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PRESSING TO IMPRESS

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Montreal-based label manufacturer keeps business growth on track by staying on top of emerging marketplace trends and needs

In this day-and-age, a product is not really a product, and a package is not really a package, without one or more attached labels offering a myriad of information about it—from basic product data right down to who made it and when.

It is this rapid emergence of the humble product label as something of a bona fide product in its own right which helps explain the *raison d'être* of companies like

Industrial Marking Systems Inc. (IMS), Montreal-based, flexographic label converter turning out over 80 million labels and tags—in all sorts of substrates and for a broad range of end-uses—for over 1,000 clients across the provinces of



IMS sales manager Michel Sirois says low-cost offshore competition is forcing more label converters to focus on higher-end, luxury segment of the industry.

Quebec and Ontario.

Operating out of a 40,000-square-foot, 70-employee plant in the Montreal suburb of St-Laurent, IMS has installed a broad range of flexographic printing/converting equipment over the years to enable it to

produce labels and tags in up to seven colors, covering the whole gamut of sizes right up to 15x24 inches.

The company's extensive product offering covers the full gamut of four-color process labels, CSA/UL labels, and many types and styles of removable, tamper-evident, product ID and freezer labels, as well as specialty harsh-environment labels for the more unique applications such as plant nurseries.

This obviously represents a huge leap forward from when IMS was founded in 1958 as a supplier of industrial markers and stencils to replace handwriting in product ID applications, reflects IMS sales manager Michel Sirois, who says that the key to the company's longevity has always been its ability to stay at the forefront of technological and market trends in the labeling business.

"What we're seeing today is that the basic labels—the thermal-transfers and the two-colored labels of this world—have matured, in a sense that the prices are going down, and we now have competition from all over the world.

"The market is very price-driven,"

Sirois says, admitting that global competition from emerging low-wage manufacturing nations such as China present as much of a competitive threat to the labeling industry establishment as to any



Some of the many higher-end labels converted on the new Metronome flexo press, which features embossing and foil-stamping capabilities.

other manufacturing or packaging sector.

But while that may hold true for the simpler, run-of-the-mill labels, Sirois says that companies like IMS can ensure future growth by focusing more on what he calls the "luxury labeling" segment of the industry—notably the clear, film-based labels that can add significant aesthetic shelf-appeal to many consumer products.

"People are looking more and more to these types of labels as a key marketing approach," Sirois told *Converting & Flexo Canada* on a visit to the St-Laurent plant last month. "They want their product to look different on the shelf from anyone else's."

"Take a bottle of wine, for instance," Sirois expands. "People who are wine experts will buy a particular wine because of this or because of that product attribute, but most people, believe it or not, are going to buy a particular bottle of wine because of the label."

Whereas in the past it was mostly cosmetics manufacturers who had placed considerable marketing value on high-end labeling and packaging, he says, today there are numerous producers of more commonplace products, like shampoos and fruit juices, who are increasingly looking to high-end labeling to provide them with a marketing edge.

Which is all good for IMS, he reasons, because of the considerable investment it has made into technologies to produce such labels.

"We are now positioned to make high-resolution flexo labels on pretty well any medium," claims Sirois. "If you look at a shampoo that has a label on the back, which is a mirror image, we can do that too."

One of these key

recent capital upgrades at St-Laurent is the recently-installed *Metronome* flexographic press manufactured by *ETI Inc.*, also of Montreal.

Founded in 1997 by Francois Bayzelon, former founder of flexo equipment manufacturer *Aqua Flex Systemes International*, ETI specializes in the converting equipment used for processing various pressure-sensitive label materials, with its fast-growing client base now extending to as far as South Africa.

The sleek, innovative *Metronome* press is equipped with a handy "Auto Peel Off" device, which allows the printer to remove the matrix without shutting down the machine to make all the required adjustments—with all the pressure adjustments on the printing stations taking no more than 10 seconds per station.

THE SOFTER SIDE

With its keen eye always open for new business opportunities, IMS has recently developed another important side niche that Sirois is convinced will give it that all-important, competitive step-up on countless other tag-and-label producers out there—a data capture/traceability software designed to enable manufacturing end-users to trace their products right down to



The recently-installed Metronome flexographic label printing press can handle print widths of up to 16 inches, at operating speeds up to 50 feet per minute.



The IMS P-Control program is one of several recently-developed computer systems designed to ensure full product traceability for manufacturers.

the individual SKUs (stock-keeping units), rather than just the shipment/delivery or pallet parameters.

With product traceability increasingly becoming the proverbial "must-have" capability for most manufacturers of consumer and industrial goods, the so-called "micro-recall" software developed by IMS offers significant enhancement not found on your standard, off-the-shelf ERP (enterprise replenishment program) packages, according to Sirois.

"ERP has been around for years, and it is fine for making sure you replenish the production line by saying what's in a given box and when the customer got it," Sirois explains. "What it does not say is what specific unit inside the box is, and what are the ingredients."

"There was an information hole there, and what we have done is develop applications that fill this hole."

Sirois cites a recent incident involving a company that got financially clobbered by

"We are not trying to reinvent the wheel. What we want to do is to marry our solutions to the existing software."

a product recall after it was unable to trace its product back to the date of production and date of delivery and, consequently, the cause of the problem. By the time the exact cause was finally tracked down, the company had lost four days of production, worth an estimated \$600,000.

Sirois says there would have been a much happier outcome had that company been using the IMS-developed production control application, which is designed to ensure, right at the point of packaging, that each product is assigned a unique number that can identify the true weight, lot number and raw materials involved, as well as all the relevant date, shift and line information.

With all this data, Sirois maintains, the manufacturer can not only trace the problem, but get a good grasp of what it actually is.

Along the same lines, the IMS *P-Control (Production Control)* software can enable the end-user to instantly assess the availability of raw materials within the plant, locate a specific work order, and find out if and when the order was shipped.

"We are not trying to reinvent the wheel," states Sirois, "nor are we making another warehouse replenishment software. There is plenty of that around."

"What we want to do is to marry our solutions to the existing software." □