

# TLMI ILLUMINATOR



A NEWSLETTER FOR MEMBERS OF THE TAG AND LABEL MANUFACTURERS INSTITUTE, INC.

## 2009 TLMI Converter Meeting: Plotting a Course Through Uncertain Times

What a year it has been. The ancient Chinese proverb “Pin-yin: shi shi zao ying xiong” is one we can all aspire to. Its translation: Leaders are made over turbulent times. TLMI’s goal with the upcoming TLMI Converter Meeting February 22-25 at La Playa Beach & Golf Resort in Naples, Florida is to provide members with tools that will assist them in plotting a course through the current economic landscape - both at home, and globally. As its theme suggests, Converting Challenges into Opportunities: Managing in Uncertain Times, the 2009 TLMI Converter Meeting will bring together a unique group of experts who will address issues that have an impact on narrow web converters every day.

The meeting will open on Monday, February 23rd, with keynote speaker Tom Faranda, one of the country’s foremost experts on global business initiatives. Faranda’s programs are packed with



examples, stories and global humor and his published books include *The Global Sales Professional* and *Uncommon Sense Leadership*. He has published over one hundred business articles and has been a guest lecturer for universities in South Africa, the United Kingdom, and Australia in addition to being an adjunct faculty professor of business at the University of Minnesota.

Following Faranda’s presentation will be a TLMI Industry Trends Committee panel discussion highlighting digital printing trends and opportunities in the North American marketplace. Converters with digital press systems will be participating in the panel and this discussion will offer attendees an invaluable glimpse into exactly what it means to integrate digital printing systems onto their production floors.



The morning's session on Tuesday will open with Clint Swindall, president and CEO of Verbalocity, a personal development company with a focus on leadership enhancement. Swindall brings an understanding of the corporate environment to his presentations, as well as a multitude of management experiences. His discussion will focus on the recruitment and training of employees, an issue we all grapple with on a regular basis.

Following Swindall's presentation and after the annual Ratio Study discussion, Dr. John Zarwan will be delivering a special presentation that will focus on the TLMI Ratio Study and will discuss specific financial trends and historical perspectives using the past four years of ratio study reports as a foundation.

Dr. Zarwan's firm focuses on strategic development and financial analysis and he currently coauthors the TLMI Quarterly Index & Trend Report.

The meeting will close with Wednesday morning's presentation featuring Barbara Sanfilippo, founder of training and consulting company, Ramono & Sanfilippo; assisting organizations in building a high performance sales and service culture. Sanfilippo's discussion will address ways attendees can incite sales people, and techniques for building the most effective sales force possible. She has authored books that include *Dream Big! What's the Best that Can Happen?* and *The Service Path, Your Roadmap for Building Strong Customer Loyalty*.

Never has it been more important for converters to come together to network with, learn from and educate each other. Join us in Naples in February, so that through these turbulent times we might all emerge as true leaders.



Dear Fellow Members,



I'm thrilled to be submitting my first letter as TLMI Chairman and I have some important announcements for our membership. First off, TLMI

President Frank Sablone has been asked by the Board of Directors to remain in his position another six years, through to 2014. The Board's decision was based upon the progress the association has made since Frank's joining TLMI in his role, and we feel continuity for another six years will continue to progress both the association and the board's objectives.

As part of this agreement, the Board of Directors has agreed to allow Frank to relocate TLMI Headquarters to Boston, a request Frank put forth years ago and the move will occur by mid-year 2009. I want to stress that the Board views this as an opportunity both for the association and for Frank, and that it will be business as usual during the transition.

I'd like to now move on to a topic that's headline news every day – the current economic landscape. I want to assure our membership that the TLMI Board of Directors is fully committed to helping all of our members navigate their way through this crisis, and that the Board has approved the continuation of all products and services including the Ratio Study, the TLMI Quarterly Index & Trends Report and our push behind branding Project L.I.F.E. to packaging buyers. These benefits will continue to keep our member companies at a true advantage when it comes to sustaining growth and finding new ways to add to the bottom line. TLMI is making a commitment to keeping these reports in your hands at no additional cost with up to date

## The Chairman's Report

data that will assist you in your day-to-day and longer term management decisions.

The Board will be meeting in May during which time a new strategic plan will be set in motion. The previous strategic plan rolled out in 2007 was to be completed by 2010 and is eighty percent completed at this time. We anticipate that many of our members will be contacted by the facilitator of the TLMI survey in order to obtain input regarding what types of programs and services members would like incorporated into the new strategic plan moving forward.

In this issue of the Illuminator you'll find an article featuring comments from Bill Muir, President of Grand Rapids Label. Grand Rapids Label is the first company to be certified by Project L.I.F.E. and Bill shares

some insight and feedback regarding the certification process and ways his company has profited by becoming certified.

This issue also features details on the upcoming Converter Meeting in February. The date will be here before we know it and meeting chair Gary Cooper of Innovar Packaging Group has put together what looks like a fantastic program that will address both the current economic landscape and ways our members can sustain growth, and new technologies in our industry we should all be watching.

