

Russ Haraf, President of Nosco, welcomes package printers and brand owners to the "Opening Day" celebration of Nosco's new digital printing facility.



The HP SmartStream Labels and Packaging Print Server creates profiles that match PANTONE and spot colors.



NOSCO SCORES WITH DIGITAL PRINTING

The U.S. based packaging solutions provider is the first company to install the HP Indigo 30000 digital press.

By Jackie Schultz

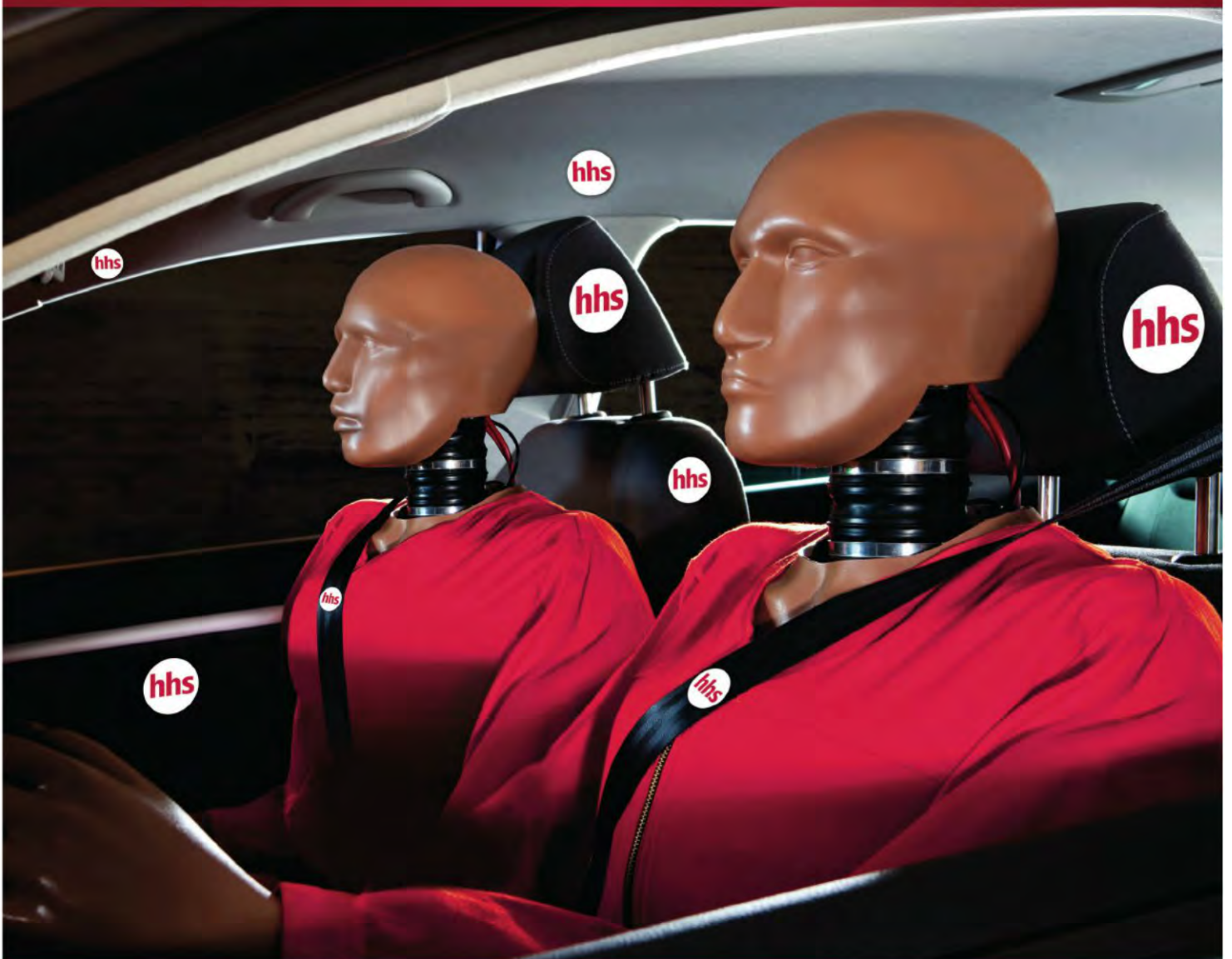
Russ Haraf, President of Nosco, likes to compare baseball players to printers, explaining that they both possess a great deal of passion for their professions. Nosco demonstrated that passion this spring at an Open House at its new digital printing facility in Bristol, Pennsylvania. The event, which corresponded with the start of the U.S. baseball season and featured a keynote address by Charlie Manuel, former Philadelphia Phillies Manager, was an opportunity to showcase the first global installation of the HP Indigo 30000 digital press.

