

# Image-to-Print

Printing Technology & Innovation Days

**Market Trends & Innovations  
in Flexible Packaging**

Rudi Weis-Schiff

Janoschka | 27<sup>th</sup> of November 2013

Warsaw, Poland

## Janoschka today...

...is one of Europe's biggest Network  
for Pre-Press and Print Color Management  
for the Packaging Industry, with 25 production sites in 14 countries.

As a family-owned business  
Janoschka has grown since its beginnings in 1976  
by combining top talent,  
state-of-the-art technology,  
customer proximity and service.

**Janoschka** | the biggest Network in Europe with production sites in Asia (Malaysia and Vietnam), India and Latin America (Argentina, Mexico)



## Production Sites in Europe

Janoschka delivers gravure cylinders for Flexible Packaging to more than 150 printers in 23 countries in central Europe:

Geographical proximity of our production sites are key elements in our industry for several reasons:

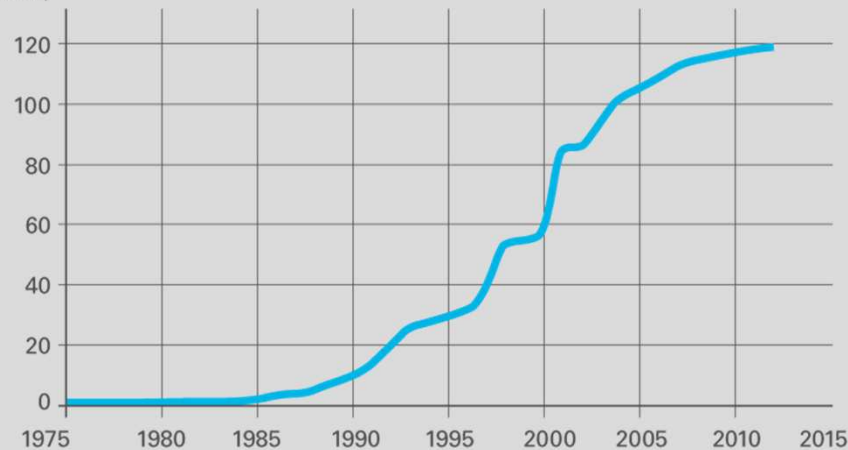
- Language
- Flexibility
- Speed
- Security
- Short transport time
- Reduced costs
- Reduces CO<sub>2</sub> emission



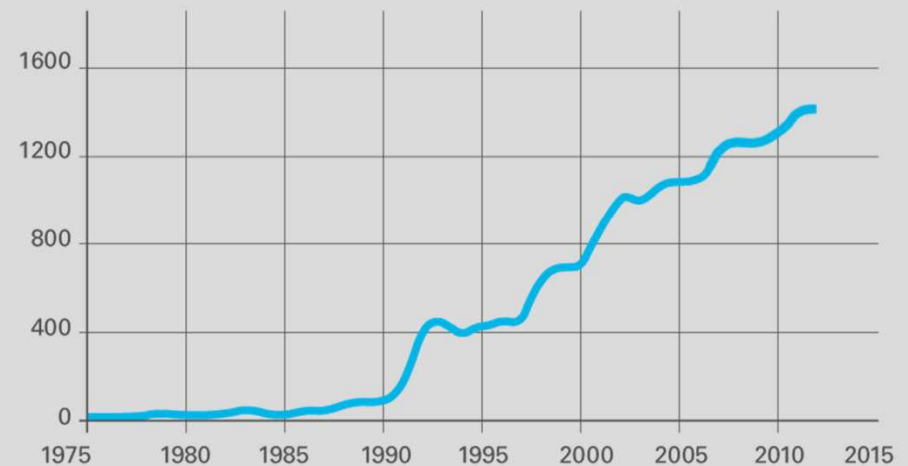
## Continued Success

Since its foundation in 1976, the family-run company can look back on successful business development.

Total revenue  
(in mio Euros)



Personnel



## Key Figures 2012

### ■ Turnover:

– in Mio. EUR .....	120
---------------------	-----

### ■ Reproduction:

– Artworks .....	100.000 pc.
– Graphic Operator .....	300 pers.

