“The switch to Amazon Business was universally popular,” adds Smyth. “Most of our staff were already using Amazon.com to make small purchases, so the transition was very easy.”

**“It’s a huge benefit to us that we have more transparency with pricing using Amazon Business.”**

**ERIN SHER SMYTH**

City Purchasing Agent, Baltimore City Department of Finance

## Small businesses scale with fast, precise fulfillment

Both Johns Hopkins University and the City of Baltimore are happy that they can support small, local and diverse businesses by purchasing on Amazon Business. But they also need accurate order fulfillment and fast delivery.

"Fast delivery is imperative to our buyers at the city because we no longer have warehouses, but we still need to keep our operations moving," says Smyth. How can small businesses, often constrained by minimal staff and floor space, stock a high enough volume of products to be at-the-ready for large institutional orders?

**"We help small businesses to be able to stay focused on growing their businesses and leave the logistics to Amazon Business: the picking, packing and shipping of their items."**

### PREET VIRDI

Director of Operations, Amazon Baltimore City Fulfillment Center

Enter Amazon Fulfillment Center BW12 in Baltimore. This high-tech Amazon robotics operation ships several hundred thousand orders for Amazon.com and Amazon Business customers every day.

"As soon as an order is submitted, robots and staff work together to get products to a packer," says Preet Virdi, Director of Operations at Amazon Baltimore City Fulfillment Center. "The packers pack the bins and then we get it onto a truck to make sure that we get to our Amazon Business customers within their expected timeline."

**NAME:** CITY OF BALTIMORE  
**WEBSITE:** [HTTPS://WWW.BALTIMORECITY.GOV](https://www.baltimorecity.gov)

**NAME:** JOHNS HOPKINS UNIVERSITY  
**LOCATION:** BALTIMORE, MARYLAND  
**WEBSITE:** [HTTPS://WWW.JHU.EDU](https://www.jhu.edu)



## Leave the logistics to Amazon

"The Amazon Fulfillment Center helps Baltimore businesses buy from other Baltimore businesses," says Virdi. "We help small businesses to be able to stay focused on growing their businesses and leave the logistics to Amazon Business — the picking, packing and shipping of their orders."

By selling on Amazon Business and using Fulfillment by Amazon, small businesses can reach a lot more customers without having to scale their operations the way traditional suppliers do. They can take advantage of the fine-tuned logistics network and state-of-the-art fulfillment technology at BW12, which measures more than 1 million square feet and employs 3,000 full-time Amazon associates. It's a source of local jobs, and also helps give the businesses who sell on Amazon Business access to a wider audience. "The Amazon Fulfillment Center has been a huge resource for small businesses in Baltimore," says Johns Hopkins' Crystal Burns. "It gives them the opportunity to do next-day delivery, and the option to branch out and provide products nationwide to encourage their growth."

Virdi says, "We are incredibly proud to be part of the Baltimore community and serve local businesses. By purchasing on Amazon Business, organizations such as the City of Baltimore and Johns Hopkins University can meet their diverse purchasing needs."