

Lockington, Elliott (SPAC/PSPC)

From: Media <media@tps-gc-pwgsc.gc.ca>
Sent: August 11, 2020 8:42 PM
To: fitz-morris, James (SPAC/PSPC); Roy, Cecely (SPAC/PSPC)
Cc: Media; Me'Shel Gulliver Bélanger; Bryan Blom; James Stott
Subject: For MO Approval - Media Response / Tier 1 - COVID-19 - Medicom contract details / The Globe and Mail

James, Cecely,

For your approval, please. [New info](#).

Thanks,

Michèle

Media Response
The Globe and Mail
Silcoff, Sean (The Globe and Mail)
Date call received: July-31-20 at 12:30
Deadline: August-05-20 at 17:00
Tier 1 - COVID-19 - Medicom contract details

CONTEXT (for your information):

On July 30, the reporter had a background tech brief with two officials at ISED on the topic of Medicom. The ISED officials, walked him through how Medicom fits into their department's mobilization of Canadian industry. They also took a few questions from the reporter. The reporter asked two questions that fall under PSPC's purview, which ISED referred to us.

Update on Q2: The reporter clarified that he is looking for the number of masks, not the contract value.

QUESTIONS / RESPONSES:

Q1. What is the total value of the Medicom contract? Can you give me a precise number? Is there a publicly posted number somewhere?

The Government of Canada continues to be engaged in an unprecedented effort to acquire supplies and equipment to ensure that front-line healthcare workers, other essential services workers and Canadians stay safe and healthy. We are aggressively procuring in the global marketplace, while facing the risks posed by fragile supply chains, the fluidity of the current situation, and a surge in demand.

In order to provide Canadians with information relating to Canada's response to the COVID-19 pandemic, PSPC is **here** disclosing supplier names and contract values for contracts that it has

entered into on behalf of other government departments and agencies for PPE and medical/laboratory equipment and supplies, with the following exceptions:

Given the global nature of the pandemic and the severe competition for goods PSPC is protecting the names of suppliers for certain hard to procure commodities, namely n95 respirators, gloves and swabs. Protecting this information will help secure these sources of supply in Canada's ongoing PPE procurement efforts.

Medicom contract

AMD Medicom Inc. has responded to Canada's call with a proposed high-level agreement for a 10-year contract supplying local production and distribution of medical masks (earloop) and respiratory masks (N95) for the primary benefit of the Government of Canada.

In April 2020, PSPC entered into a ten-year sole-source contract with Medicom, with a firm price set for the first three years and seven additional years that will be negotiated annually. The total potential estimated value of the contract is \$381,693,476.47, including applicable taxes. The contract is for the delivery of 20 million N95 masks and 24 million level 3 surgical masks annually, which will be produced in a newly established manufacturing plant in Montréal.

Q2. Is it possible, under the contract, the government could extend its demand over the 20 million N95s and 24 million surgical masks per year?

A2. The contract does not allow for additional masks.