

November 4, 2010

Clarion Call to Reduce Spending: Start with Cutting Procurement Costs
by William Gindlesperger, Chief Executive Officer, e-LYNXX Corporation

The electorate spoke loudly and clearly on November 2 when it voted to change the balance of power in Washington, DC, and in a number of state capitals nationwide. The historic outcome signaled more than a preference for Republicans, Democrats or Independents. It was a clarion call for reduced governmental spending. The question now is: "How?"

As a long-time campaign and political advisor, I know nothing moves easily or quickly through political channels. I have never understood why the best ideas that benefit taxpayers/voters the most often take the longest.

However, the timing is right, now, for one such good idea -- an idea that when properly deployed can reduce by as much as half what organizations have traditionally paid for goods and services. The fact is that those who embrace professional procurement have always worked hard at reducing costs, and, yet, up until now, an optimum procurement practice has remained elusive.

This idea has taken shape in the form of an elegant system, best practices and patented technology. The system acts to streamline the workflow process by virtually eliminating e-mail in favor of automated portal to portal communication. The system offers full transparency and reporting and an indelible trail that tracks all actions, communications and details of each project from concept through production to delivery and invoicing.

Extraordinary cost savings occur because a competitive bidding environment is created in which vendors reduce their pricing to fill production gaps. Because each job opportunity involves a new automated selection of prequalified vendors and a new round of bidding, the buyer and the vendors understand that the same vendor will not be bidding low on every job because low pricing is driven by each vendor's production needs. This flexibility in pricing allows vendors to bid low when work is desperately needed and not so low when production needs are being met by other work.

If federal, state, and local governments accepted this one good idea, and if these entities saved as little as 40% of their present costs, the resulting savings would be sufficient to make a difference on taxes. Isn't that what the election was about?

Sometimes old-school procurement professionals prefer relationship-driven procurement practices where there can be perks for the staff buyer who chooses one vendor over another - perks that may not help the organization reduce costs. This new idea eliminates the subjectivity of a buyer choosing a vendor based on perks, because the computer is doing the automated selecting of which vendors will be invited to bid based on their objectively qualified capabilities. Perk-driven decision making is exactly what governments need to eliminate in order to reduce costs and increase value purchasing on behalf of taxpayers.

The time has come for governments to adopt cost-saving procurement technologies that reduce cost and cut spending. If elected officials did not get that message on November 2, they were either not listening or asleep.

About e-LYNXX Corporation

e-LYNXX Corporation developed the patented 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. • Patented Procurement Method licenses the Automated Vendor Selection Technology (AVS Technology™) used in e-commerce and procurement systems. • American Print Management provides systems, services and the patented AVS Technology™ to reduce substantially the procured costs of direct mail, marketing materials, labels, packaging and other procured print. • Government Print Management offers effective U.S. GPO bid services and strategies. www.e-LYNXX.com – 888-876-5432

About the Author



William Gindlesperger is a nationally recognized entrepreneur, inventor, author and consultant. He founded ABC Advisors and its successor, e-LYNXX Corporation, in 1975. Profit, non-profit and government organizations alike have benefited from his strategic insight and innovation that result in measured and substantial cost reduction.

Mr. Gindlesperger's sound advice and counsel have yielded results for those with fiduciary responsibility and the authority to take action to reduce costs. He has directed major initiatives in both the private and public sectors. He has testified before the U. S. Senate Committee on Rules and Administration regarding government print and procurement policy. He has worked directly with numerous Congressional and Senatorial members and staff and has advised Congress on the development, operations and future of government procurement.

He has been a lead fund raiser for senatorial, congressional and gubernatorial elected officials. He was a founder and chairman of Printing Industries of America's (PIA) PrintPAC (political action committee) and has been recognized for his contributions to PIA and services to the printing industry. He was inducted into PIA's Ben Franklin Honor Society of print industry leaders in 2009 for his lifetime contributions to the print industry. *Supply & Demand Chain Executive* honored Mr. Gindlesperger by including him in its 2010 listing of the most influential leaders in the supply and procurement profession in North America.

Mr. Gindlesperger invented the Automated Vendor Selection Technology™ -- the technology that is integral to e-commerce and optimizes cost reduction in the procurement of *all* customized and specification-defined goods and services. He has been granted a series of Automated Vendor Selection patents, including Patent No. 6,397,197, Patent No. 7,451,106, and post-Bilski Patent No. 7,788,143 (collectively, the "AVS Technology™").

Under Mr. Gindlesperger's leadership, e-LYNXX has grown into the leading print management and procurement licensing firm in North America. e-LYNXX has been exclusively endorsed by Printing Industries of America (PIA) and has been named one of the top 100 procurement firms in North America by *Supply & Demand Chain Executive* magazine.

His firm handles more than 200 on-going consulting assignments at any given time. Among its contracts is one with Educational & Institutional Cooperative Purchasing to assist colleges, universities and other institutions nationwide with procurement and spend management.

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