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It's Not About the Number of Others Who Might Bid. It's About the Analytics Behind Your Bid.
Highly specialized GPO expertise provides the competitive advantage

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

Sometimes we hear private sector print suppliers grumble when they learn of new suppliers that are seeking U.S. Government Printing Office (GPO) work. This is somewhat puzzling since approximately 10,000 private sector print suppliers already are registered to do business with the GPO. Even so, most GPO work is won by a few hundred active and knowledgeable suppliers.

There's plenty of work to go around, as the GPO awards on average \$2 million dollars in work each and every work day of the year. The key to being one of the few hundred winning suppliers is in knowing what GPO wants, how it wants it and when it wants it. A lot of procedure, regulations and red tape must be followed. Print suppliers seeking GPO work must know and follow GPO rules. They must know how to navigate through governmental morass to be successful. This can come from years and years of hard knock experience -- often learning the hard way from costly mistakes -- or from retaining experienced counsel and advice.

Here are a handful of examples of what not to do.... When a supplier submits an alternative product or schedule on a program or a large formal bid, and the bid is rejected, it is not because of other bidders. It is because the GPO does not allow alternate products or schedules on programs.

When a supplier submits pricing a minute after the deadline stated on the GPO specifications, and the bid is rejected, it is not because of other bidders. It is because the GPO does not allow late bids.

When a supplier fails to acknowledge a GPO bid amendment, and the bid is rejected, again it is not because of other bidders. It is because the GPO only accepts bids that have acknowledged the specification change stated in the amendment. Amendments are not widely communicated so each supplier must stay alert to changes. This can be difficult at best.

Or, you can work with a print management firm that is careful to obtain and communicate each amendment. In fact, understanding the GPO, how it works and why, tracking GPO opportunities to bid, specifications, amendments to specifications, job histories, price marketing conditions, new rules and regulations, paper requirements, and more -- and then aggregating and communicating this information is a daunting process -- one that must be handled with great care and concern. Dropping even one small detail can lead to lost jobs.

Competitive bidding data regarding one-time GPO jobs, also known as jackets, is quite revealing. On average, jackets receive 1 to 4 bidders when bidding time is 3 to 24 hours; 3 to 6 bidders when bidding time is 48 hours; and 5 to 15 bidders when 72 hours or more is allowed in the bidding process. Bidding for very large dollar volume jackets garners 4 to 15 bidders. This few number of bidders means that pricing is not as competitive as it might be, as there is nowhere close to the 10,000 print suppliers on the GPO list bidding on this available work.

Program bidding is even less competitive. While these term contract solicitations are frequently on the street for three to four weeks, bidders usually number 2 to 6 participants. This small number of bidders is due to a combination of a lack of printers who want to commit their equipment for a year or more and a very real inability to understand the GPO's award procedures for program bidding.

Although the GPO does carry more than 10,000 print suppliers in its suppliers pool, only a couple of thousand win any work whatsoever during the course of the year. This past year the total was 1817 print suppliers who obtained at least one GPO job. However, the majority of the work awarded was to several hundred print suppliers -- those that know the system or, more than likely, those that work with a print management firm that specializes in managing GPO business for private sector print suppliers.

As experts on working with the GPO, a print management firm will 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 firm also will provide 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 2.5% profitability on 70% production utilization. Add GPO work through services of an expert government print management firm to manage the relationship and the bottom line grows to about 14%.

So, the print supplier concerned about others that are bidding for GPO work should re-channel that energy into making sure every bid it submits meets exactly the requirements of the GPO. The print management firm is an invaluable partner in this process – a partner with highly specialized expertise.

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