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Financial Executives Find Untapped Savings by Controlling Print Spend
by William Gindlesperger, Chairman and Chief Executive Officer, e-LYNXX Corporation

CHAMBERSBURG, PA -- One thing the current financial quagmire has done is force finance departments to look for savings in areas that traditionally have not been viewed as money savers. Print spend, or the amount an organization pays for printing, is one such area. When defined as information on a substrate, print typically accounts for 3% or more of an organization's gross revenues, depending on the size of the organization.

Information on a substrate is what you would expect -- direct mail, commercial print, financial reports, marketing and branding materials, books or anything where ink is applied to paper. What many do not realize is print also includes creative services, labels, customized packaging, CD ROM, point of purchase items, premiums and fulfillment services. When all of this is added together, you will be surprised with exactly how much your organization is spending through various departments on their need for print.

Centralizing print requires change for most organizations because typically each of its departments is allowed to do their own thing with regard to printing. Their print expenses are usually buried in another line item and easily overlooked. Big ticket items, like annual reports, are visible, obviously, but it is all those other print projects that are somewhat invisible. They are eating away at your bottom line.

Smart financial executives are now taking a closer look at print spend, insisting on centralized print procurement controls and adopting new procurement methodologies. They are tired of using traditional print purchasing processes that allow for the handling of jobs by just a few select printers under the guise of a particular printer being the only printer that can do quality work on time. Not only is this practice counter-productive to enhanced procurement methodologies, but it balloons costs and hinders the progressive specifying of print work. It costs the organization a lot more than time and resources. Which printer is selected can be influenced by who is a better friend or who is better at entertaining the buyer, neither the basis for a sound business decision that will improve your bottom line.

There is a newly patented competitive procurement methodology available that streamlines the process, provides process control, full transparency and robust reporting. It also greatly enhances quality control and timeliness while delivering impressive procured print cost reductions of 25% to 45%. That translates into a huge bottom line contribution for organizations with an annual print spend of at least one million dollars.

Using the new method, best procurement practices, a robust communications and workflow system and the guidance of print experts, the haphazardness of traditional print procurement methods is eliminated by creating a computer database of preferred print suppliers -- all chosen by the buyer. While relationships are important in the initial selection of which printers are first reviewed and qualified for acceptance into the buyer's vendor base, it is imperative to meet quality, timeliness and other specifications if you want to maintain relationships. Robust reporting eliminates subjective guessing. Once the buyer has entered job specifications, the computer matches the job with only those suppliers capable of doing the work. The request for a bid goes to just those printers selected, and from that group bids are sent back. Typically, the bids are low, because those bidding realize that others invited to bid are lowering their prices as well to fill otherwise non-productive scheduling gaps or downtime.

Rather than days or weeks of meeting face-to-face with printers, this 21st Century approach returns results in a matter of minutes. The buyer feels comfortable with any of the competing printers, because each has already been pre-qualified by rigorous vetting as step one in the process. A low bid is not a concern because all know that the winning printer is filling downtime, not cutting corners or skimping on quality.

Adding to the attractiveness of this new way of buying print is the detail at which the buyer can control the entire process, from start to finish. The sophisticated communications and workflow system begins working for you from the time the first printer is entered into the buyer's supplier database, and the first job specifications are written, to when changes are made, creative provided and paper and ink ordered. Who makes changes, who reviews, and who approves are all determined by the buyer. The buyer also decides who can see what and when. To all with access, everything is transparent and easy to understand. This continues through production to packaging, delivery and billing. An indelible and auditable task-by-task record of each project also is established for future reference.

E-mails are eliminated. Hours of sending proofs back and forth to a printer and meeting face-to-face to coordinate reviews are eliminated. And when the bill arrives, the buyer's finance department finds instant allies among the skeptics who felt like the old way of ordering print was just fine. Everyone wants to be on board when credit is handed out for saving the organization 25% to 45% on print spend. Leaders in the parcel delivery, electric utility, hospital, construction materials, heavy equipment manufacturing, financial, higher education and association sectors are reaping the rewards of embracing change and adopting this new method.

A white paper on the new method is available at www.e-lynxx.com/APM/benefits/RequestWhitePaper.

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 print 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.

About e-LYNXX Corporation

e-LYNXX Corporation, the North American procurement authority, is exclusively endorsed by *Printing Industries of America (PIA)* and *Educational and Institutional Cooperative Purchasing (E&I)* and recognized as a top 100 procurement firm by *Supply & Demand Chain Executive*. Founded in 1975, e-LYNXX has three divisions. • American Print Management provides enterprise print procurement solutions and patented competitive methods to reduce costs for direct mail, marketing materials, packaging and other procured print. Results include enhanced quality and service levels, efficiencies, process control, transparency and procured print cost reduction of 25% to 50%. • Patented Procurement Method grants patent licenses for supply chain optimization. Results include substantial reduction in existing costs of competitively procured goods and services. • Government Print Management offers U.S. GPO bid services, access and assistance. Results include filled downtime, operational stability, improved cash flows and increased profitability. www.e-LYNXX.com – 888-876-5432