Wishing you a healthy and prosperous New Year.

**Frank Gerace**  
**TLMI Chairman**  
**President/CEO**  
**Multi-Color Corporation**

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## First Label Initiative for the Environment certification

### Grand Rapids Label Becomes First TLMI Member to Gain Project L.I.F.E. Certification

At the Annual Meeting in October, a presentation was delivered to attendees that outlined TLMI's new Project L.I.F.E. (Label Initiative for the Environment) program. Project L.I.F.E. was developed by TLMI in order to assist the association's members to find cost effective ways to reduce their companies' environmental footprint. Member interest in the initiative has been extremely high, and recently the program has certified its first company, Michigan-based Grand Rapids Label. TLMI Illuminator Editor Jennifer Dochstader recently spoke to Grand Rapids Label President Bill Muir about the certification process.



**Dochstader:** During the recent TLMI Webinar which featured Project L.I.F.E. you mentioned some advantages your company was realizing from going through the program's certification process. Some of these advantages included real bottom line savings. Can you elaborate on this?

**Muir:** The example I mentioned during the webinar was that the city came out and checked our water meter thinking it was broken because our usage was down by over 30 percent. What had occurred was that over the summer months we were taking a close look at our water usage – things like how frequently we were turning on the sprinkler system for landscaping. It's interesting to drive past company lawns on a summer's day when it's raining and you notice the sprinkler systems are on because they're automated and companies don't even think about that. This is just an example of where taking a closer look at what you're doing, which Project L.I.F.E. forces a company to do, helps a company save money.

Of course this is about being environmental and being green, but so much of this is about cost, too. There are so many things a company can do they're just not thinking about, things that make sense. It makes sense for us to reduce our water consumption. It makes sense for us to go away from solvents as much as we possibly can. These are environmental decisions but they're cost savings decisions as well.

What Project L.I.F.E. urges you to do is look at everything, piece by piece. For example we recently looked at one of the latest lighting technologies that has just been introduced – new LED fluorescent bulbs. We looked at the cost savings and ran an analysis examining how often we're changing lights and the cost to do that, but at the current price of these bulbs switching over now offers about a ten year payback. There's a part of that equation for us, especially given the economic times that we're in, where this is an upfront cost we're just not prepared to make at this time. But because of the due diligence and the analysis we've done, when prices for these bulbs drop, we've set a benchmark and know exactly what that price point has to be in order for converting over to make sense for us.

Part of what Project L.I.F.E. does within the organization is to allow me to more effectively push employees to think from an environmental standpoint. That's been a huge benefit because I've utilized it internally, helping my employees understand that they're on the leading edge of environmental practices for our industry. We had some of this with ISO 14001, but because Project L.I.F.E. is tailored to our industry, it's that much more effective.

**Dochstader:** Was there any resistance from employees at all when you started the certification process?

**Muir:** When I first brought it to people, there was definitely some interest in it. One of the things our employees liked about it, having been through the ISO 14001 process, was that Project L.I.F.E. didn't seem nearly as overwhelming as ISO can be. It was much more manageable from that perspective. We've done a lot of certifications, and a lot of those are customer-driven and sometimes there is resistance from employees when you bring them another certification program. Project L.I.F.E. wasn't that way, and this was a real benefit to the program.

It's all about improvement. Many companies have already embarked on the path of becoming more environmentally aware and doing these things. Even if a company isn't that far down that path, they can still claim they're making more of a concerted effort to do more of this because they want to realize improvement – and just by showing some improvement you're meeting some of the requirements of the certification. This is important. Some of these programs seem so daunting but Project L.I.F.E. isn't one of those programs.

**Dochstader:** For a label converter like yourselves, what are the conversations like with your customers when it comes to sustainability?

**Muir:** It varies. One of the things that becoming certified in Project L.I.F.E. does is that it gives you the opportunity to talk to your customers about it. I think that's an important aspect. Now we can approach our customers and tell them we want to share something with them, and we've put some materials together about the certification that have the Project L.I.F.E. logo on it. We have some customers who are insistent upon every aspect of sustainability. Money's no object with these companies, they want something that's completely recyclable or they want something that's completely post-consumer content. They're saying to us, "I want as green a label as I can get." This certification really carries weight with these companies. With other companies that might not be so concerned with environmental issues regarding packaging, this program gives us the opportunity to talk with them and start to educate them on how being environmentally conscious can benefit them. Either way, the certification is beneficial to us.

**Dochstader:** Say I'm a label company and I'm uncertain as to whether I should be certified. I'm

just not sure it's going to be worth the effort. What's your advice for this company?

**Muir:** Everyone has to make their own decision with this. Whether you do it or not, I strongly believe the things that are outlined in the process in terms of being able to do things that are going to save costs, streamline operations, etc. are going to make your business better. In some respects, if you're going to do those anyway – you might as well be become certified and have an asset you can deliver and talk about to your customers. With the economy like it is presently, any way you can differentiate yourself in front of customers and prospects is a bonus. It makes good business sense.