### ■ Print form production:

– Print forms produced .....	200.000 pc.
– Steelbases produced .....	50.000 pc.
– Photopolymer-plates.....	25.000 m <sup>2</sup>
– Elsatomer-Sleeves.....	9000 pc.
– Direct-Laser Systems / Schepers-Laser .....	7/5 units
– Think Laser .....	3 units
– Helioklischographs (Hell, Ohio, Daetwyler) .....	90 units

## Our Markets

### FMCG Packaging

food, personal care,  
home and  
pharmaceuticals



### Decorative

laminates, napkins, gift wrap, wall paper

### Tobacco Packaging

cigarettes, tipplings

\* Group figures



## True to its origins

### Headquarters of the family-run company in Kippenheim



- Research and Development
- Janoschka Academy (internal and external trainings)
- Basis for standardized processes, KPIs, etc.
- Investment, purchasing, administration



## Our Services

We are a service provider, focusing on 3 main services:

### 1. Repro & Graphic Services



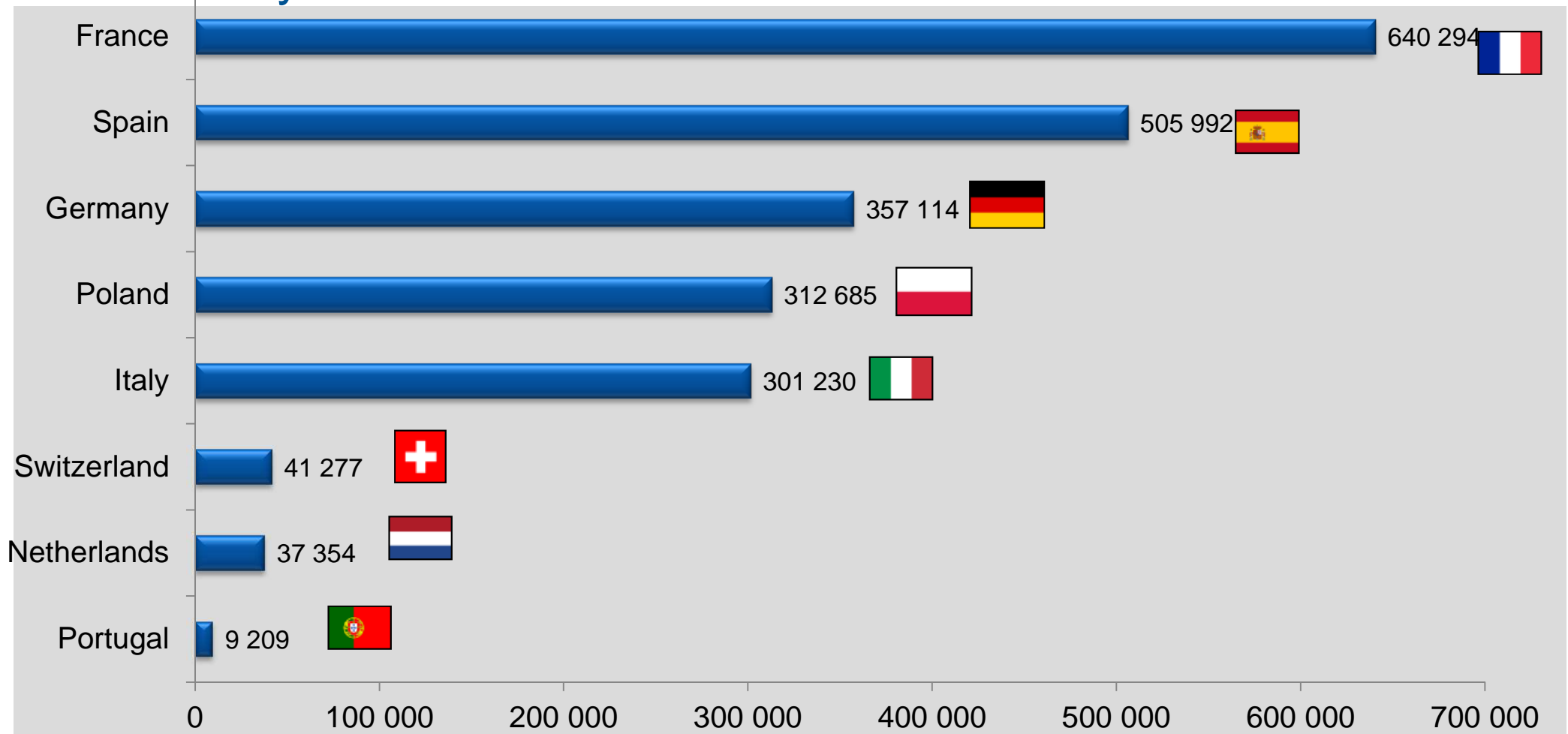
### 2. Gravure Cylinders and Flexo Plates



