**Vendor Information Sheet**

You recently requested bids for a new MRI (magnetic resonance imaging) machine in for your radiology department. As a result, two vendors have submitted quotes based off the specs in your proposal. You anticipate the service life of this machine to be 10 years and that it should generate $600,000 per year at 50% capacity.To remove any potential for bias, your compliance department has provided the bids to you (below) and removed the name of each company.

***Bid:Company A***

Supply and install a 3T (3 Tesla) MRI scanner. Once bid is accepted, work will be completed in 90 days.Each day after 90 days incurs a $5,000 (a day) penalty.Warranty is for 2 years.Software upgrades for 1 year.

* Total cost: $3,650,000
* Additional warranty: $150,000 (per year to year 5)
* Software upgrades: $50,000 (per year up to year 5)

***Bid:Company B***

Supply and install a 3T (3 Tesla) MRI scanner.Once bid is accepted, work will be completed in 90 days.Each day after 90 days incurs a $5,000 (a day) penalty.Warranty is for 4 years.Software upgrades for 5 years.

1. Total cost: $4,400,000
2. Additional warranty: $75,000 (per year to year 10)
3. Software upgrades: $25,000 (per year up to year 10)