**Dochstader:** How was it dealing with the auditing company, NSF International?

**Muir:** They were very helpful. The people we had that came in here were very knowledgeable and very professional. They recognized things that we were doing, and they recognized if we were trying to make an effort, which I think is important; and at the same time they were offering helpful suggestions as well. They brought flexibility into the process, which isn't always the experience with auditors. They were willing to work with the formats that we already had in place, which I think is very important.

*Much more information is available at the Members Area of TLMI's website [www.tlmi.com](http://www.tlmi.com).*



# R&D Tax Credit Now a “Tier I” Audit Issue: Does the Reward Outweigh the Risk?

The IRS recently elevated the Research & Development (R&D) Tax Credit to a “Tier I” Audit Issue. This is significant because it can substantially reduce the credit allowed by the IRS or in some cases disallow the entire credit if the proper substantiating engineering documentation is not in place.

Here’s the link to the IRS Directive:  
<http://www.irs.gov/businesses/article/0,,id=169273,00.html>

The Research and Development (R&D) Tax Credit (also known as the Manufacturing Tax Credit) was created by Congress as part of the Economic Recovery Tax Act of 1981 to encourage American industry to invest in research and development activities. The purpose of the credit was to stimulate R&D activities among businesses through tax incentives and to keep or even increase manufacturing jobs here in the U.S..

Although it is not permanent, it has been extended every year except for one. Currently, it has not been extended for 2008 but legislation is in place to extend it and in some cases to make it permanent.

Initially, only larger companies were able to take advantage of the credit. Realizing that a majority of innovation in the U.S. was in fact transpiring from small to mid-size firms, Congress in 2001 liberalized the statutory requirements to enable small and mid-size companies (SMBs) across the country to take advantage of the R&D benefits.

Specifically, the new regulations provided that companies were no longer required to maintain precise timesheets documenting every hour an employee spent conducting qualified R&D activities. Furthermore, the research no longer had to result in a product that was new to the industry; instead, the resulting product or process simply had to be new to the company that developed it.

Because the IRS broadened the rules in 2001 to enable smaller to mid-size companies to rightfully take their credits, there has been a flood of claims into the IRS. Naturally, and given the large size of the credit, the IRS has discovered that numerous claims filed by companies themselves or through the help of “engineering” firms have been wholly defi-

cient in their documentation and substantiation of the claims they are making.

These “engineering” firms have been found to use inadequate approaches and many are not properly staffed with engineers and intellectual property attorneys with engineering backgrounds, both of which are needed to perform a proper study that can withstand any potential IRS Audit. As a result, the credits were “shrunk back” significantly or disallowed completely.

As a result, in April 2007 the IRS designated the R&D credit as a “Tier I” Audit Issue.

The IRS has a separate department for R&D Tax Credit audits. The department auditors are now comprised of engineers and IP attorneys because of the nature of the R&D Tax Credit “engineering” report requiring knowledge of both engineering and pertinent law.

One of the IRS’s biggest concerns is that the some companies’ “engineering” reports are in fact written by individuals with no engineering or scientific background and that “no nexus” is established between a company’s qualifying expenditures and qualifying activities. Their documentation should directly connect the project to the employee and the estimated time spent on that project to each of the years under engagement. It is the most thorough methodology accepted by the IRS today.

So do the rewards outweigh the new, elevated risk level? Let’s take a look at some typical potential credits.

The following industries have benefited from taking the R&D Tax Credit:

- Manufacturing
- Fabrication
- Engineering
- Software Development
- Architecture
- Tool and Die Machine Shops
- Electronics
- Biotechnology
- Pharmaceutical
- Food Sciences & Agro-Business

Here are a few examples of companies and their Net R&D Tax Credit:

1) Tool & Die Shop

Average 4 year payroll of \$3.5 Million. Net Credit Benefit for 2004 thru 2007 tax years: \$200,000

2) Foam Products Manufacturer

Average 4 Year Payroll of \$19.5 Million. Net Credit Benefit for 2004 thru 2007 tax years: \$1,200,000

3) Software Company

Average 4 Year Payroll of \$6.5 Million. Net Credit Benefit for 2004 thru 2007 tax years: \$500,000

4) Custom Plastics Products Manufacturer. Average 4 Year Payroll of \$11.5 Million.

Net Credit Benefit for 2004 thru 2007 tax years: \$700,000

As you can see the R&D Tax Credit can be substantial for small and mid-size companies especially if you consider what revenue might be required to generate an equivalent profit.

In summary, the R&D Tax Credit rewards far out weigh the current elevated risk assuming a company properly documents and substantiates their calculations. With the current rules in place for the R&D Tax Credit, many SMBs have and will continue to take advantage of this lucrative tax incentive. With R&D Studies now being a Tier I Issue, it is even more critical that you choose a consulting firm that will provide a Study with all the tax credits to which your company is entitled and displays the confidence to back up those claims by assuming most of the audit risk with no additional fees.