There has been much fanfare and anticipation surrounding the HP Indigo 30000, which is HP's latest generation

Gluing Systems · Quality Assurance Systems · Camera Verification Systems

Safety is a Priority – even in Folding Carton Production.

Safety means for us: adhesive application, code reading, Braille printing, register control, folding control, foil detection – special sensors and camera monitoring. All quality indicators fully automated. **You can be assured that you are in safe hands – guaranteed!**



Baumer hhs GmbH (HQ)

Adolf-Dembach-Strasse 19 | 47829 Krefeld | Germany

Tel. +49 2151 4402-0 | Fax +49 2151 4402-111 | info.de@baumerhhs.com

baumerhhs.com

NOSCO HITS HOME RUN

digital press ideally suited to folding cartons. Packaging, especially folding cartons, is a core competency that HP has identified as an opportunity to grow its Graphics Solutions Business. Currently, label and packaging is the fastest growing segments of HP's worldwide Indigo business. The introduction of the HP Indigo 30000 for folding cartons and the HP Indigo 20000 for flexible packaging and labels is expected to drive that growth.

There are at least four other U.S. companies that will be installing the HP Indigo 30000. They include The MATLET Group, ASG, Multi-Packaging Solutions, and Boutwell, Owens & Co. In addition, there are several installations outside of the U.S., including Heret Printing in Israel and Flach Packaging in the Netherlands.

Nosco has been a proving ground for HP's digital success in the packaging market. Based in Gurnee, Illinois, the company has several facilities in the Midwest dedicated to labels, folding cartons and inserts and outserts for medical applications. It was one of the first digital label packagers in the U.S., installing an HP Indigo WS4000 in 2004. After seeing the benefits for its label customers, Nosco became a beta site and installed an HP Indigo WS6000 for labels and cartons.

Since 2004, Nosco's average annual digital growth rate has been in double digits and that should continue with the installation of the HP Indigo 30000. With multiple HP Indigo presses, the company has converted

more than 8,000 SKUs to digital print, focusing on short and medium run. Between 650 and 700 digital orders are shipped to customers each month, and more than 400 million digitally printed labels and cartons have been shipped since 2004.

Nosco has been specializing in healthcare packaging since the early 1990s. Several years ago, the company decided to leverage this market strength and open a facility for healthcare clients in the Northeast. It was a calculated move considering the global spend on medicines is expected to reach \$1 trillion in 2014 and is forecast to continue growing over the next five years, according to a recent study by the IMS Institute for Healthcare Informatics. The strategy aligns with Nosco's core capabilities and knowledge of digital printing and fulfills the goal of growing the business, according to Haraf. Nosco signed a letter of intent to purchase the HP Indigo 30000 press at Drupa 2012.

During the open house, about 100 package printers and brand owners from around the world toured the new Bristol digital printing center, which is located about 20 miles north of Philadelphia. It is dedicated exclusively to digitally printed labels and folding cartons. In

addition to the new HP Indigo 30000 press, the facility has an HP Indigo WS6600, which is a label press that Nosco also uses for folding cartons.

Full Line Digital Solution

The HP Indigo 30000 is a seven-color sheetfed press that can handle up to 24 point board. The combination of extended gamut spot color and Esko software enables it to match a customer's brand color. The press installed at Nosco has an inline TRESU coater allowing for UV and aqueous post print varnish.

The 75 x 53cm format of the HP Indigo 30000 (image size is 74 x 51cm) covers the vast majority of carton jobs (200-600 micron), while offering substantial savings in setup and tooling costs for subsequent conventional finishing, according to HP. Print is compatible with industry standards



The seven-color HP Indigo 30000 uses HP ElectroInk.



