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Stretching Family Resources to nonprofit sisters

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By Leon Lagerstam, leon@qconline.com

DAVENPORT -- The title of a new project at Family Resources Inc. doesn't sound like an economical use of words, but the savings it will generate certainly will be economical.

The idea for the new "Non-profit Purchasing Commodity Volume Buying Program in the Quad-Cities," should greatly reduce expenses for participating local nonprofit agencies.

So far, 13 nonprofits have agreed to join and buy "basic commodities that every business uses," such as copy paper, janitorial supplies and office furniture through the program, Family Resources purchasing manager Todd Poe said.

Buying larger volumes of supplies as a group will reduce prices for each member, he said.

"If I bring \$80,000 in business, but as a group we can order \$600,000 in business, it improves everybody's pricing," Mr. Poe said. "Savings that can be achieved puts everyone in the position to have more money to spend on things such as hiring staff or introducing new programs."

It's especially important "during these really tough economic times," Family Resources president/CEO Cheryl Goodwin said. "Business leaders in the community have asked where nonprofits can come together, reduce duplicity and save costs."

Creating this volume-buying program is a good business decision, she said. "It utilizes strengths we have internally, it benefits sister organizations by saving them more dollars they can use toward their mission, and makes us all better stewards."

Schools and churches aren't part of the group, at least for now, Ms. Goodwin said.

"Our strategy is, because this is new, we want to ensure its success before branching out further," she said. "We want to get some time under our belt, so we're starting out small."



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Photo: John Greenwood
Family Resource, Inc. recently launched a new Non-profit Purchasing Commodity Volume Buying Program. Todd Poe is director of purchasing. Family Resources Inc. is in the Wittenmeyer complex in Davenport.



Photo:

Yet, it's a promising idea for other nonprofits and local suppliers as well, Mr. Poe said.

"Using local suppliers will stimulate the local economy," he said. "Our local supplier businesses are given exclusivity. Price is important, but it was not the only consideration in the selection of our suppliers. They have all been time-tested in the areas of price, delivery, quality and service."

Three local suppliers have been picked so far, with the possibility of adding more in the future, Mr. Poe said.

"In addition to a potentially large dollar savings, this program also could result in some time savings for all involved," Ms. Goodwin said, which could "give us time to put on our creative hats and see if we can come up with a shorter name."

At a glance

Family Resources Inc. is a private, not-for-profit social-service agency with roots in the Quad-Cities dating back more than 160 years and in Muscatine, Iowa, more than 40 years. With an annual budget of \$15 million and a staff of more than 350, it provides support to children, individuals and families in the areas of child welfare, juvenile justice, mental health, victim services and education.