Here are some suggestions when choosing a consulting firm to perform your R&D Tax Credit Study:

1) Choose a True Engineering Firm: Ask for the biographies of the individuals on their production staff and determine if each individual involved with your Study is either an intellectual property attorney with an engineering background, or an engineer.

2) Choose a firm that uses a Comprehensive Project-by-Project Approach: Determine whether the Company will utilize a comprehensive project-by-project approach as well as establish a detailed "nexus" of QRE's to QRA's. One of the IRS's biggest concerns is that the some companies' "engineering" reports are in fact written by individuals with no

engineering or scientific background and that "no nexus" is established between a company's qualifying expenditures and qualifying activities. Their documentation should directly connect the project to the employee and the estimated time spent on that project to each of the years under engagement. It is the most thorough methodology accepted by the IRS today.

3) Choose a Firm that Assumes the Risk: To begin a project, most firms will ask to bill by the hour (sometimes with a cap) or sell on a lump fixed fee. This approach carries too much client side risk because there are too many variables that simply cannot be foreseen at the beginning of the project. Choose a firm that is willing to assume most of that risk and for a nominal fee to answer all of those variables by determining the following:

1. What your credits actually are, per year.
2. What your exact utilization of those credits will be.
3. What your base % is and whether that affects your utilization.

4) Choose a Firm that Includes Audit Review in Their Fee: Since the IRS has elevated R&D Studies to a Tier I issue, there is a greater chance for an audit and the onus is on the taxpayer to substantiate their credits. It is imperative that the consulting firm you choose be willing to accept the risk of an audit should it occur and include the audit review as part of their fee. They would do this only if they felt confident enough that their numbers were correct and their Engineering Report could withstand the scrutiny of the IRS Auditors. Otherwise, you have an open ended situation where you will have to pay that firm or legal counsel on an hourly basis.

5) Choose a Firm that Provides References: Always ask for references and preferably those in your industry.

*About the Authors:*

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www.ParadigmLP.com.

# TLMI INDUSTRY NEWS

## An addition to customer service



3 Sigma Corporation, a leading supplier of pressure-sensitive and other materials to the label industry, has responded to increased business in recent months by expanding the 3 Sigma customer service staff. The latest staff addition is Susie Anderson, who brings an

exceptional background in customer support serving both business-to-consumer and business-to-business companies. She has extensive knowledge of major retail network fulfillment systems, including Wal-Mart, Target, Sears and Meijer. In addition to customer service expertise, Anderson also has functional experience in retail analysis, inside and outside sales, and office management. She ran a home-based business for several years. A welcome addition to the 3 Sigma staff, Anderson is anxious to work with 3 Sigma customers.

3 Sigma has been a fast-growing, resourceful innovator of specialty pressure sensitive adhesive coated products. 3 Sigma offers expertise in solvent, emulsion, and hot melt technologies, to provide the optimum solution for any label need. Quality teams monitor and inspect material throughout the manufacturing process according to ISO 9001:2000 guidelines, to ensure that 3 Sigma customers receive the best label stock available.

[www.3sigma.cc](http://www.3sigma.cc)

**SAVE THE DATE!**  
**2009 TLMI**  
**Technical Conference**  
**September 8 - 10, 2009**

## 100th Installation in China

Mark Andy Inc., joined with distributor United Printing Equipment & Materials Corporation to celebrate the 100th installation of Mark Andy Inc. equipment in China. The celebration was held November 14, 2008, to coincide with the All In Print 2008 tradeshow in Shanghai and honored the recent Mark Andy XP5000 sale to New Faith Hi-Tech Printing Ltd. in Guangzhou. Greg Palm, vice president of Mark Andy Inc. and Benny Shaw, board chairman of United Printing presented the 100th installation award to Chen Jiandong, general manager of New Faith.

More than 200 printing industry professionals from the region were in attendance at the event, including Wu Wenxiang, honorary chairman executive of Printing Technology Association of China, Xu Jinfeng, vice chairman executive and secretary-general of Printing and Printing Equipment Industries Association of China (PEIAC), Tan Junqiao, senior adviser of Printing and Printing Equipment Industries Association of China (PEIAC), Shen Haixiang, vice chairman executive of Printing Technology Association of China, and Xu Wencai, vice president of Printing and Packaging Engineering of Beijing Institute of Graphic Communication.

"Mark Andy is committed to the China market," states Mary Sullivan, director of global marketing, Mark Andy Inc. "We are encouraged by the relationships we have developed with New Faith and other respected customers and industry professionals in the region. We look forward to further enhancing these alliances as we move forward."

"The United Printing team has worked hard to realize such great success," comments Peter Chen, general manager of United Printing, "but we could not have achieved this milestone without the support of the flexo printing industry, Mark Andy Inc, and most importantly, our valued customers."