- 1 Palette feeder 2 Two drawer feeder 3 Inline priming unit 4 High-speed laser writing head 5 Photo Imaging Plate (PIP) 6 PIP Automatic Replacement System (PARS) 7 Binary Ink Developers (BIDs) 8 Blanket 9 Blanket Automatic Replacement Systems (BARS) 10 Impression cylinder 11 Registration cameras 12 Vision System & Spectrophotometer 13 Proof tray 14 Stacker 15 Ink cabinet

for varnishes, foiling, lamination, cutting and creasing, folding and gluing and is both FDA and EU compliant for indirect food contact.

The HP SmartStream Labels and Packaging Print Server is designed specifically for HP Indigo by Esko. It includes best-in-class job management tools to automate and simplify workflow, as well as a color engine that is a fully integrated solution for complete color management. It creates profiles that match PANTONE and spot colors, ensuring accurate and efficient color matching from any technology to an HP Indigo press. The print server is equipped with a dedicated Adobe RIP for consistent and high quality output and enables proprietary bi-directional connectivity with Esko Automation Engine, or direct connectivity with any MIS system via JDF protocol.

job is not yet published due to numerous variables, including multiple colors, ability to take offset spot colors to process colors, as well as imposition) with automatic and immediate switching from one job to another, while keeping waste to a minimum. Reaching a speed of up to 4,600 full color sheets per hour in Enhanced Productivity Mode (EPM), this technology enables converters to print color 33 percent faster using only three-color separations (no black). Expanded color capabilities include standard 4-color (CMYK), 5-color (CMYK and white), HP IndiChrome six-color (CMYK, orange and violet) and IndiChrome Plus seven-color (CMYK, orange, violet and green).

The press comes standard with an inline priming system that pulls blank sheets from either a pallet or drawers and runs them

changing needs. There is significant opportunity for growth in digital, according to Matt Bennett, Business Segment Manager, Labels & Packaging. Most label and package printing produced today is traditional analog, representing about 6.8 billion pages a year. Only about 8 percent is printed digitally and most of that is label. "We look at it as a 92 percent opportunity going forward," Bennett said.

"At HP Indigo we tell our customers to 'Think disruptive,'" he continued. The obvious benefits of digital technology include the elimination of printing plates, reduced setup time, near zero waste, shorter runs, increased speed to market, and a reduction in inventory. But "the real game changing technology," according to Bennett is variable data printing, customization and personalization.

Yuval Golan, HP Indigo Marketing Product Manager, talked about how digital technology fits into all of the major trends occurring worldwide, such as theme-based packaging, mass segmentation and SKU proliferation. He referenced several examples. Perhaps the most notable was the "Share a Coke" campaign where customers could choose personalized cans



Nosco's press includes an iCoat 30000 inline coating unit from the TRESU Group.

HP SmartStream Labels and Packaging VDP Tools, powered by Esko, also provide automatic printing of special elements such as barcodes, text, singular numbers, graphics and security features.

The iCoat 30000 inline coating unit from the TRESU Group was designed to meet the production capabilities of the HP Indigo 30000, allowing selective coating with fast changeover. HP Indigo has also partnered with manufacturers of digital and conventional finishing technologies, such as KAMA, Highcon and Scodix, to offer an end-to-end folding carton production line.

The HP Indigo 30000 is capable of running many multiples (average sheets per

through the priming solution which primes and dries them before sending them through the press to be printed.

HP provides "Up Time Kit" filing cabinets filled with an inventory of spare parts for the HP Indigo 30000. The parts are barcoded, enabling immediate replenishment.

Game Changing Technology

In conjunction with the Nosco open house, HP presented a series of presentations at a downtown Philadelphia hotel. Executives outlined current market trends and how digital technology can satisfy customers'



Yuval Golan, HP Indigo Marketing Product Manager, said nearly 1.2 billion personalized Coca-Cola labels were printed on HP Indigo digital presses across Europe. Indigo Red is now the standard for Coke Red.

