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Know How, When and Where to Buy Paper to Win Government Print Work

Experience is essential to successfully developing the government sector as a secondary market.

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

Paper is a commodity with fluctuating prices, and knowing how, when and where to buy it will determine whether a job is profitable for a printer or not. This is especially true in government markets where paper costs account for a large portion of the price of a job, profit margins can be thin and requirements often are complex.

Take, for instance, the private sector printer who is not experienced with government work. On specifications for a U. S. Government Printing Office (GPO) job, the printer is encouraged to use recycled paper. The printer new to GPO work prepares a bid based on the cost of recycled paper. Competing suppliers with GPO experience know that unless the GPO actually specifies (not just encourages) the use of recycled paper it is best to bid using less expensive virgin stock. GPO awards the job to the bid based on using virgin paper, because it was lower than the bid based on recycled paper. It is all about knowing, and that comes with experience that comes from working closely with a government print management firm.

You also must get to know your paper suppliers. Discuss with them the amount of work and the paper volumes that you expect from GPO. Your suppliers also should understand that you serve primary and secondary markets, with the GPO being a secondary market. Having a good relationship with your paper supplier can result in their alerting you to paper deals such as when a mill overruns a particular stock. (NOTE: Paper suppliers are more apt to notify you of bargains when they are paid promptly.) There also are paper brokers that sell paper stock seconds. While seconds can be bought for reduced prices, you need to know exactly what you are buying, because seconds can be rejected by both private and government buyers when not meeting specifications.

Provide your paper supplier with GPO paper specifications, as written by the GPO, but do not provide them with JCP codes. JCP code numbers are contained in the *Government Paper Specifications Standards* booklet that spells out requirements for stock acidity, weight, bursting strength, opacity, thickness, color, finishing and formation, cleanliness and any special requirements. These codes are not necessary for suppliers and can cause confusion if given to them.

Knowing when you can substitute paper also comes with experience. For example, you can change your house stock to match an A-60 offset or D-10 bond to save money when there is little discernable difference between the two and when both meet the specified requirement. It is not necessary to use No. 1 or No. 2 grades of domestic coated sheets as long as the JCP requirements for whiteness, brightness, opacity, coating and thickness are met with the substituted stock.

One more paper buying tip is to keep accurate records, because while the GPO does not normally test paper, they may spot check your invoices. If you do not have proof that you purchased a quantity of a particular stock that you used over the past year, you could face debarment or fraud charges. The GPO requires that you be able to prove that you supplied the required stock. As a matter of practice, maintain a copy of the letter or the purchase order from the paper supplier (merchant or mill) in your files for at least two years.

This level of knowledge comes with years of experience, and that is why the most active and successful GPO print suppliers partner with a government print management firm that knows how to work with government markets. Their print experts receive all available GPO and other government solicitations, interpret job specifications, prepare proposals, manage the bidding process, negotiate change orders and provide assistance through production, delivery and invoicing. The leading government print management firm has a robust database of historical data on past government jobs and a team of specialists who know how to work with the GPO and how to provide guidance for you to win GPO bids.

Buying paper is just one area that private sector print suppliers must understand to be successful in developing the government sector as a secondary market. Changing your strategy or business model to serve secondary markets is an opportunity to be seized.

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 and the bottom line can grow to about 14%. Not serving secondary markets is riskier than staying the course and searching for work that isn't there in primary commercial markets.

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).

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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

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