As leaders in the Chinese flexo printing industry, Mark Andy and United Printing are focused on growing the flexo printing market and further developing flexo printing technologies in China. Committed to providing high-quality products and services worldwide, Mark Andy is honored to be the first international flexo press manufacturer to establish one hundred presses in China.

[www.markandy.com](http://www.markandy.com)

## India Label Show lays strong foundation

The India Label Show, organized by Labelexpo Global Series, that took place on 3-6 December at Pragati Maidan New Delhi, was hailed a great success.

Despite the atrocities in Mumbai just five days previously, which caused a number of people to cancel their travel plans, the event attracted nearly 5,000 visitors from India, Europe, Australia and the Middle East. It was a tremendous effort demonstrated by the label industry in India, and the show attendees displayed their utmost commitment to the industry's development and growth.

The exhibition had almost 200 exhibitors with plenty of working machinery on display. There were live demonstrations running continuously throughout the duration of the show. Nilpeter, Gallus, Gidue, HP, Jandu, Rotatek, Weldon Celloplast were among the most attended stalls where visitors had a unique opportunity to see the latest technology in action, ask questions and experience the entire label workflow first-hand. The show achieved its primary role - to gather the best examples of machinery and materials from a wide variety of international and Indian manufacturers and enable visitors to compare technology and make their decisions on future investments. And many exhibitors noticed how focused and knowledgeable the visitors were - they came prepared to discuss their opportunities and plan the future growth of their business according to its potential.

"I was pleasantly surprised to see such a focused crowd", said Mrs Cristina Toffolo, Managing Director of Gidue. "Visitors to our stand were very well-prepared, they knew what they were looking for and our team were eager to answer their questions."

Samir Patkar, Business Manager of Gallus added: "In the current situation of the credit crisis and the tragic terror attacks in Mumbai the India Label Show delivered the right audience for us. The quality of attendees was very high, we saw approximately 80% of our customers who were willing to do business with us. It is a great result for us."

In addition to the exhibition, the India Label Show ran conference sessions on the first three days of the show. The conference was chaired by Mike Fairley, world-renowned label guru, and Andy Thomas, Managing Editor of Labels & Labeling. The conference explored the most important subjects in the label community, among which were: brand protection, the future of digital technologies, end user requirements

and successful print buyer - converter partnerships. The panel discussions had a mix of end users, designers, converters and suppliers; there was a lively discussion from the floor as label experts reviewed challenges facing the label industry in India and pondered on best solutions for suppliers, converters and designers to jointly deliver a successful product for the end-user. Brand owners, Colgate, Moser Baer, Unilever, Ranbaxy, among others, made a very valuable contribution to the debates.

On the first evening of the show, the Labels Group organized the Indian Label Awards 2008 on behalf of LMAI (the Label Manufacturers Association of India). At the gala evening which had 650 attendees, the best Indian printers and converters were recognized and awarded for their excellence and contribution to the advancement of the Indian label industry. Manish Desai, the President of LMAI, and Roger Pellow, Managing Director of the Labels Group, were joined on stage by Ms Mandira Bedi, a Bollywood star who orchestrated a glittering evening of award presentations and entertainment. Raj Srivinasan, Managing Director of Avery Dennison India, said he was honoured to be involved in the LMAI awards and in his leadership of the company in India he pledged full commitment to the growth and development of the label industry in India.

Roger Pellow, Managing Director of Labels Group, commented on the India Label Show:

"I am very pleased with the results we've had at the India Label Show. This is the first exhibition that the Tarsus Labels Group has organized in India and considering the very difficult economic situation and the terrible atrocities that happened recently in Mumbai, the feedback that we've had is that the who's who of the Indian label industry were at the show, the printers came to do business and the quality of attendees was excellent.

"My team and I really enjoyed the show and we are very pleased to be able to support the Indian label industry and help in its growth and development. We felt that it was very important that we should continue with the planned show expressing our solidarity to the Indian label industry despite the difficult circumstances. I would like to thank all our exhibitors and visitors for their loyalty and support. We look very much forward to returning to India in 2010 when the show will be bigger and better."

[www.labelexpo.com](http://www.labelexpo.com)

## JV for Flint Group

Flint Group and Lindgens Metal Decorating Coatings & Inks today announced the signing of a Joint Venture agreement comprising Flint Group's metal decorating inks business in Australia and New Zealand.

In May Flint Group acquired the metal decorating inks business as part of the acquisition of Siegwerk's packaging inks business in Australia and New Zealand. Lindgens specialise in inks and coatings for metal decoration and today is a major player in this market.

"We are combining resources to bring more value to our customers. Flint Group brings invaluable industry experience and a strong local presence, while Lindgens bring their expertise for this specialty application. An excellent partnership," says Charles Knott, CEO of Flint Group.

"Lindgens is delighted to be joining forces with Flint Group in Australia and New Zealand to build on the work we have been doing in Metal decorating in these markets over the past years. This partnership will allow Lindgens to bring considerably more focus and resource to ANZ and we look forward to the opportunity to work together with the many metal decorating customers in this region", says Andrew Garner, CEO of Lindgens Group.