NOSCO HITS HOME RUN

and bottles. Nearly 1.2 billion personalized Coca-Cola labels were printed on HP Indigo digital presses across Europe. Golan said HP Indigo Red is now the standard for Coke Red.

HP recognizes that folding carton converters are still in the early stages of trying to determine where digital fits in their businesses. "I believe where the rubber meets the road is when people in this room find that digital will offer them capabilities and opportunities with their customers to do things that they've never done before. That's where the innovation takes place," Bennett said.

HP Indigo has more than 6000 digital presses installed worldwide, with many customers owning more than one press. Label and packaging represents about 19 percent of Indigo's total business. In five years that market share is expected to grow to 50 percent.

"We anticipate significant growth over the next five years, and we'll achieve that growth on the backs of the label and packaging business. The new folding carton and flexible packaging space is going to contribute greatly to the growth of Indigo going forward. We feel very bullish about these markets," Bennett said.

Getting Started

During a customer panel, Craig Curran, Nosco Vice President of Sales & Marketing, and Jay Dollries, Innovative Label Solutions President, talked about their company's initial experience with digital technology. Innovative Label Solutions installed its first Indigo press in 2005. "It has been a huge change in our business because we've gone from being just another printer to a leadership position in digital printing technology," Dollries said. "It has changed the way brands look at us and the way we interact with those brands." He said the biggest challenge was related to workflow and the number of jobs. "A lot of the tools that are available today were not available in 2005," he said.

Curran joined Nosco in 2004 and has been a driving force behind the company's



Craig Curran (right), Nosco Vice President of Sales & Marketing, and Jay Dollries, Innovative Label Solutions President, discuss their company's initial experience with digital technology.

digital printing endeavors. Roy Oomen, HP Category Manager, moderated the customer panel. He asked Curran how Nosco's sales team handled the addition of digital printing capabilities. "Our sales teams embraced digital and recognized the change taking place," Curran said. "They realize their clients need solutions and this is a solution." Recognizing that not everyone was going to quickly adopt all of the technical aspects of digital printing, Nosco provided project management support. Today, Curran said the sales representatives or "Packaging Advisors" are the company's digital experts.

When asked why Nosco installed digital technology, Curran said, "I love getting rid of plates. Plates are a consumable that most customers don't see much value in. From a printer/converter standpoint, plates can cause a lot of quality issues. They add cost to the process in terms of the time it takes to make them and mount them and get them in register." In addition, Curran said he was also drawn to digital's color consistency. "Press operators are like mad scientists. They love to doctor the ink and add chemicals, and that causes color variation. With digital, the color is the color unless you go back to the graphic file and adjust the color," he said.

Several printers in the audience asked

Curran how Nosco decided which carton jobs to print conventionally or digitally. Curran said it's still too early to answer that question, however, he did offer insight into Nosco's lead time model which is patterned after FedEx's 1-, 2-, and 3-day delivery. "We've really worked hard with our clients to make sure they understand what the standard delivery time is on digital versus conventional. We tell customers, 'We turn weeks into days.' What I like about digital is I don't have to worry about making plates and taking two, three or four hours to set up a job, so it's easy for me to say yes to same day orders. But I recognize that I'm going to set off a chain of events inside our company that is going to add costs to the process. We're going to expedite the order entry process. We're going to have someone in operations make special arrangements to get it on the press and that may jeopardize someone else's delivery. We charge for that. We have a set charge for one day, two day and three day."

For those companies considering adding digital printing technology, Curran said the most important detail is "People, people, people. It's all about having the people in the front end of the business to go to market and the right people in operations to adopt the technology to make it work." He said conventional press operators do not always make the best digital press operators. The best candidates think differently, are interested in technology and are computer savvy. "We have highly talented people who know the technology and have embraced it and who have taken ownership of it."

Nosco was founded 107 years ago and has about 550 employees. The company, through its parent corporation Holden Industries, Inc., is 100 percent employee-owned and is one of the largest 200 employee-owned companies in the U.S.

Haraf, who just celebrated his 25th anniversary with the company, said Nosco's culture and dedicated staff were the primary reasons why the company opened a new facility in Bristol. "The cultural behavior and employee ownership is the real reason, in addition to investing in new technology, that we opened a plant from scratch." ■