

New procurement methodology gives new meaning to green matchmaking

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Personal matchmaking web sites grab a lot of attention. It must be because they capture our imagination, or at least the imaginations of those who use them. Yet, there is another side to matchmaking that is practical and can offer significant cost savings in the business world while, at the same time, directing work to only 'green' or environmentally responsible suppliers.

A new methodology introduced and patented by e-LYNXX Corporation automatically matches companies that are looking for suppliers with suppliers that are looking for work. It identifies suppliers that can produce a product or provide a service based on specifications submitted by the buyer, specifications such as only offering the work to 'green' suppliers. Since the buyer pre-selects the suppliers to be in its network, quality and delivery requirements are not compromised with unknown vendors. It is somewhat like selecting in advance who you would like to have in your network of personal matchmaking possibilities, so that you would never have to go on a blind date. You would have already pre-selected everyone in your network.

'The added beauty of this new procurement methodology is that it allows, even encourages, low ball bids by 'green' suppliers looking to fill open production time in such a way that low bidding does not stigmatize the bidding supplier,' said William Gindlesperger, chairman and CEO of e-LYNXX, and inventor of the patented procurement methodology that is now known as The Gindlesperger Method. 'Traditional procurement methodologies penalize low bids, because they lower future price expectations by the buyer. With this newly patented methodology (U. S. Patent No.7,451,106), all involved -- buyers and suppliers -- know that each project is a new beginning. Open production time will vary from supplier to supplier, so that who submits low bids also will vary. Higher market bids will come in if a supplier has a busy schedule.'

Print is an excellent example of how this works. If a particular print supplier is doing a repetitive job for a buyer, and that supplier attempts to raise its historical charges because it is very busy, the supplier creates a high risk of losing the buyer's account. Likewise, if the supplier has downtime and approaches the buyer to request early release of the job in exchange for a significant (say 50%) price reduction, the buyer will expect the price to remain at the new (now 50%) lower price on future jobs and may well become aggravated at the supplier, since the supplier would seem to have been overcharging for the job since the beginning.

Consequently, with this new approach, Gindlesperger said print suppliers are submitting bids 30% to 60% lower to fill production downtime. Not only is the buyer saving that much on direct mail, marketing materials, commercial print, labels and custom packaging materials, but the supplier is increasing its revenue through what is called contribution pricing. When used strategically and consistently, this methodology will reduce the buyer's historical pricing by 42%, while filling the print supplier's otherwise unused production capacity, thus producing an increase in the supplier's profits of about 10 points and boosting business for a firm that is environmentally conscientious.

The Gindlesperger Method is patented and can be utilized with a license on any computer-operated system. It includes the following steps:

- ENTER supplier attributes (e.g. production capabilities, location, quality and business status)
- ENTER project specifications (e.g. requirements for production, location, quality and business status)
- MATCH supplier attributes to project specifications (to determine sub-set of qualified suppliers)
- SEND project specifications to sub-set of qualified suppliers
- RECEIVE a bid response from at least one supplier

With The Gindlesperger Method, the buyer is in control, because the supplier's bid is based on what the supplier needs to charge to fill its production time. The supplier no longer needs to bid what it thinks the buyer is willing pay. This business method patent is not simply the computerizing of an existing method. Rather, it is the invention of a novel process that had not been found anywhere in prior art when the patent application was filed by e-LYNXX Corporation in 1998.

The Gindlesperger Method is supported by e-LYNXX's proprietary workflow and communication system and a staff of procurement specialists. Through

its print service division, American Print Management, any organization -- for profit or not for profit -- gains greater control of its print management process starting from a creative idea and initial specifications through all subsequent revisions, approvals, procurement, production, receiving and billing.

Executives within the utility, heavy equipment manufacturing, parcel delivery, health care, computer and association sectors are finding that matchmaking with The Gindlesperger Method makes sound business sense. Their organizations are cost-effectively procuring print without disrupting their supply chains, service requirements or quality standards. No significant changes were needed in their suppliers, personnel, organizational structure or information technology.

Print buyers using The Gindlesperger Method are reducing their hard-dollar procured print spend by \$400 on every \$1000 ordered (comparing apples to apples) just by changing their approach to print procurement. 'By matching buyer-written specifications with buyer-qualified suppliers, buyers can reduce their procured costs of print and position themselves for exploding profitability,' Gindlesperger said. 'Savings possibilities, hence even greater profits, are enormous when you stop to consider that, with the newest e-LYNXX patent, applications extend beyond print to construction services, machined parts, transportation, temporary staffing or any good or service that requires specifications before it is ordered. With each project, only 'green' suppliers can be automatically identified -- a unique advantage over traditional procurement methods.'

About William Gindlesperger

William Gindlesperger is a nationally recognized entrepreneur, inventor, author and consultant in print and procurement. He founded ABC Advisors and its successor, e-LYNXX Corporation, in 1975. Under Mr. Gindlesperger's leadership the firm has grown into the recognized profit enhancement leader. Print buyers and suppliers alike have benefited from his insight and innovation.

Mr. Gindlesperger has directed major in-plant studies in both the private and public sectors and he is highly regarded for his knowledge, advice and work on behalf of firms in matters pertaining to the U. S. Government Printing Office (GPO). He has testified before the U. S. Senate Committee on Rules and Administration regarding government print and procurement policy. He also has worked directly with numerous Congressional and Senatorial members and staff and has advised Congress on the development, operations and future of GPO print procurement and the federal print program in general. He was founder and the first chairman of Printing

Industries of America's (PIA) PrintPAC (political action committee), and he has been recognized for his contributions to PIA and services to the printing industry.

Mr. Gindlesperger invented the methodology that optimizes cost reduction in the procurement of specification-defined goods and services. He has been granted two separate business method patents by the U. S. Patent Office, first for the competitive procurement of print and then for the competitive procurement of all specification-defined goods and services.

A native of Chambersburg, Pa., Mr. Gindlesperger is a graduate of Dickinson College.