The joint venture will be located in Hallam, Australia.  
[www.flintgrp.com](http://www.flintgrp.com)

## Footprint reduced

The Fasson Roll North America division of Avery Dennison Corporation has developed a focused team armed with Enterprise Lean Sigma (ELS) tools and methods to support the Corporation's goal to reduce waste sent to landfills in North America by ten percent when compared to 2007 levels. In pursuit of this goal, the divisional team has gained tangible results by annually diverting 94 truckloads of material going into a landfill.

The Company's Lean initiative is focused on the continuous improvement of business practices. It empowers employees to identify and implement beneficial changes in how work is done, resulting in enhancing enterprise-wide value through every product, process and service.

"Using ELS tools we systematically eliminated waste on multiple fronts," states Kent Packer, supply chain manager for Fasson Roll North America. "This ongoing

effort has been rewarded with breakthrough results. At the same time we have continued to expand our waste reduction service offerings with our newest Fasson Ready Width™ service."

In the specific case of preventing landfill waste, a focused internal team reviewed the Fasson EXACT™ service program. As they studied the needs of these customers and analyzed the trim waste of existing master rolls, they streamlined a process that took better advantage of master rolls widths resulting in less trim. The added benefit was a significant reduction of trim waste – up to 7.6 tons/day – delivered to and placed in local landfills falling in line with the Corporation's goal to improve their environmental footprint.

[www.fasson.com](http://www.fasson.com)

## Award for Toray

Toray Industries, Inc., has been awarded the United Nations Association of New York's (UNA-NY) 2008 Humanitarian Award for its efforts to address the impact of global climate change. The award was presented at a gala dinner held in late October at the United Nations that focused attention on the importance of environmental sustainability. Mr. Sadayuki Sakakibara, President and CEO of Toray Industries, accepted the award for the company, whose material and technology advancements help save energy and resources. Also in attendance were Richard Schloesser, President and COO of Toray Plastics (America), Inc. ([www.torayfilms.com](http://www.torayfilms.com)), Mitch Adamek, Senior Vice President and Chief Procurement Officer, PepsiCo, and Paul Zmigrosky, Group Vice President, Frito-Lay North America Strategic Sourcing, World Wide Ingredients & Commodities, PepsiCo. The UNA-NY's 2008 Humanitarian Award was also presented to Ban Ki-moon, secretary general of the United Nations, and Olafur Ragnar Grimsson, president of Iceland.

"Toray Plastics (America) is proud to be part of a global enterprise that takes very seriously the challenge and responsibility of protecting the environment. Receiving the UNA-NY's 2008 Humanitarian Award is a great honor for Toray," said Richard Schloesser, President and COO of Toray Plastics (America), Inc. "Our commitment to being a responsible steward of the planet makes good sense, environmentally, socially, and economically, for the community in which we work, as well as the global community."

Toray Industries offers the global community a variety of environment-friendly technologies, including reverse-osmosis membranes, which are being used to create 14 million tons of clean water everyday for 60 million

people, and carbon fiber composite materials used for building aircraft that is 20 percent lighter than conventional aircraft and will use less fuel and help reduce greenhouse gas emissions. For its part, Toray Plastics (America), Inc., has been diligent for years in the research and development of thin high-barrier packaging films that support source reduction and reduce transportation costs and is actively researching and developing bio-films, all of which contribute to environmental sustainability and help to better serve such socially responsible corporate citizens as its customer Frito-Lay North America.



Mr. Sadayuki Sakakibara, President and CEO of Toray Industries, Inc., who accepted the United Nations Association of New York's 2008 Humanitarian Award for the company, is joined by Richard Schloesser, President and COO, Toray Plastics (America), Inc., Paul Zmigrosky, Group Vice President, Frito-Lay North America Strategic Sourcing, World Wide Ingredients & Commodities, PepsiCo, and Mrs. Janet Schloesser.

In his acceptance speech, Secretary General Ban Ki-moon acknowledged the growing role of corporations, like Toray Industries, in addressing climate change. Mr. Sakakibara said that global warming is a serious problem for the planet and that everyone, especially the business community, has a responsibility to take bold actions to protect against it. He pledged that the company would continue to focus its R&D on ensuring the sustainable growth of society and the health of the planet.

[www.torayfilms.com](http://www.torayfilms.com)

## New Application Development Team

Leveraging its industry longevity and research expertise, MACtac® is opening the door to the development of exciting new innovations with its recently formalized Application Development Team. The Application Development Team was assembled to work collaboratively with customers to provide product and process solutions for the industries MACtac serves,

including the labels and labeling industry, which often presents extremely tough challenges.

MACtac has dedicated the resources, talent and equipment necessary to support the team, which is composed of professionals with extensive experience in several key manufacturing disciplines, as well as company executives.

