

# THE HIGH-END

An opportunity to de-commoditize corrugated

# PRINTING MARKET



Walk down the aisles of Walmart, Costco or Sam's Club and you will see three types of corrugated: brown box shipping containers, one to four-color packaging, and ultra high-end graphics packaging and displays. While brown box continues to dominate the market, many board converters have targeted higher-end flexo post-printed graphics as an opportunity to expand their businesses. Corrugated Today asked industry suppliers that serve the ultra high-end market what they are seeing in terms of trends and new processes.

"Simply put, the increased market share of high-end printing is driving the purchase of multi-color and more fully configured machines," says John Bird, President of JB Machinery. "Just a few years ago a four-color flexo or diecutter was considered to be high-end. Today, it's not uncommon for plants to be adding six-, seven- and even eight-color machines with dryers on all or most stations

and in-line functions like diecutting on a flexo folder-gluer and in-line U/V coating. This means that complex products can now be produced in a single pass instead of two or three passes.

"The addition of coatings is also making the difference between pre-print and post-print virtually imperceptible," Bird continues. "One of the best and most visible examples of this in the consumer marketplace is the explosion of retail-ready packaging and complex P-O-P displays."

Ralph Schuck, President and Head of Product Line FFG DRO, Bobst Lyon, says one-third of all Bobst machines sold today are high graphics ready. The machines are frequently supplied as five- or seven-color with space for UV and IR varnish and dryers. "This is evidence that there is both movement in the economy and that users need their investment to offer configurations that can evolve in the future and will meet changing market requirements."

## Market Trends



Schuck says a key component of higher-end corrugated graphics packaging is the ability to convey brand image. "As a consequence, every media is important to leverage the brand image and corrugated packaging plays a critical role in the graphic chain," he says. Another component, according to Schuck, is supply chain efficiencies. This includes short delivery time for promotional campaigns, accurate quantities, especially for P-O-S activities, and high flexibility to address final differentiation at the last minute.

Martin Corall, Vice President of North American Sales of Göpfert, sees an opportunity for ultra high-end graphics for shelf-ready or retail-ready packaging. "Supermarkets and big box stores will offer more of their products in corrugated trays and boxes, which promotes the selling process as well as reduces labor costs inside the store by eliminating the handling of individual products."

Schuck agrees. "When it comes to retail-ready packaging, there are

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growing demands for glossy print to capture shopper's attention. That's the reason why the outer transit packaging must be more in accordance with the primary packaging's color codes and branding."

## Colorful and Green

One trend that shows no signs of diminishing is sustainability. The Millennial Generation (born 1982-2003) is the most environmentally conscious generation in the nation's history, and companies need to take this seriously. Reconciling environmentally-friendly printing processes with high graphics shelf and floor appeal is an absolute must. This will require using more recycled products and lighter weight papers combined with even smaller order sizes and shorter turnaround times, Corall says, adding, "This also will require the need to print on a larger variety of paper grades."

"Sustainability is becoming more of a hot topic for decision makers," Schuck says. "Retailers are looking for packaging scorecards where the carbon footprint is taken into consideration. Brand owners are working on packaging usage assessments. In this sense, flexographic high-end printing on corrugated offers great opportunities. Not only does it use water-based inks, solvent free, but it also offers energy efficiency in the in-line process. Flexographic printing is the perfect ally to face the challenge to go green."

In addition to sustainability, another trend is the elimination of defects. "In

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recent years a number of systems have been introduced which recognize defective product and remove these pieces from the stream," Bird says. "While it's very helpful to spot bad glue joints and printing problems, why not do something about preventing defects in the first place?"

## Into The Future

Looking five or even 10 years into the future, industry suppliers see some definite changes taking place in the higher-end corrugated printing market. "Two factors come into play when you look down the road, and they couldn't be more opposite," Bird says. "First is the fact that there continues to be advances in high-end graphics and there's little reason to believe that this trend won't continue. High-end printers are going to continue to get better and better. Second is the fact that the demand for brown boxes, typically involving little to no graphics, continues to be a force in the marketplace, one that the larger volume producers aren't going to walk away from. Some may flirt with high-end work but because that can never bring the volume of brown boxes, it's unlikely to attract enough competitors to become a commodity."

"It is always difficult to predict the future. But going back six or

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seven years it was unheard of to use printing plates with 150 lpi. Today we see it very often," Corall says. "If we see further developments one can expect the need to make very frequent anilox roll changes and being able to make quick and controlled corrections without physical operator interventions combined with even thinner and potentially finer printing plates, so I cannot imagine that high-end graphics printing is at danger to become a commodity."

Depending on volume to address the high-end printing market there may be some rationalization, allowing a place for pre-print for very long runs, high quality post-print for large and medium orders, and digital printing or a combination of flexo and digital for short orders in multiple versions, according to Schuck. "The risk of commodity exists when there is a low level of added value in the packaging, in other words the more advantages the better the value and the less chance of it becoming a commodity," he says.

## Final Advice

To ensure that the higher-end printing market does not become a commodity, industry suppliers suggest that board converters offer value-added services and implement a combination of multiple assets. Schuck says this includes high-end printing combined with new inks (silver, gold, metalized), selective varnishes, clean and dust free diecuts, and low weight substrates. He also suggests additional services, such as shorter time to market, and relevant traceability with appropriate devices like coding numbers and QR tags.

Corall says board converters should offer excellent structural and graphics box design, be innovative, have a dialogue and use suppliers who are rated best in their class.

Adds Bird, "Keep improving. Continue to invest in higher levels of technology while ensuring that your work force has the skill level and knowledge to take full advantage of it. If you're leading the pack you won't become a commodity."

This topic will continue to be explored in the September/October issue with additional suppliers offering their perspectives. ■

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