

NEWS RELEASE

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Government Printing Office Work to Private Sector Continues to Decline *Top 50 GPO Suppliers List for 1st Quarter 2009 published*

CHAMBERSBURG, PA – Hundreds of private sector printers are filling their production schedules with government work from the U.S. Government Printing Office (GPO). While this work is increasingly important to them during the recession, the flow of work to private sector printers from the GPO continues to decline according to Government Print Management, the leading representative of print suppliers to government in the United States.

"What concerns us and private sector printers is the trend that we see, not just the decline in print work from one quarter to the next by about 50%," said Deborah Snider, senior vice president of Government Print Management, a division of e-LYNXX Corporation. "Traditionally, about half of the billion dollars in work performed annually by the GPO is done by private sector printers. Many have built their businesses around this work. Yet, as the GPO grows the flow of work to the private sector is declining. Look at GPO outsourcing statistics for 1992-2008. In 1992, the total dollar value of work awarded by the GPO to private sector printers was just over \$500 million dollars. Last year, that total was \$422 million, and the five years prior were in the \$380 million to \$390 million range. That is roughly a 27% drop in income to private sector printers comparing 1992 to the six year average from 2003 through 2008. Factor in inflation and the drop is even more significant."

The number of print suppliers obtaining GPO work during the first quarter of 2009 quarter (January through March) was 1112 compared to 1263 during the fourth quarter of 2008. The value of the work awarded to the top 50 suppliers during the first quarter of 2009 was \$49,223,165 compared to \$105,293,322 for the fourth quarter of 2008. During all of 2008, approximately 1817 suppliers won GPO print work valued at \$421,886,169 million.

"Since 85 percent of the jobs that the GPO procures are for less than \$3500, many suppliers find them to be ideal for filling what would otherwise be idle production time," Snider said. "For those that rely heavily on GPO to fill downtime, this very competitive work can increase profitability from an industry average of 3% to about 14%."

On average, print suppliers have 30% idle production capacity and are constantly seeking short-turnaround projects to fill schedule gaps. Since print companies operate on thin margins, even a handful of unsold hours cause their profitability to erode or evaporate, Snider explained. To obtain projects, such as government work, that fill idle production capacity, suppliers offer extremely low pricing, provided they can do so without establishing precedent that affects future price expectations or their ability to bid on future projects. This strategy is called "contribution pricing", because any income for suppliers above out-of-pocket costs "contributes" 100% to the bottom line.

The majority of the 400 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. A government print management firm assists clients 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.

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

TOP 50 GPO PRINT SUPPLIERS LIST FOR THE 1ST QUARTER OF 2009

Rank	Company	Location	Winnings
1	NPC	Claysburg, PA	\$5,811,470
2	SourceLink	Elk Grove Village, IL	\$3,984,726
3	Monarch Litho, Inc.	Montebello, Ca	\$3,411,477
4	Cenveo	Stamford, CT	\$2,512,938
5	McDonald & Eudy, Inc.	Temple Hills, MD	\$2,242,461
6	P.A. Hutchison	Mayfield, PA	\$2,102,720
7	RR Donnelley	Chicago, IL	\$2,061,160
8	Crabar Business Systems	Dayton, OH	\$1,491,653
9	Gray Graphics,	Capitol Heights, MD	\$1,482,448
10	QuebecorWorld, Inc.	New York, New York	\$1,462,872
11	Intelligencer Printing	Lancaster, PA	\$1,367,238
12	Data Integrators Inc.	Woodbridge, VA	\$1,303,595
13	Signature Graphics	Portland, OR	\$1,278,337
14	V. G. Reed & Sons	Louisville, KY	\$1,201,257
15	Quintessential Color Group, Inc.	Upper Marlboro, MD	\$1,028,086
16	Gateway Press	Louisville, KY	\$990,741
17	Colonial Press Int'l.	Miami, FL	\$904,053
18	Enterprise Group	Discovery Bay, CA	\$878,487
19	Thunderbird Press, Inc.	Titusville, FL	\$722,980
20	West Shore Printing	Mechanicsburg, PA	\$638,436
21	United Book Press	Baltimore, MD	\$624,916
22	The Standard Register Company	Dayton, OH	\$617,553
23	Precision Printing, Inc.	Moberly, MO	\$568,189
24	Williamson Printing	Dallas, TX	\$531,113
25	Universal Printing Company	Desoto, TX	\$515,157
26	Data Recognition Com.	Maple Grove, MN	\$498,054
27	BKR Printing	Salt Lake City, UT	\$472,545
28	Alcom Printing Group	Harleysville, PA	\$461,243
29	Balmar Printing & Graphics	Gaithersburg, MD	\$452,910
30	Goodway Graphics of Virginia	Springfield, VA	\$445,558
31	Omaha Printing Company	Omaha, NE	\$433,420
32	Scantron Corp.	Eagan, MN	\$429,440
33	Colorfx	Urbandale, IA	\$426,286
34	EU Services	Rockville, MD	\$408,439
35	Printwell Acquisitions, Inc.	Taylor, MI	\$404,921
36	Coverbind Corp.	Wilmington, NC	\$403,550
37	Coastal Mailing Inc.	Salinas, CA	\$390,004
38	Banknote Corporation of American	New York, New York	\$364,169
39	Production Press, Inc.	Jacksonville, IL	\$360,997
40	District Creative Printing	Upper Marlboro, MD	\$360,418
41	American Multimedia, Inc	Burlington, NC	\$343,680
42	Sir Speedy Printing Center	Tucker, GA	\$340,979
43	Albuquerque Printing Company	Albuquerque, NM	\$340,392
44	Bosworth Printing	Stoughton, MA	\$324,084
45	Regal Press, Inc.	Norwood, MA	\$317,778
46	Metrogroup Marketing Services, Inc.	Mount Pleasant, IA	\$308,354
47	Graphic Visions & Associates, Inc.	Gaithersburg, MD	\$307,780
48	Douglass Screen Printers	Lakeland, FL	\$300,695
49	Electronic Data Magnetics, Inc.	High Point, NC	\$297,004
50	Litho Press, Inc.	San Antonio, TX	\$296,402

This list is compiled from data assembled by Government Print Management from its exclusive databases and encompasses activity beginning January 1, 2009, and ending March 31, 2009.