

Marcy (mills) which was represented by Comercial Otero is now represented by Allis. Sandvik started direct sales and sales through distributors (before they sold through Atlas Copco).

- Increasing interest in participation in the environmental control area of the mining sector.
 - Also, there is the "normal" movement of represented companies transferring among local agencies.
- Ex: Dicsa took over the representation of Komatsu.

Policies on contracting services. The case of Codelco- Chile.

According to statements by Codelco executives at a meeting held with their suppliers, the production philosophy of the Corporation is to look for the most efficient option in the development of each one of its activities, to maximize the creation of economic surplus in the long- term, and to remain a low cost, high quality produce.

The company has registers of contractors that are open for all companies and individuals, under the condition that they demonstrate solvency and ability and fulfill some administrative requisites.

The assignment of works to contractors takes place, through bidding processes that fulfill the following requisites:

- clear, known and respected rules.
- equitable and impersonal processes and decisions to award bids.
- best possible conditions for the Corporation, according to the market and competition among suppliers.

The administration of contracts should be simple, especially in the control aspects, without sacrificing efficiency. The Corporation will keep its registers up to date and to communicate the information among its Divisions.

The Corporation is interested in the fact that the reductions in costs obtained do not result from sacrificing the rights of the contractors' workers. Fulfillment of safety norms and legal labor obligations is required.

Corporate Norms and Procedures exist in the five Divisions of Codelco.

Registers of Contractors

There should be registers, administrative rules, registration procedures, a classification system and provisions for the updating of information.

The minimum aspects to be considered in the requirements for registration should be declared.

There should a flow of information between the Divisions.

Bidding Processes

The rules stipulate that there should be written procedures concordant with the general principles stated. It also establishes the stages of a bid, the information bidders must provide, selection procedures for contractors, invitation to bid and opening of bids.

Bid Evaluation

The Corporation should fit the technical aspects together with the economic ones in awarding the bids.

The norm also requires that there be an evaluation method and appointment of evaluators before the opening of the bids. It also establishes a general criterion to prepare evaluation methods and stipulates that the bids that are compared must be homogeneous.

The contractors who are invited are chosen from the register in agreement with the specialty and the importance of the work to be done. A minimum of three should be invited. An effort should be made that there be no less than five invited and no more than eight.

Kinds of contracts used in the Corporation are mainly two:

- Lump sum
- Series of unit prices