For customers, working with the Application Development Team is comparable to working with a personalized Research and Development (R&D) department that offers a unique margin of difference through new and refined solutions. The team's focus is to help customers improve their product portfolios and process management activities by acting as a true R&D partner. As various markets within the pressure-sensitive adhesive industry continue to evolve, finding innovative new approaches will allow MACtac's customers to better adapt to the changes.

"With the creation of the Application Development Team, MACtac is reinforcing its dedication to our customers and its commitment to delivering to the industry the most effective solutions for the toughest challenges," said Ed LaForge, vice president of marketing, MACtac North America.

Working collaboratively, the Application Development Team applies the expertise of its members to evaluate the specific needs and unique challenges voiced by customers to determine whether a solution can be developed. If a solution can be developed, the team, which meets four out of five days a week, immediately begins solution development. For challenges that, at present, can't be met, the team communicates with customers within a few days to recommend an alternative solution.

"The Application Development Team has been a great resource for our customers, helping them meet some of their longest-standing business challenges," said Mark Tangry, vice president of sales, MACtac North America. "The sales force is committed to continuing to work with customers to help them address their unique challenges and on finding unique applications to address industry-wide issues."

Already recognized as an industry innovator, MACtac approaches the industry's challenges as opportunities to reach beyond traditional solutions to create the 'only' solution. "We're redefining traditional product development," LaForge said. "Our Application Development Team thrives on the unique, so the larger and more complex the challenge, the better."

[www.MACtac.com](http://www.MACtac.com)

## Addition to technical sales



Water Ink Technologies is pleased to announce the addition of Pat Yates to its technical sales staff. Pat has over twenty years of UV rotary screen experience in both manufacturing and in technical support for customer applications. Pat will be based in Charlotte, NC at Water Ink's UV plant and provide technical support and training for their complete line of silicone-free UV rotary screen inks.

[www.waterinktech.com](http://www.waterinktech.com)

## Joint venture announced

WS Packaging Group, Inc. and ASK, a France-headquartered company with worldwide customers, have formed ASK-intTag LLC, a joint venture that will manufacture and market contactless cards and tickets for U.S. and Canadian markets.

The new company will be the first RFID manufacturer in the U.S. to print silver-based inlays on paper, the composition of which is highly resistant to forgery. ASK-intTag will produce a range of products for markets involving food, healthcare, gaming, event ticketing, secure identification, financial bankcards and mass transit, among others. Initial production will focus on secure identification, financial bankcards and mass transit.

ASK is the leading global manufacturer of contactless microprocessor smart cards, contactless cards and paper tickets, and RFID smart paper labels with over 120 million products in circulation worldwide. Contactless cards and tickets developed by ASK are already being used in transportation networks in several large U.S. cities, including San Francisco, Los Angeles, San Diego, Houston, Atlanta, Minneapolis and Philadelphia.

Combining ASK's position as a world leader in contactless technology with our capabilities as one of the largest printing and label converting operations in North America enables our two companies to bring our respective experiences and expertise together to become a major factor in contactless technology and its application in North America," said Terry Fulwiler, chief executive officer for WS Packaging.

"ASK has been dedicated to contactless technology since its creation in 1997 and we are very excited to be joining with such a prominent expert in RFID," Fulwiler said.

"Combining our long experience and expertise in printing and packaging with ASK's patented RFID technology is a perfect marriage that is designed to meet the increasing demand for contactless products in U.S. and Canadian markets."

Headquartered in Sophia-Antipolis, France, ASK also operates sales offices in Singapore and Culver City, Calif. ASK-intTag will be operated as a separate company. Potential U.S. manufacturing locations are under review, but expect to be finalized by January 2009.

"As a leading manufacturer of labels, WS Packaging Group was the perfect partner to boost our activity of RFID tags," said Bruno Moreau, ASK chief executive officer. "ASK has already strong references in the U.S. with clients involved in mass transit, banking and identity markets. But a joint venture with a U.S. industrial leader will enhance our market presence and contactless technology in the Northern American continent. Furthermore, our clients who requested a domestic manufacturing site will be pleased to benefit from ASK technology and WS Packaging's strong market presence."

The viability of ASK's technology is confirmed by the 54 patents it holds, and is further strengthened by a unique and environmentally friendly technology for printing a silver antenna on paper substrate and die chip attach process. More than 120 million users on all five continents have been served so far in transportation, banking, RFID and identity sectors.

"Bringing the manufacturing to the US, ultimately improves our value proposition in specific vertical markets," said Wayne Richter, WS Packaging chief manufacturing officer. "It gives us access to RFID technology currently being used, and further allows us to leverage ASK's rich heritage of research and development for custom RFID applications in the future. This arrangement will greatly enhance our position in the RFID market by raising our level of credibility and product scope."

[www.wspackaging.com](http://www.wspackaging.com)

## Acquisition completed

Rotoflex International, the industry-leading supplier of web inspection and finishing equipment has been acquired by MAI Holdings. The asset-only acquisition was finalized on December 11, 2008. The transaction marks a strong step for future business and growth plans for both Rotoflex and its new owners.