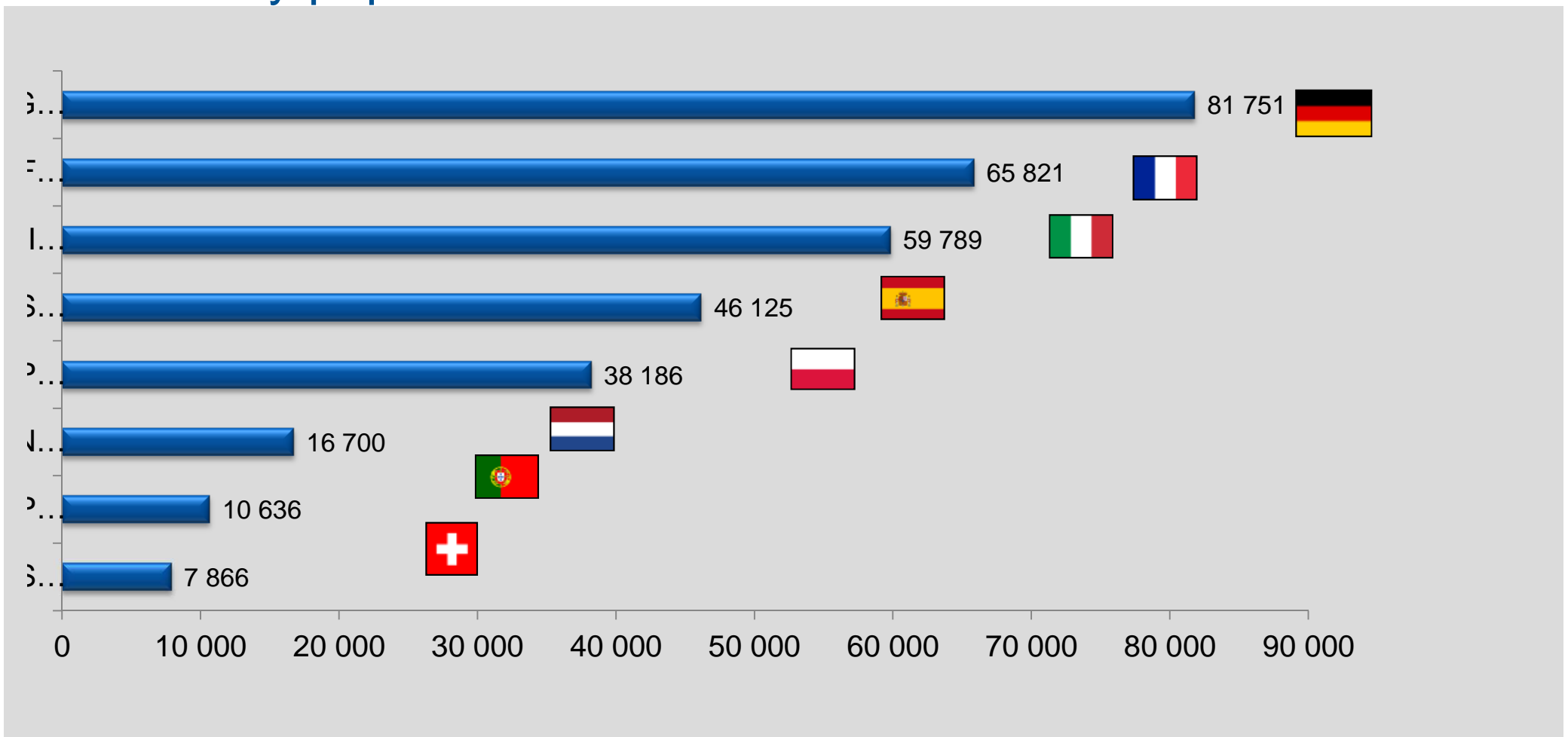
### 3. Bases and Sleeves



