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Something Isn't Adding Up at GPO

by William Gindlesperger, Chairman and Chief Executive Officer, e-LYNXX Corporation

The United States Government Printing Office (GPO) Strategic Plan for 2011 through 2015 has been published, and it is an eye opener for what it only tangentially acknowledges. And that is: the contribution of private sector printers that have traditionally printed the bulk of the federal government's printing.

In his February 2011 posting on Facebook, Public Printer William Boarman did give credit where credit is due: "The majority of the firms we deal with are small businesses, many with 20 employees or fewer. We annually award contracts to more than 2,500 vendors nationwide, representing potentially 50,000 jobs. The total number of contractors registered to do business with us is around 16,600, representing potentially 332,000 jobs."

At one time, more than three quarters of GPO's print work was awarded to the private sector for an annual revenue flow to them that easily exceeded half a billion dollars. With the advent of digital and other technology and the online culture in which we now live, it is understandable that the printing of some documents will fall by the wayside.

Disturbingly, the flow of GPO work has been dropping steadily over the years. In 2010, the total value of GPO work awarded to private sector printers was \$358 million. This year, it appears to be on a course to be less than \$300 million. This is troubling because the livelihoods of the 50,000 men and women mentioned by Mr. Boarman depend on GPO work. So does our economy, if it is to rebound.

Most disturbing is the fact that federal agencies are skirting federal policy by printing some \$800 million of their own printing in-house. Title 44 of the U. S. Code states that all federal printing, with a few exceptions, is to be channeled through GPO. If this work were to pass through GPO and awarded to private sector printers it would be a boon to an industry that needs a shot in the arm.

Mr. Boarman's Facebook provides detail: "Data recently published by the Office of Management and Budget as part of the FY 2012 budget shows about \$1.4 billion in direct obligations for printing and reproduction for the Federal Government for fiscal year 2010. Excluding GPO's component of \$104 million for congressional work and printing for our Superintendent of Documents, this leaves nearly \$1.3 billion in direct printing obligations for the rest of the Government. GPO's procurement revenue last year was about \$500 million, or about 40% of these direct obligations, leaving a balance of about \$800 million that did not come through GPO. Our sense is that it most likely represents work produced in-house by Federal agencies. That's a significant volume of printing which, if opened up to GPO's procurement program where costs could be reduced by as much as 50% compared with agency plants, represents a potential annual savings of up to \$400 million for the taxpayers. More private sector jobs will be needed to handle that additional volume of work flowing through the procurement program, which will help our Nation's economic recovery."

This, however, seems to be contradicted throughout the 2011-2015 Strategic Plan with references to GPO needing to invest in employees and technology to create first-rate, system-wide solutions. The only reference to private sector printers in the five-page report is a line under "Enhance Strategic Partnerships" that reads: "Create and/or enhance current partnerships, i. e. FedEx Kinko's, Google, independent printers."

It would seem that if GPO is serious about channeling more federal printing to the private sector its strategic plan would place more emphasis on redirecting the \$800 million being done by agencies to independent printers.

The plan does say in its "Statutory Foundation – Title 44 U.S.C." section that the GPO will identify and pursue federal print jobs not now being done by GPO. What it does not say is whether that work will be going to private sector printers or whether it will be done at enhanced GPO facilities. Even a quarter of the \$800 million now being done by federal agencies would bring GPO work for private sector printers back to the half billion dollar level.

Something isn't adding up when Mr. Boarman's Facebook posting is compared with the 2011-2015 GPO Strategic Plan.

About e-LYNXX Corporation

e-LYNXX Corporation patented the 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. • AVS Technology™ licenses the patented* automated vendor selection procedure used in e-commerce and procurement systems. • American Print Management provides web-based system, services and patented AVS Technology™ to reduce substantially the procured costs of direct mail, marketing, publications, packaging, labels and other procured print. • Government Print Management offers effective U.S. GPO bid services and strategies. www.e-LYNXX.com – 888-876-5432

*U. S. Patent No. 6,397,197, Patent No. 7,451,106, post-*Bilski* Patent No. 7,788,143, and Continuing Application 12/855,423 (collectively, the AVS Technology™) – This thicket of patents covers all custom goods and services, not just print. To inquire about licensing, contact Anthony Hawks at 888-876-5432 or Michael Cannata at 905-773-2207.

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.