

# PACKAGING<sup>®</sup> DIGEST

ELECTRONICALLY  
REPRINTED FROM  
JUNE 5, 2018

## Crafty brewer harvests benefits from sleeve-labeled cans

By Rick Lingle

Craft brewer Against The Grain uses graphic-popping shrink-sleeve labels on cans to cut lead times in half, reduce inventory and double sales.



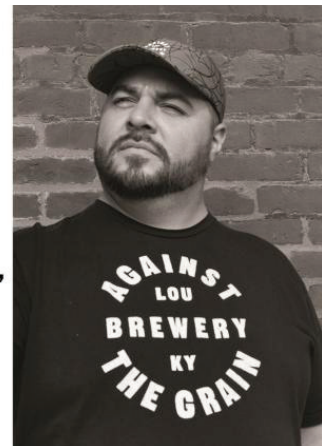
Against the Grain brewery has launched 24 unique SKUs in sleeve-labeled cans.

In 2017, U.S. beer volume sales were down 1%. But craft beer enthusiasts need not worry, there's a silver lining: craft brewer sales rose 5% and now garner nearly 13% of the U.S. beer market by volume, according to data from the Brewers Association.

Beer growth has shifted toward craft breweries, a segment that seems to serve up a growing number of cans decorated using shrink-sleeve labels. One of those is Against The Grain (ATG), Louisville, KY, which collaborated with Verst Packaging and global specialty plastics provider Eastman to create unique shrink-labeled cans. Verst's shrink-labeled cans, made with Eastman Embrace LV

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**—Sam J. Cruz, co-owner,  
Against The Grain**



copolyester (PETG) labelstock, have helped ATG increase revenue, reduce lead times and double sales with first-rate graphics for a holistic customer experience.

Sam J. Cruz, ATG co-owner and marketing visionary tells *Packaging Digest* that the move from printed cans to sleeve-labeled cans from Verst was logical and highly beneficial. “ATG makes amazing beer, but knows very little about shrink sleeves. Verst has more than 15 years of shrink experience, which allowed us to focus on what we do well.”

Prior to 2016, ATG used primarily printed cans, which required purchasing a full truckload of about 150,000 cans for each SKU. Lead times averaged 20 weeks, and it was impossible to render graphics true to the artists' intent, Cruz says. Since converting from printed cans to Verst-manufactured shrink-labeled cans, ATG has launched 24 unique SKUs and halved lead times. ATG has better quality control and can create richer graphics with a myriad of textures that set the canned brews apart in the highly competitive craft beer market.



“From a fiscal perspective, we’re able to hold a leaner inventory, while maintaining a large number of SKUs,” says Cruz. “The quality control and lack of limitations with our graphics makes for cans that pop on the shelf.”

The labels are flexo-printed in 8 to 10 colors depending on the design.

“We wanted our graphic scheme to align with our artist intention,” Cruz says. “Printing on metal and doing traditional printing often leaves a lot to be desired. With the material we are using for our sleeves from Eastman and Verst, we are able to get as close as possible to our specific art intention. Colors, texture...all that matters. We stand out by not compromising on our values of providing an excellent product. The sleeves make that possible related to brand aesthetics.”

The brewery relies almost exclusively on matte-finish labelstock.

“This gives a more premium look and helps consumers with gripping the beer cans,” Cruz explains. “We have also utilized the textured labels for a few labels and have found them to be quite useful in specific instances. I feel like when used properly, they provide a unique experience in communicating a brand’s intention or connection to other senses.”

According to Cruz, “The most unexpected benefit of shrink sleeves versus printed cans has been the versatility in the number of brands we produce.”

Verst launched its turnkey solution for shrink-sleeved cans in

2016, giving brewers like ATG the ability to purchase up to six SKUs per truckload, thereby diversifying their product offering. “Breweries were dying for an alternative to printed cans,” notes Peter Parker, aka “The Can Guy,” director of business development for Verst. “Our shrink-labeled cans give brewers greater flexibility, better cash flow and superior graphics.”

Verst Packaging has doubled sales since introducing shrink labels.

“About 80% of that is for beer,” Parker adds, noting that other markets include craft sodas, craft cocktails and wine in a can.

Parker says a minimum order is “four pallets worth of labeled cans, but the majority of our customers order a truckload of cans and we offer a maximum of six SKUs on that truck.”



The operations are growing more than 50% year-over-year, according to Parker. The newest piece of equipment on the evolving shrink-labeling line is an American Fuji Seal Model 415 High Speed Labeler and Steam Tunnel.

According to Eastman, Embrace LV facilitates superior aesthetics, increased functionality and viable sustainable packaging with recycle-friendly, full-body shrink labels. Embrace enables differentiated labeling wrapped around contoured, complex and thin-walled containers for food, beverages, distilled spirits as well as household products and personal care.

Launched in 2000, the Embrace line evolved into a portfolio of products that continued to grow, with the additions of Embrace LV in 2006 and High Yield in 2007.

“Embrace LV is the most popular product in the line because of the high ultimate shrinkage in the transverse direction and the controlled growth in the machine direction along with low shrink force,” notes Eastman’s Ronnie Little, market development manager, SP-Plastics Packaging.

Brand owners can increase the recyclability of their shrink-labeled products: Eastman now offers SunLam De-seaming Adhesive to help remove shrink labels from PET containers during the recycling process to improve recycled PET yields.