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Overcome Print Industry Changes, Save Money and Improve Efficiencies
by William Gindlesperger, Chief Executive Officer, e-LYNXX Corporation

The printing industry is undergoing transformation changes as printers close and consolidate. In some ways, this is happening quietly because when a small or a medium-size printer closes, it does not make national or even regional headlines. Also, sadly to say, it has become commonplace.

According to the Printing Industries of America (PIA), almost 3,000 printers have either closed their doors or merged so far during the prolonged economic downturn. At year-end 2009, there were 33,565 printers in the United States compared to 36,508 just a year earlier.

So what does this change in the printing industry landscape mean to print buyers? A lot, especially if your trusted, favorite printer has been bought by another printer or even worse closed its doors. You may have others to turn to, but they have never been your top choices.

You could begin visiting, meeting with and evaluating printers again. You do not want to do that because it is time consuming and there is no assurance that those printers also will not become victims of the economy. Also, the associated cost performance for relationship-driven buying is usually poor.

You could try negotiated methods based on most of your work going to one or two printers, but that is sort of like putting "all of your eggs in one basket" and not knowing when the chosen printer will have technical, labor or other problems. You could be left without a printer.

You could resort to a reverse auction, spot bidding and other competitive e-procurement techniques that have their roots in the 1960s. Most are cumbersome to start and stop and procurement professionals often are uneasy about using them. Savings are not predictable, and there is no guarantee that you will be getting the lowest price. You more than likely will not be familiar with the printer that ends up with your job. Some even say reverse auctions may encourage imprudent bidding practices.

The good news is significant advances have been made in how printing can be procured. They expand your options, increase your control, provide you with full transparency and, maybe best of all, make it possible for you to reduce your costs for procured print by 25% to 50%. When referring to procured print, I mean direct mail, marketing materials, commercial printing, labels, customized packaging, promotional items, CD ROMs and anything else that requires producing an image on a substrate (paper, plastic, metal, magnetic media, etc.)

New procurement methodology and technology, developed during the 1990s and introduced to print buyers over the past three years, combine the best features of relationship-driven buying, negotiated methods and traditional e-procurement techniques.

Here is how it works. You select the printers, thoroughly vet them and if you need more you have access to a national database of printers who are prequalified and fully capable of delivering for you what you want. There will be no printers in your database that you have not researched and approved. This is important because when a bid comes in at a deep-discount price, you know the printer and know a quality job will be produced on time. Low pricing does not mean corners are being cut. It means the printer has downtime to fill.

This strategy is further enhanced by suppliers now being able to eliminate price precedent. Suppliers normally price work based on how much the buyer is willing to pay. If suppliers price too high, buyers shy away from dealing with them. If suppliers price too low, then buyers want to hold suppliers to the prior price. By eliminating price precedent, suppliers can be allowed to bid high, low, or not at all with no repercussions on their receiving other work to price for which they are qualified. Suppliers can now base their pricing less on what they perceive the buyer is willing to pay and more on the instant need to fill their production gaps or downtime. That is how the 25% to 50% in cost reductions are achieved.

Driving this advancement in procurement is a unique communications and workflow system that requires full interaction and documentation between the buyer's team and the supplier's team. Hands-on involvement is not minimized and control by the buyer is strengthened rather than weakened.

Every task is benchmarked and whoever is responsible for that task must verify changes, its completion and make notations as needed. Because of that sophisticated level of information sharing, accountability is fully assigned and documented. Because all actions are available for everyone who is given access to see, the total process is 100% transparent. Because every action and notation is documented and archived, the system becomes a powerful resource for reference and planning.

This process is repeated for every print project that you have. With the click of a mouse, you will have bid results in seconds rather than hours or days. You also will have built a trusted pool of suppliers. No more searching for qualified printers.

While there is no question that the print industry is changing and that there are fewer printers today, the print buyer actually has better options for getting the job done. The predictability of new methodology and technology improve and strengthen the print buying process. This new approach is being embraced by printers because it allows them to be matched automatically with their print buying customers and to increase their work and cash flow by filling production gaps that otherwise would have produced no revenue at all.

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)*. Founded in 1975, e-LYNXX has three divisions. • Patented Procurement Method licenses its automated vendor selection process for use in procurement systems. • American Print Management provides systems, services and a patented method to reduce substantially the procured costs of direct mail, marketing materials, labels, packaging and other procured print. • Government Print Management offers U.S. GPO bid services and effective strategies. www.e-LYNXX.com – 888-876-5432

About the Author

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 to become North America's procurement authority. 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 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 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.

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 customized and specification-defined goods and services.

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 print-spend management.

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