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Not-for-profits Find Funding Resource That Does Not Require Donations

by William Gindlesperger, Chairman and CEO, e-LYNXX Corporation

Fundraising for not-for-profit organizations is never-ending, and an on-going challenge as the economy struggles to regain some footing. Donors have tightened their grips on contributions -- the lifeblood for colleges and universities, 501-C-3 social agencies, the arts and other institutions that depend on the generosity of their supporters.

Without a steady flow of contributions, even the best managed not-for--profits flounder. That is why fundraising is among the top priorities for the chief executive officer and the board of every not-for profit, especially state-wide and national organizations. However, even when donors balk at funding requests, when donations lag, and when special events don't generate the dollars needed, there is still another alternative.

In fact this alternative is so powerful that it offers the choice of boosting the organization's bottom line and/or of expanding its reach. The idea is so simple that many organizations have just overlooked it. I'm talking about savings that can be realized by changing how print is bought.

A broader category than most realize, print includes direct mail, commercial print, financial reports, marketing materials, books or anything where ink is applied to paper. It also includes creative services, labels, customized packaging, CD ROM, point of purchase items, branding, premiums, warehousing and fulfillment services. All involve applying information to a substrate, no matter whether that substrate is paper, plastic, textiles or magnetic media.

Unfortunately, the buying of these items is often decentralized, and few -- even those in the finance department or those with fiduciary responsibility -- really do not know how much is spent each year on print. Typically, print accounts for 3% or more of an organization's gross revenues, depending on the size of the organization. However, direct mail for fund raising purposes can take another 10% or more out of receipts. That's a lot of money to be eating away at your bottom line.

Smart executives are taking a closer look at print spend, insisting on centralized print procurement controls, adopting new procurement methodologies and finding an untapped reservoir for funds. 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. This practice is counter-productive to enhanced procurement methodologies, and it costs the organization a lot more than time and resources. Which printer is selected can be influenced by who is a better friend, volunteer or donor, none the basis for a sound business decision that will improve your bottom line and cash flow.

There is a newly patented competitive procurement methodology available that streamlines the print procurement process, provides process control, full transparency and robust reporting. It also delivers impressive procured print cost reductions of 25% to 50%. That translates into a huge bottom line contribution for organizations with an annual print spend of at least one million dollars. It also means fewer fundraising dollars are needed when savings are gained in just this one administrative category. For a college or university, that would mean more student scholarships. For an organization like the American Cancer Society, that would mean more resources for research. For the American Red Cross, that would mean more funds for the everyday demands on its services. For the Boy Scouts of America, it would mean more dollars for developing youth programs and facilities.

To achieve these savings, the organization needs to switch from traditional methods of procuring print to one that creates a competitive bidding environment in which printers bid based on their needs to fill production gaps or downtime during which they have no work and no income. Printers charge less for work done during off-peak periods, and this is how savings are realized.

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. First, the buyer identifies printers for its computer database of preferred print suppliers -- all carefully vetted for quality and on-time delivery. The buyer's detailed job specifications are then entered into the computer, and 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. Bids are low because those bidding realize that others invited to bid are lowering their prices as well to fill downtime. The printer is willing to bid low in this environment provided that the buyer changes its paradigm by allowing the printer to bid high, low, or not at all without either setting price precedent for the next job or by affecting the printer's ability to get the next opportunity to bid for which the printer is qualified.

Rather than days or weeks of meeting face-to-face with printers, this 21st Century approach to print procurement returns results in a matter of minutes. It is used for job after job. The buyer feels comfortable with any of the competing printers, because each has already been pre-qualified. A low bid is not a concern because all know that the winning printer is filling downtime, not cutting corners or skimping on quality. The money saved with this methodology strengthens the bottom line of any organization, giving the organization a stronger financial foundation.

In addition to not-for-profit associations, leaders in the parcel delivery, electric utility, hospital, construction materials, heavy equipment manufacturing, financial and higher education sectors are reaping the rewards of embracing change and adopting this new method. In fact the average cost reduction when compared to historical print costs is a hair above 50%. This is a huge cost savings when direct mail, marketing and other print amount to 10% or more of an organization's total revenues!

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

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

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