

Dixie Labels taps into new business opportunities with the HP Indigo WS6600 Digital Press



At a glance

Industry: Labels & Packaging
Business name: Dixie Labels & Systems
Headquarters: Ooltewah, Tennessee, USA
Website: dixielabels.com



Challenge

- Discover a new 'growth engine' for the company in the face of slowing market performance.
- Meet and satisfy demands from existing customers for digital print technology solutions.
- Capture greater market opportunities made possible by digital print technology solutions for the label and packaging sector.

Solution

- Embraced a digital print solution while still delivering a flexographic technology solution needed by some customers.
- Invested in HP Indigo WS6600 Digital Press to be able to take advantage of greater market opportunities.

Results

- Opened new business opportunity dialog with existing customers seeking sophisticated label and packaging print solutions.
- Added a new dimension of print capability to deliver specialty applications for customers.
- Created a 'springboard' for delivering new labelling and packaging products to a wider marketplace.

“Investing in the HP Indigo WS6600 Digital Press is opening up a new dimension for Dixie Labels & Systems. We see this as a springboard towards new market opportunities for our company because of the new label products we will be able to offer to both existing and new customers.”

– Joe Buckley, joint owner, Dixie Labels and Systems



A long and successful road to the digital print era

It's a long way from the role of label converter, relying on two 40 year old flexo presses, to becoming a top tier digital print powerhouse, but for Dixie Labels & Systems, (DLS), the installation of the HP Indigo WS6600 Digital Press is a major milestone on that journey.

It was 1991 when Joe Buckley and Rusty Baxley pooled their 'can do ideas' and their 'customer service ideals' to launch their company, just outside Chattanooga, Tennessee. Dealing with limited capital, the partners used their 40 year old presses to run work profitably to enable them to finance their first press, a four color Webtron 750, which is still in operation today.

DLS began to build its business; four color capability became a new five color press, then a six color press, and finally an eight color press, all the while elevating DLS' quality, capabilities and customer service levels. Within five years the company purchased a state of the art prepress and plate making system and successfully brought the technology in house.

Within nine years DLS had out grown its building, so it identified a new facility that anticipated its continuing future growth. They also invested in the top Flexo software package enabling them to bring production and operations under one system.

Quality level that is never allowed to slip

To maintain its level of quality and expertise, the company achieved G7 Printer certification and also has been certified with Graphic Measures International (GMI). G7 Printer certification confirms that DLS is an expert in the field of color management, process and quality control for proofing and printing equipment.

As DLS built its reputation it caught the eye of many regional suppliers to major chains. With GMI certification DLS is an approved label vendor for Walgreens, Lowes, and Target. They have also been certified as a Walmart approved printer. The suppliers' dependence on DLS for quality label and barcode solutions helped drive double digit business growth annually for DLS starting in the 1990s and throughout the global financial crisis.

The DLS 'can do attitude' is driven by its annual customer questionnaire and feedback request. "It is important for us to hear from our customers, to ensure we are doing the right thing by them. We are proud of the high level of customer retention we have achieved over the past five years," says Joe Buckley, joint owner, DLS.

The discovery of a new business growth engine

Now DLS is embarking on an entirely new dimension and is about to showcase its HP Indigo WS6600 Digital Press. DLS' traditional annual rate of growth was slowing in 2013 and Buckley recalls how "our quest for a digital print solution was driven by our realization that our business needed another growth engine". More customers were requesting shorter print runs, demanding faster turnaround schedules and seeking the ability to print variable data, something that analog technology simply could not provide.

Assessing the next critical step

Buckley and Baxley did not rush into a decision that would have such a major impact on their business future. They took two years to assess this critical next step. "Our hesitation was really because this was a big investment, the biggest we would be making in more than 20 years."

As part of that decision, DLS set specific goals to reduce manufacturing cost, achieve faster output and improve productivity of its employees. "We undertook a great analysis of our business and looked at how digital print technology could complement our existing operation because we have valued customers who will still need our flexographic technology."

Buckley says: "We went to see HP in Atlanta where they ran several of our jobs through the HP Indigo WS6600 Digital Press. The speed, ease of operation and level of consistent repeatable color and quality was very impressive. We felt good about the questions HP asked us and how they understood our business and our ambitions for the future."

"Investing in the HP Indigo WS6600 Digital Press is opening up a new dimension for DLS. We see this as a springboard towards new market opportunities for our company because of the new label product offerings we will be able to offer both existing and new customers."

He adds: "DLS is now having different levels of conversations with our customers. We're talking with them about their need for variable data on their labels such as names, seasons, regions or specific timed marketing plans."

"We are also talking about shorter runs to support their inventory requirements, faster turnaround times to support their marketing plans and the integration of both digital and analog printing technologies to produce solutions they can use."

In terms of the HP Indigo WS6600 Digital Press opening up new market opportunities, several existing customers are anticipating the launch of the press and the extra capabilities it will offer. A major pool chemical supplier has a high rate of change in the labelling of its products and wants DLS to tackle its significant variable printing demand, another consumer products company is looking forward to partnering with DLS on some new products that it will be offering later this fall.

DLS is leveraging the reputation of HP in this new conversation phase with customers. Buckley says: "The weight of the global name of HP means something to anyone who knows or cares about printing. The HP name alone is getting us through doors and the marketplace is responding very favorably to this next dimension of our business. We intend to justify the investment we have made. With HP's digital print technology and with HP's support we expect to do just that."

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