As the global leader among inspection and finishing equipment, Rotoflex will retain its focus on delivering innovative and customer-centric designs. It will maintain an independent brand presence, building on an already strong platform of progressive innovation, creative solutions and advanced technology. The immediate plan calls for heightened focus on the customer through Rotoflex sales continuity and improved worldwide support. In addition, the implementation of new operational efficiencies will allow Rotoflex to build and deliver a higher level of customer satisfaction.

Regarding the future of Rotoflex, Paul Brauss, CEO of MAI Holdings states this addition is "simply an incredible fit that will result in a stronger, stable business that will carry on the proud tradition of Rotoflex's 35 years of leadership. We are combining the number-one, internationally recognized finishing equipment brand with world class operational excellence - an unbeatable combination. We deeply value the commitment of Rotoflex to understanding customer needs, innovative product designs, and industry leadership. We are pleased to have found a partner with such strong values."

Val Rimmas of Rotoflex calls the purchase "a game-changing development. This new ownership complements and enhances Rotoflex's value proposition by bringing efficiencies to our operation to better respond to our customers and maintain a leading position in the market. We see a bright future with a solid foundation for success."

[www.rotoflex.com](http://www.rotoflex.com)

## A date for your diary.....

Digital Label Summit 2009 will take place on 24-25 March 2009 in Barcelona. This two-day conference and table-top exhibition will provide you with the opportunity to network and do business with some 30 label industry suppliers, including HP, Xeikon and EskoArtwork, learn about industry trends and developments, and give you the solutions to rationalize business decisions.

Digital Label Summit 2009 is not only aimed at people who are already using digital but most importantly at people who are thinking of going digital.

Digital Label Summit 2009 will also have a strong educational element with its 12-session conference program. Topics include:

- \* Facing the challenge of the global market place
- \* Developing an integrated digital workflow
- \* How to combine digital and conventional printing
- \* Making digital printing an active tool for brand protection

This is an event not to be missed. Put it in your diary today!

Digital Label Summit 2009 is brought to you by the Labelexpo Global Series, with over 30 years' experience in the label industry.

[www.digital.labelsummit.com](http://www.digital.labelsummit.com)

## Membership

We welcome the following companies who have been approved for TLMI membership:

## Converters:

### Gold Coast Graphics, Inc.

425 Klug Circle  
Corona, CA 92882

Phone: 951-270-1664  
Fax: 951-272-8347

Website:  
[www.goldcoastgraphicsinc.com](http://www.goldcoastgraphicsinc.com)

Primary Contact: **Randall Nicola** – General Manager  
Email:  
[micola@goldcoastgraphicsinc.com](mailto:micola@goldcoastgraphicsinc.com)

Description: Formed in 1997, Gold Coast prints labels, tickets & tags and packaging.

### Envision Label Inc.

712 Valley Ridge Circle  
Lewisville, TX 75057

Phone: 972-829-8060  
Fax: 972-829-8059

Website:  
[www.evisionlabel.com](http://www.evisionlabel.com)

Primary Contact: **Gary Dunlap** – President  
Email:  
[gary@envisionlabel.com](mailto:gary@envisionlabel.com)

Description: Products and service include: Prime/process labels, thermal labels, pinfeed labels, coupon/piggy-back labels, bar code labels.

### Papel Y Etiquetas Millennium Sa. Cv.

Rayon 301, Col. Zapata  
Monterrey N.L.  
Mexico 64390

Phone : 281-8373-5265

Website:  
[www.millenniummexico.com.mx](http://www.millenniummexico.com.mx)

Primary Contact: **Alfonso Rubio** – President  
Email: [jarubio@prodigy.net.mx](mailto:jarubio@prodigy.net.mx)

Description: Manufacturer of labels.

## Suppliers:

### Screen USA

5110 Tollview Dirve  
Rolling Meadows, IL 60008

Phone: 847-870-7400  
Fax: 847-870-0149  
Toll Free: 800-372-7737

Website: [www.screenusa.com](http://www.screenusa.com)

Primary Contact: **Ralph Abdelhak** – Marketing Director  
Email:  
[rabelhak@screenusa.com](mailto:rabelhak@screenusa.com)

Description: Commercial, digital and packaging equipment. New products include workflow management solution, desktop flatbed scanners, imagesetters and digital printing systems.

## Calendar of Events

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2009 TLMI Converter Meeting  
February 22 – 25, 2009

Digital Label Summit 2009  
24 - 25 March, 2009  
Barcelona, Spain  
[www.digital.labelsummit.com](http://www.digital.labelsummit.com)

Label Summit Latin America 2009  
28 - 29 April  
Sao Paulo, Brazil  
[www.brazil.labelsummit.com](http://www.brazil.labelsummit.com)

2009 TLMI Technical Conference  
September 8 - 10, 2009

2009 TLMI Annual Meeting  
October 18 – 21, 2009

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