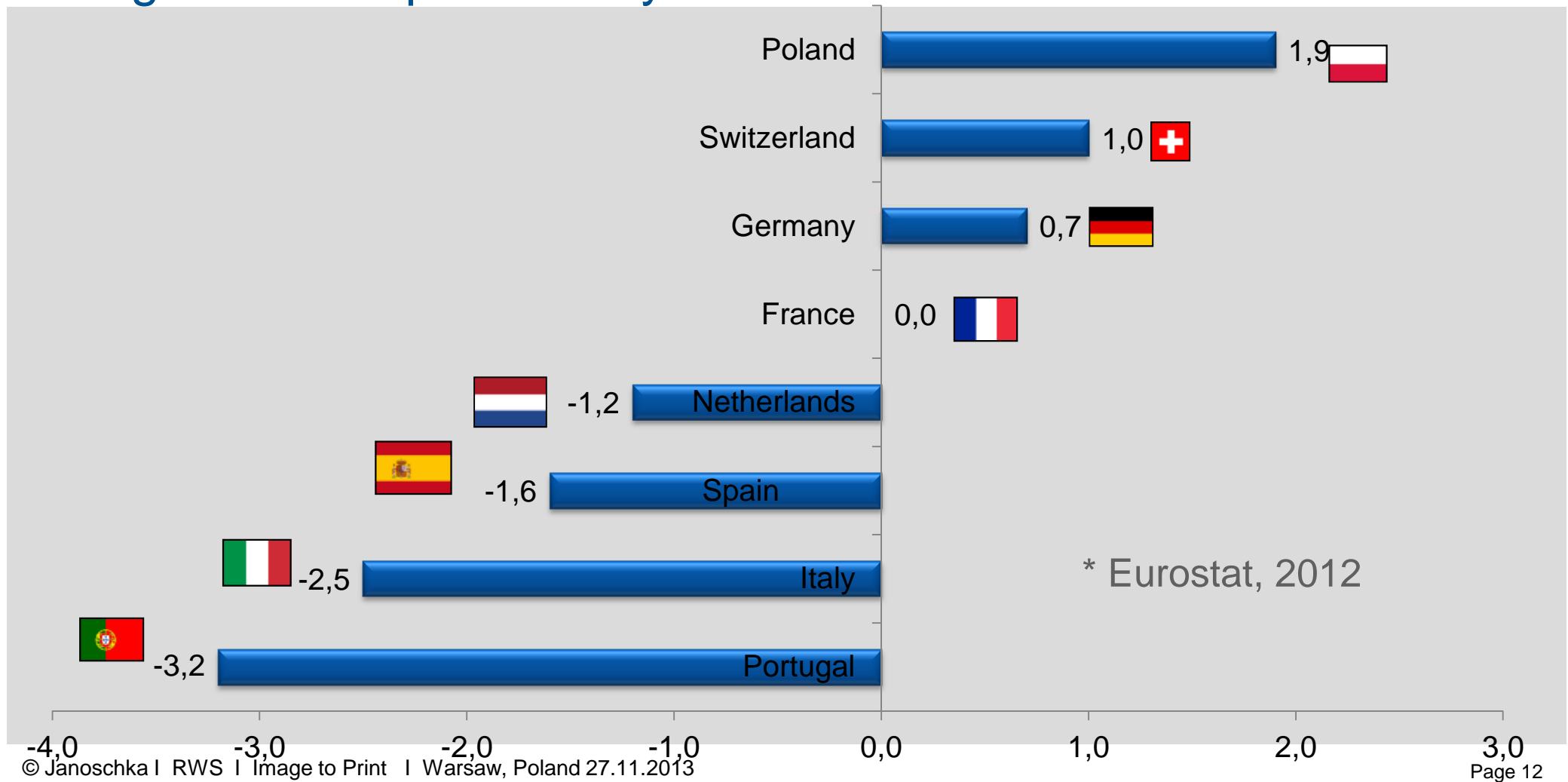
## Countries by total area in km<sup>2</sup>



