

NEWS RELEASE

January 4, 2010

New Year's Resolution for Printers: Seek More Government Work for Higher Profits

by Deborah Snider, Senior Vice President, e-LYNXX Corporation

Successfully developing government work as a profitable secondary market is not easy, and it can be frustrating. Rules and regulations, paperwork, bureaucracy, endless reviews and countless sign-offs are daunting prospects, but that should not keep print suppliers from seeking work through the United States Government Printing Office (GPO) in 2010.

Tens of millions are spent each month by the federal government in print business contracts with the private sector. Those who know how to work within the system are making money by doing the government's work.

Even though the thought of working with the government can create angst, you do not have to -- and should not -- seek GPO work alone. The best approach is to establish a partnership with a firm that has experience with government print contracts, and knows how to navigate those sometimes turbulent governmental waters.

Founded in 1813, the U.S. Government Printing Office's core mission is *Keeping America Informed* as it supports the work of the executive, legislative and judicial branches of the federal government. GPO is the federal government's primary centralized resource for gathering, cataloging, producing, providing, authenticating and preserving published information. That's just about everything printed for the federal government. Further, as required by Title 44 of the U.S. Code, federal agencies are required to use GPO to procure their print.

Unlike most federal agencies, GPO operates much like a business. It is not only reimbursed by its federal agency customers for the cost of work performed, but the GPO also receives from its federal agency customers a service fee which is based on a percentage of the work procured. Additionally, the GPO sells print to its customers and this is done at the huge GPO print facility in Washington for work such as the Congressional Record, Federal Register, and U.S. passports that is not outsourced to the private sector.

For all outsourced work, GPO awards its procured contracts through a bid process. With more than 10,000 printers registered to bid on GPO work, it would seem that competition is fierce for the more than \$425 million in jobs the GPO awards each year. The good news is only about 400 or so printers are active bidders, allowing room for additional competition.

For those that participate, they have to be very familiar with the way GPO works. For example, when the GPO makes a job available for bid, the print supplier must discover the opportunity, take responsibility to obtain a copy of the opportunity and be ready to respond quickly with accuracy and timeliness. During the bid process when specifications change, the GPO does not and cannot notify all interested printer suppliers that a bid amendment has occurred. Here, the print supplier must take responsibility to research possible changes and to respond to each when made. Once the order is placed and GPO makes an alteration to the original order, the print supplier, again, is responsible for knowing that an alteration has occurred to its order and is responsible for initiating a request for a contract modification to the original order.

A government print management firm must constantly monitor GPO to make sure all bid amendments are in client hands without fail. It is disheartening when the time, effort and expense have gone into bidding on a GPO job only to discover, after submitting a bid that an amendment has been made to the original job specification. When the amendment is not acknowledged on the face of the bid, it is disqualified by GPO and not considered regardless of price. The work is awarded to the next lowest priced supplier that has acknowledged the amendment.

As experts on working with GPO, a print management firm can assist the supplier with paper work handling, specification interpretation, proposal preparation, bidding process management, assistance through the production process, change order negotiation, invoice preparation and collection, and cutting through the government red tape. The majority of the active GPO vendors use a government print management firm that provides full representational services, accurate information, market intelligence, past price histories, and access to all available GPO solicitations. The most effective GPO print suppliers have two things in common – (1) they use a print management firm to ensure their success and (2) they maximize usage of production capacity. Here's how:

First, they receive from the government print management firm all available GPO and other government solicitations that meet their individualized production requirements and capabilities. This allows each to bid on work which conveniently fills otherwise unused production time, thereby adding revenues and increasing profitability. This is key because production utilization for print suppliers, using a government print management firm, increases from an average of 70 percent to full utilization of 90 percent to 95 percent. While some jobs are bid low in price due to severe competition, many other job opportunities – when managed by the print management firm in partnership with the supplier -- command higher than commercial prices because of the job's uniqueness, quick timing requirements or limited availability.

With a steady flow of government work, suppliers improve profits. Before GPO work, a print supplier can average 4 percent profitability on 70 percent production utilization. Add GPO work and the services of a professional government print management firm to manage the relationship and the bottom line grows to about 14 percent.

All of this comes through knowing how to go after government work, who to work with and how to schedule production time. GPO jobs open the door to increased profitability for print suppliers who want the work. Seeking that work should be a New Year's Resolution for every print supplier looking to increase revenues and profits.

About Deborah Snider

Deborah Snider is senior vice president of Government Print Management, a division of e-LYNXX Corporation - the leading print management firm in North America. Mrs. Snider is a graduate of Central Penn Business College and has headed Government Print Management and its predecessor since 1984. Government Print Management represents the majority of successful printers that work with GPO. The firm is commission based and specializes in helping printers to smooth their way to GPO related profitability. Government Print Management is exclusively endorsed by Printing Industries of America (PIA). She can be reached at 888-876-5432, through the web site at www.GovernmentPrintManagement.com or at Deborah.Snider@GovernmentPrintManagement.com.



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