

Profitable short runs, relentless testing of new ideas allow Label Apeel to build long-term partnerships with brand owners



At a glance

Industry: Labels & Packaging
Business name: Label Apeel
Headquarters: Leicester, UK
Website: labelapeel.co.uk



Challenge

- Enable short runs to attract smaller clients.
- Create the means to produce proofs quickly.
- Help customers reduce inventory costs.

Solution

- HP Indigo WS6000 Digital Press for high color quality and instant production of labels.

Results

- Enabled profitable short runs starting from one meter (up to 100,000m).
- Allowed rapid turnover of proofs, improving new product innovation and customer problem solving.
- More than tripled the amount of new business compared with three years ago.
- Digital now accounts for 30 percent of turnover, and is growing each month.

“Color is a non-issue. In terms of quality, the HP Indigo WS6000 Digital Press is superb. We deal with some tough customers and in four years we haven’t missed matching a color. There’s not a color we can’t match with the HP Indigo WS6000 Digital Press.”

– Stuart Kellock, managing director, Label Apeel

These are good times for Label Apeel, the Leicester-based business was named ‘Label Printer of the Year’ by the PrintWeek magazine – for the second year running. In the words of the judges: “It just proves what’s possible if you take pride in your work.”

Five years ago things were looking a little less rosy. The dramatic economic slowdown in early 2009 saw Label Apeel’s forward orders slashed by 60 percent. The business was forced into drastic measures.

“It took us 18 months to get back to where we were pre-recession,” says Stuart Kellock, Label Apeel managing director. Today, Label Apeel has revenues of £4 million, up by a third on three years ago.

Instant proofs create closer customer engagement

A core component of the Label Apeel ethos is to make the customer relationship personable. Digital print is central to this, using the HP Indigo WS6000 Digital Press, Label Apeel can offer instant label samples which allows it to work more closely with its customers.

“We make every effort to have the customer come to us,” says Kellock. “Once they’re here we can discuss what they want, test ideas, show them what we can do, and explain how we can add value to their projects. With digital we don’t have to wait hours for a plate to dry, we can stand at the end of the press and make adjustments instantly.”

“We don’t charge for proofs,” continues Kellock. “The customer has invested their time in coming to us. We spend an afternoon on the press, together, and we get it right. Problem solving: that’s how you build strong relationships.”

Digital helps build small, excellent brands

Digital now accounts for 30 percent of Label Apeel revenues. “And that will only grow,” says Kellock. “We’re breaking click rate records every month.”

Label Apeel is planning to invest in the HP Indigo WS6800 Digital Press in 2015, which will help meet growing demand. The business is picking up three to four times more new clients each month compared to three years ago. Much of this work comes from new brands. “Serious business people with great products, starting small but wanting the same quality packaging as established brands. If they engage with us early we can advise on design, paper, finish and process, we’re more than simply printing a label,” explains Kellock.

This offer clearly benefits Label Apeel as it builds credible partnerships with clients at the early stage of their business development. “That’s the great thing about digital, because of the cost and flexibility we can support start up business’ at the embryo stage. As they grow, we grow.”

Solving the toughest technical challenges

FORZA is a UK-based food supplements company, and a long-time collaborator with Label Apeel. As a start-up, competing for retail shelf space with established industry heavyweights, there is tremendous scrutiny on FORZA packaging.

“We’re consciously pitched as a health and beauty product,” says Nigel Davison, FORZA’s lead designer and brand manager. “This means we need to be faster to market with new products and better able to reflect fashion trends. Our packaging must signify quality; there should be a feeling of luxury.”



FORZA packaging tends to favor bright, graded colors. For these colors to ‘pop’ from shelves requires a sharp, pure white base layer. “We print on a silver substrate with a reflective surface,” says Davison. “We start off with the silver, we then print white, then CMYK over the top, plus also the possibility of a special color as well.”

This is the kind of technical challenge Label Apeel thrives on, says Kellock, and the bread and butter for the HP Indigo Press: “FORZA are great. They’re prepared to come and stand at the end of the press and play. We’re now producing a range of labels for FORZA coated with a scratch and sniff varnish that releases when handled. We’re not aware of any other brands that have managed to do this over an entire range.”

Color quality, shorter runs, better inventory management

Kellock says the HP Indigo WS6000 Digital Press has passed any tests asked of it. “When we invested in digital, people told us we would have issues with the range of colors,” says Kellock.

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Shorter run rates had been a concern. “We needn’t have worried. Once you start to sell the benefits of shorter runs you figure out what’s possible. Today, our shortest run rate is one meter, our longest is 100,000m. There isn’t such a thing as one set break-even point: there are so many variables. Again, we’ll work it out with the customer.”

Digital, he says, allows Label Apeel to respond faster and consult in the long term. “Digital is a big help on inventory management. It moves the conversation on from unit costs to total costs. Short sighted customers tend not to see this, long sighted ones do. We tend to attract long-term relationships.”

Unique qualities, of press and printer

“HP Indigo digital technology has had a massive impact on our business,” says Kellock. “I can’t underestimate it. There have been opportunities we simply couldn’t have pursued if it hadn’t been for the specific qualities of the HP Indigo WS6000 Digital Press. The way in which you can build color make the HP press unique.”

The future, he says, is establishing Label Apeel as a solutions provider: “Anyone can print labels, that’s the easy part. For us, it’s about closer customer relationships, helping them solve a problem, and adding value to their business.”

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