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**AVS Technology™ Breaks Iron Triangle of Good, Fast and Cheap**  
*by Anthony W. Hawks, Chief Legal Officer, e-LYNXX Corporation*

AVS Technology™ is the basic procedural component of any automated solution for buying custom goods and services that must be defined by production or performance specifications at the time of purchase. It includes the following steps:

- **ENTER** vendor attributes
- **ENTER** project specifications
- **MATCH** vendor attributes to project specifications to determine sub-set of qualified vendors
- **SEND** project specifications to sub-set of qualified vendors
- **RECEIVE** a bid response from at least one vendor

When these steps are applied using a computer-operated system, a unique competitive bidding environment can be established where vendors of custom goods and services are now willing to offer their lowest prices to fill idle production capacity. This strategy is called "contribution pricing". When vendors bid work (even when bidding well below normal rates), any income obtained above out-of-pocket costs "contributes" to fixed costs and overhead and, when absorbed, to their bottom lines.

Prior to AVS Technology™, buyers of custom goods and services were faced with the "iron triangle" of quality, timeliness, and cost. Regardless of the industry involved, every procurement or supply chain solution seeks to attract business customers that want to achieve the purchasing trifecta of "good, fast, and cheap." Before AVS Technology™, however, a buyer could only achieve two of these three goals at any one time, not all three simultaneously.

AVS Technology™ breaks the "iron triangle" because it allows pre-qualified vendors with excess idle capacity to provide an extraordinary low price without risk of establishing future buyer price expectations. In other words, price is no longer tied to quality and timeliness of delivery. This is what makes AVS Technology™ integral to all current and future e-commerce methods and systems for buying custom goods and services – including ERP systems, general supply chain management systems, specialized product or service procurement systems, and even older legacy systems. One such system for organizations with significant buying needs in direct mail, marketing, publications, packaging, labeling and other types of print is currently being offered by American Print Management. Regardless of the industry or buying need, however, all users and providers of such e-commerce methods or systems are required to license AVS Technology™ if they wish to benefit from this revolutionary innovation.

AVS Technology™ is unique in creating a controlled bidding environment in which repetitive purchasers of custom goods and services can leverage the open production capacity of their preferred vendors in a way that virtually guarantees "contribution pricing" – that is, below normal pricing that seeks primarily to absorb out-of-pocket costs and some level of fixed costs and overhead. This is accomplished by allowing qualified vendors to bid high, low, or not at all (1) without having to consider buyer pricing expectations; (2) without fear of setting either high or low precedent for future bid prices; and (3) without worrying about being denied future bid opportunities for which the vendor is qualified. Freed from these concerns, bidders offer pricing based on their open production capacity at the time each job is bid, knowing that if they bid low this week when they are hungry for work, they are not bound to offer the same low price next week when they are busy with other orders.

The technology is based on a series of patents that the U.S. Patent Office awarded to e-LYNXX Corporation, including Patent No. 6,397,197, Patent No. 7,451,106, post-Bilski Patent No. 7,788,143, and Continuing Application 12/8885,423 (collectively, the "AVS Technology™"). This thicket of patents covers all custom goods and services, not just print.

Licensing AVS Technology™ should be viewed as both a strategic benefit and a legal requirement. Any organization with a computer-operated system that procures custom goods and services, by following the steps outlined in AVS Technology™, is required to obtain a license to use (or continue using) the patented procedure protected by AVS Technology™. This applies to systems that are developed internally as well as those used through third-party brokers, procurement services and system providers. Organizations should check with their system or service providers to ensure that the system being used is in compliance with AVS Technology™ licensing requirements.

### About e-LYNXX Corporation

e-LYNXX Corporation patented the technology integral to e-commerce. Endorsed by Educational & Institutional Cooperative Purchasing (E&I) and Printing Industries of America (PIA), e-LYNXX drives results through its three divisions.

- AVS Technology™ licenses the patented\* automated vendor selection procedure used in e-commerce and procurement systems.
- American Print Management provides web-based system, services and patented AVS Technology™ to reduce substantially the procured costs of direct mail, marketing, publications, packaging, labels and other procured print.
- Government Print Management offers effective U.S. GPO bid services and strategies. [www.e-LYNXX.com](http://www.e-LYNXX.com) – 888-876-5432

### About the About the Author



Anthony W. Hawks, chief legal officer of e-LYNXX Corporation and division president of the AVS Technology™ division, is responsible for legal matters affecting e-LYNXX Corporation and oversees patent licensing and enforcement. He is responsible for preparing congressional testimony, analyzing pertinent federal and state legislation and providing strategic counsel to government and procurement clients of e-LYNXX.

Mr. Hawks graduated from Tufts University with a B.A. degree (magna cum laude) and an M.A. degree from The Fletcher School of Law and Diplomacy. He earned his law degree from the Georgetown University Law Center, where he was a member of the National Moot Court Team and won the school's most prestigious award for appellate writing and advocacy, the Leahy Prize Argument. Following graduation, he clerked for United States District Judge Albert V. Bryan, Jr. of the Eastern District of Virginia and then practiced in Northern Virginia and Washington, D. C., as a commercial litigator and government contracts attorney.

Mr. Hawks joined e-LYNXX in 1997 and has served as vice president, general counsel, division president and member of the board.