## Countries by population

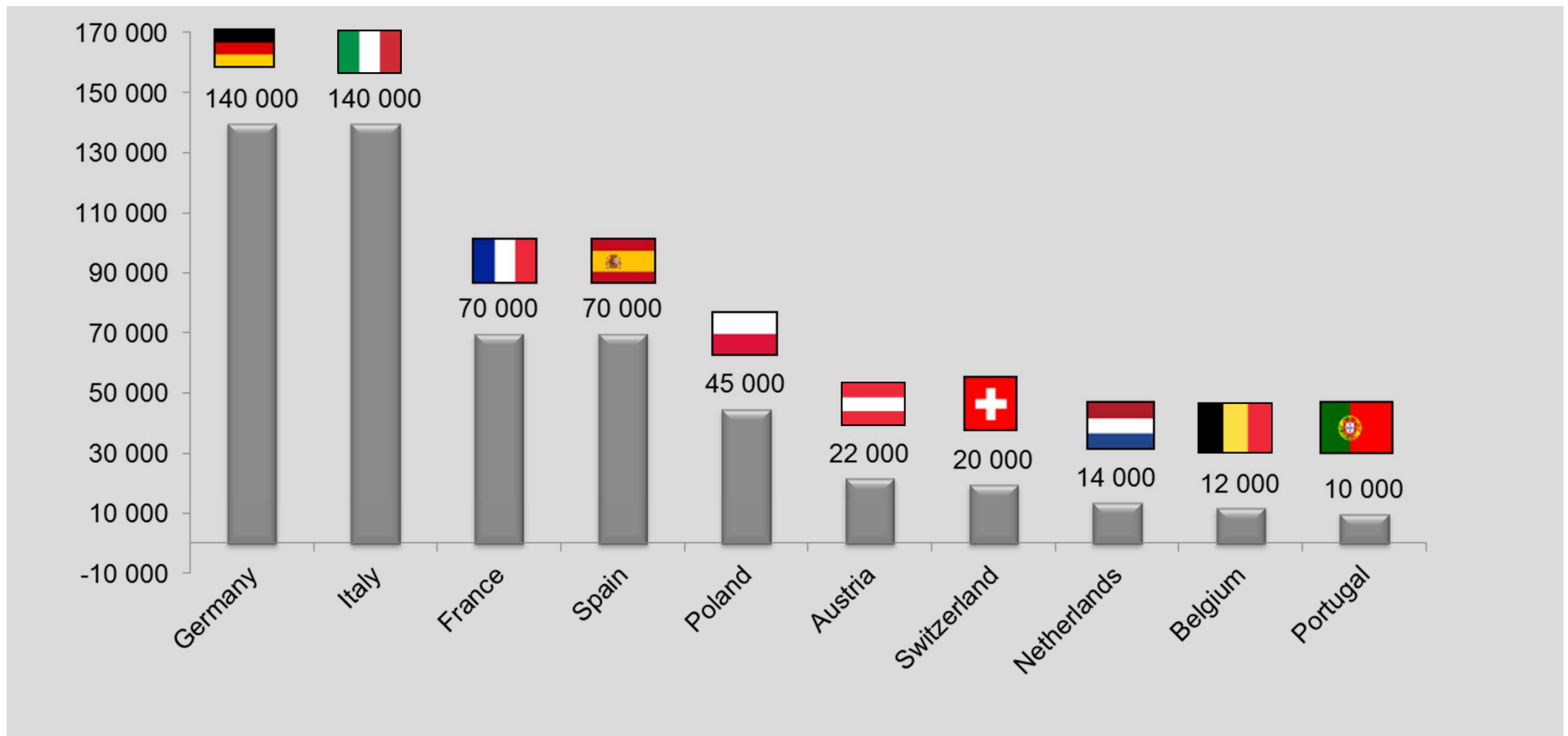


## GDP growth rate per country\*



## SBU Printers I Flexible Packaging

Market estimation 2012 in number of gravure-cylinders by country



## Janoschka Polska

- was founded in 1998
- first cylinder engraver and repro supplier in Poland
- 8000 cylinders per year
- 3,2 Million € of revenue (13,4 M PLN)
- 40 employees



