

September 20, 2011

Small Company Doing Big Business
by Michael Granger, Director, e-LYNXX Corporation

Invest in big companies while they are small. That is the rule of thumb in the venture capital world. Venture capitalists expect that the start-up or developmental-stage businesses in which they are investing will grow rapidly and scale up. That is the typical scenario. With e-LYNXX Corporation, however, founder and CEO William Gindlesperger has developed his idea to streamline procurement while reducing the measurable costs of procured goods and services, tested it and invented and patented a technology that has brought the concept of automated vendor selection (AVS) technology to reality. This was done with zero venture capital. The investment to Mr. Gindlesperger has been sleepless nights, precious few vacations over many years and tens of millions of dollars.

As a small company with a valuable patented offering, e-LYNXX fiercely guards its hard-earned intellectual property. And, it has rightfully done so. In some respects, the e-LYNXX story is typical of what is going on in the technology field these days. Entrepreneurs like Mr. Gindlesperger are cashing in on patent-protected innovations. And with companies the likes of Google flush with cash, there is a mad rush in the technology industry to secure valuable intellectual property before competitors snap it up.

When you speak with William Gindlesperger, you are left with no doubt that his company's mission is to revolutionize the way hundreds of billions of dollars of customized goods and services are procured by organizations every day. His AVS Technology™ is integral to all e-commerce systems that practice automated vendor selection as part of a competitive strategy for the procurement of custom goods and services.

Not one to shy away from big challenges, the e-LYNXX staff of procurement and IT professionals has lined up print procurement in the company's cross hairs. Having spent the last 35 years helping printers secure government printing business, and grown up in the family-owned printing business in Chambersburg, Pennsylvania, Mr. Gindlesperger feels well equipped to tackle the massive amount of direct mail, marketing, packaging and labels that organizations procure each year, because he has proven that traditional procurement methods are far less efficient and more costly than the e-LYNXX approach. By tying his AVS Technology™ to a proprietary workflow and communication system offered by e-LYNXX, the procured costs of print drop by 25% to 50%, on average 42% compared to the prior price using any other competitive method.

He is quick to tell prospective clients that they have a huge cost item hiding in plain sight that ranges from 2% to 20% of their total revenues. The reason is that print is often decentralized, mis-categorized and not a consolidated balance sheet line item. Even what is print and what is not print is not well understood as print covers anything where information is placed on a substrate... from truck wraps to annual reports, from bottle and can wrappers to FDA inserts, from direct mail to blister packaging, from ice cream boxes to ketchup packets and McDonald's burger wrappers. Seeing how the e-LYNXX procurement process can boost the bottom line is what makes CEOs, CFOs and other decision makers realize that procuring print must be reeled in so that huge savings can be better utilized than just fattening vendor wallets. Print procurement must be a corporate strategy, as important as the marketing or sales strategy, and likely to produce as much profit.

The initiative and innovation of William Gindlesperger and e-LYNXX illustrate what is right with our system and what is needed to pull us out of the economic quagmire that we seem to be stuck in now.

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



Michael Granger serves as an independent board member to e-LYNXX Corporation. His expertise in relationship building and business development has been key to the firm's explosive growth. In addition to his network of contacts, Mr. Granger brings expertise in analysis of technology trends, expansion opportunities and investment. He has been an active private equity professional for the past two decades, focusing on integration of businesses and their processes.

Mr. Granger has served as founder and chairman of Capital Access Forum (CAF Investments, LLC) since 1993. The Capital Access Forum was formed to provide a venue for emerging asset managers, brokers, entrepreneurs, institutional investors and lenders to pursue placement of assets and investments in entrepreneurial companies. The Forum was organized in collaboration with George Washington University and has accomplished a number of goals on behalf of the U.S. Commerce Department. These include the submission to the White House of a set of accepted recommendations, one of which was the \$30 billion capital infusion provided to community banks in 2010.

Mr. Granger also served as co-founder and general partner of Ark Capital Management Fund, LP, a Chicago-based private equity firm with a national investment scope, focusing on middle market companies and emphasizing investments in minority and women owned businesses. As an emerging private equity firm, Ark pioneered the development of the emerging manager sector for private equity in the early 1990's. He was also co-founder and co-managing partner of Ark Private Equity Partners, LLC, a private equity firm focused on small company buyouts.

In 1985 Mr. Granger began his private equity investment career at CIGNA Venture Capital, Inc., the venture capital subsidiary of CIGNA Investments, Inc. Following CIGNA, he served as investment manager for Xerox Venture Capital, an early stage, technology investment firm making strategic and financial investments on behalf of Xerox Corporation. In both firms he was responsible for investments in a number of flourishing technology driven firms that resulted in trade sales or initial public offerings (IPO).

Prior to entering the private equity industry, Mr. Granger worked in the Bell System, AT&T, as manager in the Special Services, Digital Data Group, where he pioneered the implementation of cutting edge digital services. He also served four years of active duty in the U.S. Marine Corps during the Vietnam Era, where he received three meritorious promotions and various awards.

His publications include: Case Study on Hospital Management Companies; an editorial piece in the Wall Street Journal on Capital Gains Tax Reduction; and a Study on Venture Capital Opportunities in the Telecommunication Industry (Tuck Today Magazine).

In addition to serving on a White-House panel of industry leaders convened by the President's Chief Economic Advisors, Mr. Granger has actively participated in numerous initiatives on private equity investments including: the Harvard Business School Venture Capital Panel; Dartmouth Minority Business Executive Education Program; U.S. Commerce Department MBDA Venture Capital Panel; SBA Venture Capital Panel; National Black MBA Association Venture Capital Panel; and chairperson of the ABLE (Alliance of Business Leaders and Entrepreneurs).

Mr. Granger earned a Bachelor of Science degree in Electrical Engineering from the University of Massachusetts in 1982 and an MBA from Dartmouth College, Amos Tuck School of Business Administration in 1985.

Mr. Granger serves as a member of the board of directors of the American Association of Entrepreneurs; American Youth Soccer Organization (AYSO); several of Ark's portfolio companies and other emerging companies. He also serves as an active participant in the Friends of Chicago State University (CSU) Mentoring Program that links CSU students with Chicago area executives.