

Emerald Packaging and OEC Graphics' joint venture opens digitally printed packaging opportunities for customers



At a glance

Industry: Flexible packaging
Business name: Emerald Packaging
Headquarters: Union City, California, USA
Website: empack.com



Business name: OEC Graphics
Headquarters: Oshkosh, Wisconsin, USA
Website: oecgraphics.com



Challenge

- Respond to changing market demands for shorter runs, reduced lead times and faster times-to-market while maintaining margins.
- Move into digital packaging printing with minimal learning curve.
- Maintain quality standards for national brand customers.
- Enter new market sectors and attract new business from existing customers.

Solution

- Establish a digital printing joint venture with long-time prepress and flexographic plate supplier OEC Graphics.
- Install an HP Indigo 20000 Digital Press for gravure-quality flexible packaging production.
- Integrate converting and finishing for digital and conventional print.
- Change sales focus for digital packaging from print buyers and procurement departments to marketing departments and brand managers.

Results

- Successful digital production of flexible packaging products with high customer satisfaction.
- Increased margins for short-runs and fast turnaround jobs.
- A growing customer base of large and small companies for digitally printed packaging.

“Using variable data printing enables companies to create flexible packaging with messages that resonate with specific market segments, making it possible for them to build new customer bases. Our HP Indigo 20000 Digital Press makes that initiative possible and cost-effective.”

– Todd Somers, sales and marketing director, Emerald Packaging

For more than 50 years, Emerald Packaging, of Union City, California has been an innovative and growing supplier of flexible packaging, including printed shrink films, sustainable and biodegradable packaging, polythene bags and laminated stand-up pouches. With a fleet of flexographic presses, the company serves brands throughout North America.

“In the past ten years, we’ve seen great consolidation in our customers,” says Kevin Kelly, CEO, Emerald Packaging. “We’re producing more packaging for fewer customers, much of it is very short-run. As a result, they are more focused on keeping a competitive edge, more open to suggestions that deliver those things. From that standpoint, the installation of our HP Indigo 20000 Digital Press has come at an opportune time, and we see a lot of interest in what it can do.”

Like many packaging companies, Emerald Packaging was attracted by the digital dream, not only for print on-demand, but also by how digital technologies could improve all aspects of its business.

“We started looking at digital presses more than a decade ago,” Kelly says. “At that time, the presses were too slow and didn’t have the web width we required. Nevertheless, we urged HP to develop presses that would meet our requirements and those of the flexible packaging industry.”

Emerald Packaging’s relationship with HP steadily grew, working on press specifications that would meet the demands of the market.

“When the development of the HP Indigo 20000 Digital Press was nearing completion, we were asked to be a beta site, and worked closely with HP to refine it and put it through the operations that we expected to be asked to carry out by our customers,” explains Todd Somers, sales and marketing director, Emerald Packaging.

“The 30-inch web width and speed of more than 100 feet per minute with gravure-quality makes this a press that can deliver the results required at an acceptable price point.”

Playing to strengths

Before reaching the beta testing stage, Emerald Packaging took a hard look at what was necessary to introduce a digital press into its workflow.

“This was possibly the greatest challenge for us,” Somers continues. “Like most packaging companies, we had limited graphics design or high volume prepress output experience. For nearly 25 years we had worked with OEC Graphics which produced flexo plates for us. Our relationship had grown to the extent that OEC Graphics opened a facility in Union City, a few blocks from us.”

After discussions with OEC Graphics and HP, the three companies reached an innovative solution.

“Emerald Packaging and OEC Graphics established a joint venture,” says Jeff Schloesser, president, OEC Graphics. “The HP Indigo 20000 Digital Press would be installed at OEC Graphics, though owned by Emerald and operated by its personnel. With the press on our site, we could handle all the prepress work which is central to the press’s success, and the printed packaging films would be moved to Emerald Packaging for converting and fulfillment.”



This process evolved during the beta testing period, its now in full production and working smoothly.

“OEC Graphics has a vast experience with digital printing with many wide format inkjet printers, we have a full design department that our customers and converters like Emerald Packaging can use,” says Schloesser. “While many of our customers supply their own artwork, it all needs checking and tweaking before being sent to the press.”

Selling the concept

If digitally printed flexible packaging is new to converters, it is even newer to their customers.

“The benefits of digital flexible packaging printing are very hard to sell to print buyers and procurement departments used to unit cost models,” says Kelly. “However, marketing departments can see the benefits and potential of the technology and become excited by it. They are more used to the concept because in recent years, they have been attending industry exhibitions like Pack Expo and Labelexpo, so the digital messages are not wholly new to them.”

Taking products to market faster, reducing inventories, reacting rapidly to changes in the market and tailoring products to regions and special segments are powerful propositions to marketers.

“We have been very happy with the relationship with HP,” Kelly says. “HP listened to us, worked with us, and taught us how to make the most of the press. The training – on-site and in Israel – was very good, giving our operators the skills and confidence needed to introduce this new technology.”

New markets

Emerald Packaging has used the HP Indigo 20000 Digital Press with established customers as well as ones from new markets.

“In addition to providing digital packaging in shorter runs for snack foods, dried fruit and nuts, cereal confectionary customers, we have also been able to enter the large pet food and cosmetics markets,” says Somers. “Digital printing also lowers the entry bar for small companies and Mom and Pop businesses in niche markets like organic, vegan and gluten-free foods which have a stable and growing market, but today may require only 10,000 – 50,000 units of packaging.

“Digital printing helps those companies compete on the shelf with big brands,” Somers concludes. “And we know from our history, that some of today’s small businesses will grow enormously – and we can help them when they do.”

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