## Our customers: major printers



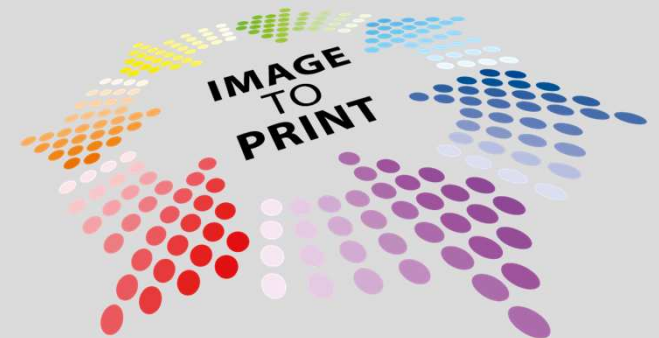


## Our customers: major printers

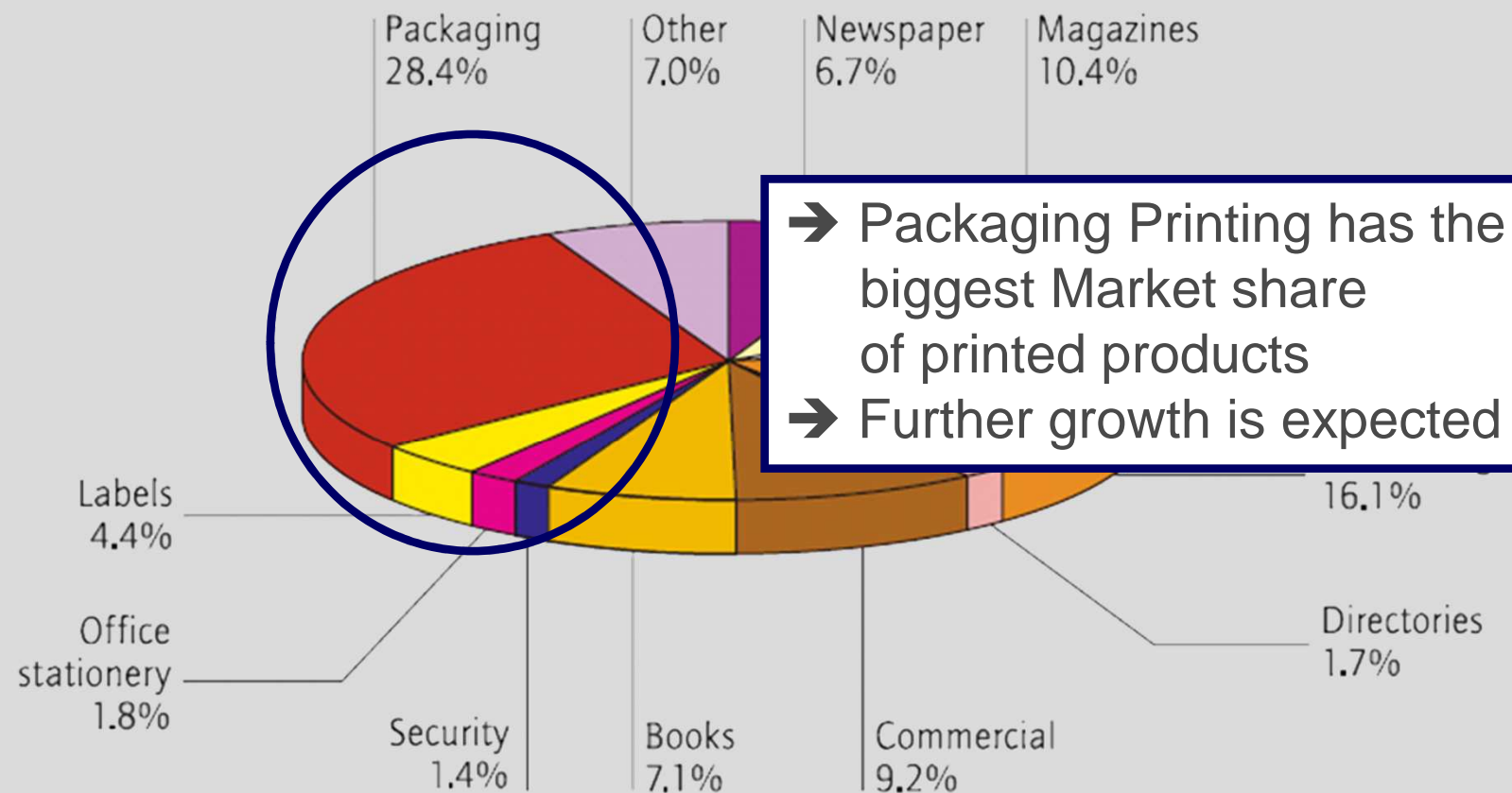


