

PARTNERSHIP SUCCESS International Construction Equipment and e-LYNXX Corporation

## Significant Cost Savings Realized When Expenses Given Corporate View

International Construction Equipment, Inc adopts new procurement technology to save 40% plus

Not too long ago, International Construction Equipment, Inc (ICE<sup>®</sup>) considered print to be an incidental expense -- what it spent on business cards, stationery, copying and the print produced for it by several local printers in Matthews, North Carolina, just outside of Charlotte.

"Somehow we had a mental block and did not consider print to include our marketing collateral, direct mail, CD replication, training and parts manuals, instruction sheets, labels, packaging, safety materials, and even marketing give-away trinkets," said Mark Hudspeth, purchasing manager at ICE<sup>®</sup>. "All of this is spread across the company in departmental budgets. What seemed inconsequential to us, until we took time to actually look at it from a corporate view, is really quite substantial."

ICE<sup>®</sup> evaluated its print costs after it connected with American Print Management, a print management firm that specializes in significantly reducing the costs of procured print (direct mail, marketing, publications, labels, packaging and commercial print) for organizations that license its technology, apply its best practices and use its SaaS communications and workflow system. American Print Management is a division of Chambersburg, Pennsylvania, based e-LYNXX Corporation, the leading print management and procurement licensing firm in North America.

"We would have been foolish not to take advantage of what American Print Management offers," said P. A. Cunningham, director of marketing and IT communications for ICE<sup>®</sup>, and the company's primary print buyer. "Some of us were skeptical. What we learned was truly unbelievable. First, American Print Management does not charge for deploying its print management system. It charges only for measured reduction in the cost of our procured print. There was just no risk to us."

With its AVS Technology<sup>™</sup> to automate the selection of vendors, its best practices, its sophisticated workflow and communication system and the guidance of its print industry experts, American Print Management is able to produce predictable savings for its clients of 25% to 50%. William Gindlesperger, chief executive officer of e-LYNXX, explained how it works.

The first requirement is for the buyer to create a preferred vendors database -- one that includes vendors that the buyer wants to do business with based on established working relationships and past performance. ICE<sup>®</sup> found that having the right vendor is essential.



Vibratory driver/extractor -signature ICE® product

Using this database, preferred vendor attributes are electronically compared to job specifications for which the buyer seeks pricing. By automatically matching vendor attributes and job specifications, the database identifies a subset of vendors qualified to perform the particular job. The specifications, in a solicitation format, are then sent to vendors in the subset, allowing those vendors to submit price quotes based on their own production capacities. Each vendor is permitted to bid high, low or not at all without setting a precedent for pricing by the vendor for the next job and without affecting the database's ability to choose the vendor, each and every time, with attributes that match a job's specifications. The buyer can then award the job to the low bidder, because the buyer has confidence that the low bid price is real as it has come from a vendor that the buyer initially qualified to deliver quality work on time.

## ICE<sup>®</sup> and e-LYNXX Partnership Story

"To our utter amazement, our print costs have dropped drastically while improving our quality," Cunningham said. "Our savings comparing apples to apples do, in fact, average 42%. With the use of e-LYNXX and their services, we are now getting the kind of print procurement assistance we have needed to cut our operational expenses while enabling more cash flow for improved marketing campaigns and still protecting our brand quality."

According to Hudspeth, "American Print Management charges us a small agreed upon percentage of the savings and not a penny more. We keep the lion's share of the savings!"

Buyers, like ICE<sup>®</sup>, benefit by maintaining a database of vendors sufficiently robust, so that at any point in time, a number of the vendors feel compelled to win work at greatly reduced prices in order to fill their own unused production capacity. For these vendors, work produced when production schedules are open can be priced for a lot less than work produced during times when operations are at full capacity.

Cunningham said "We found that getting professional print related advice has been key to our success. Before American Print Management entered the scene, we relied on print vendors to write our specs and tell us what they could do and when they could do it. It is now apparent to us that we paid a premium just for print vendors to sell us their own services. Now, we get a full package of services without having to pay one penny more. American Print Management satisfies our needs for print expertise, spec writing, budget pricing, vendor identification and qualification, procurement and process assistance, job tracking and coordination, a superb workflow and communication system – in fact everything we need to get the job done right.

"We admit to not being experts in print procurement. After all we specialize in the pile driving and drilled shaft/bored pile equipment business. With American Print Management, we are getting the kind of print procurement assistance we have desperately needed for a long, long time, "Cunningham said. "Our print vendors are happier. Our print quality has made a marked improvement. Our print is actually arriving when it is supposed to arrive. And all this improvement in quality and service is costing us 60% of what we paid before."

## About International Construction Equipment, Inc.

In 1974, International Construction Equipment, Inc. established manufacturing and market advanced equipment for the deep foundation industry. The company is now North America 's largest manufacturer of pile driving and drilling equipment. ICE® equipment is manufactured in the USA and China and is marketed through ICE's international organization of company-owned branches and independent distributors. For more information, please <u>visit www.iceusa.com</u>.

## 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<sup>TM</sup> 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<sup>TM</sup> 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<sup>™</sup>) – 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.