# Trends in Flexible Packaging in Europe and the World

Rudi Weis-Schiff  
Janoschka

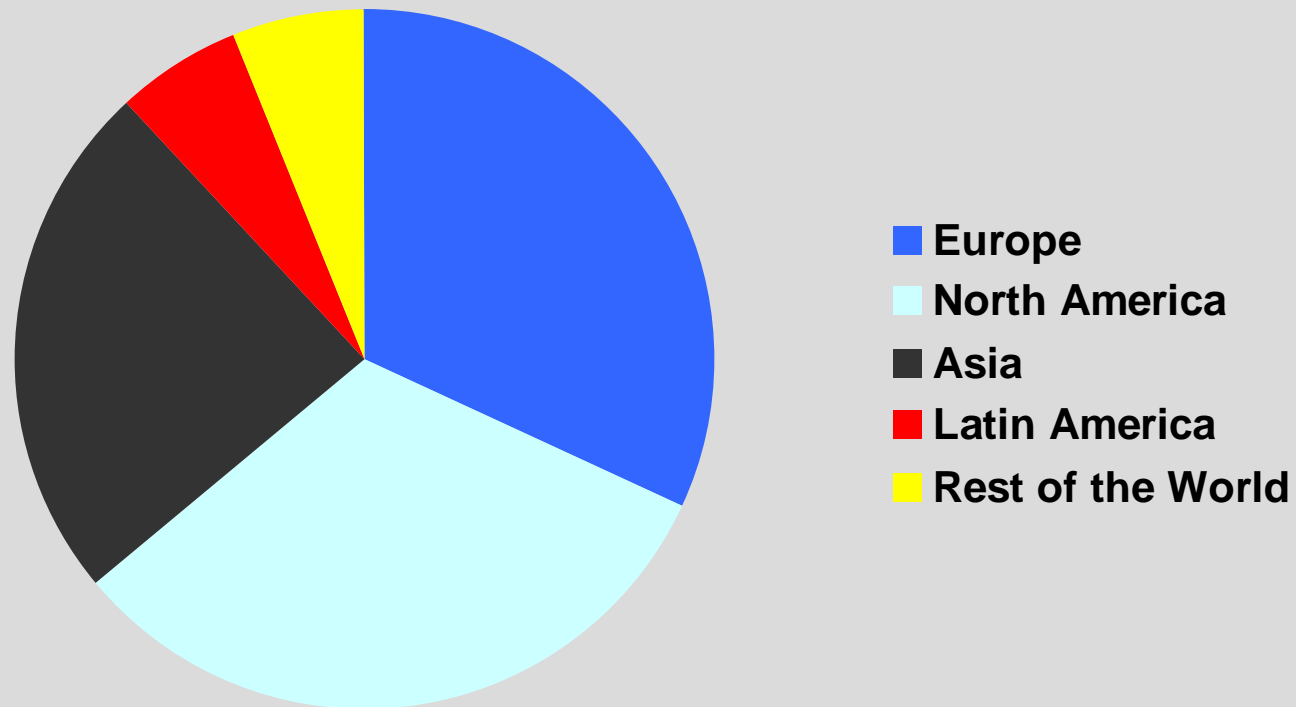


## Shares of „printed“ products

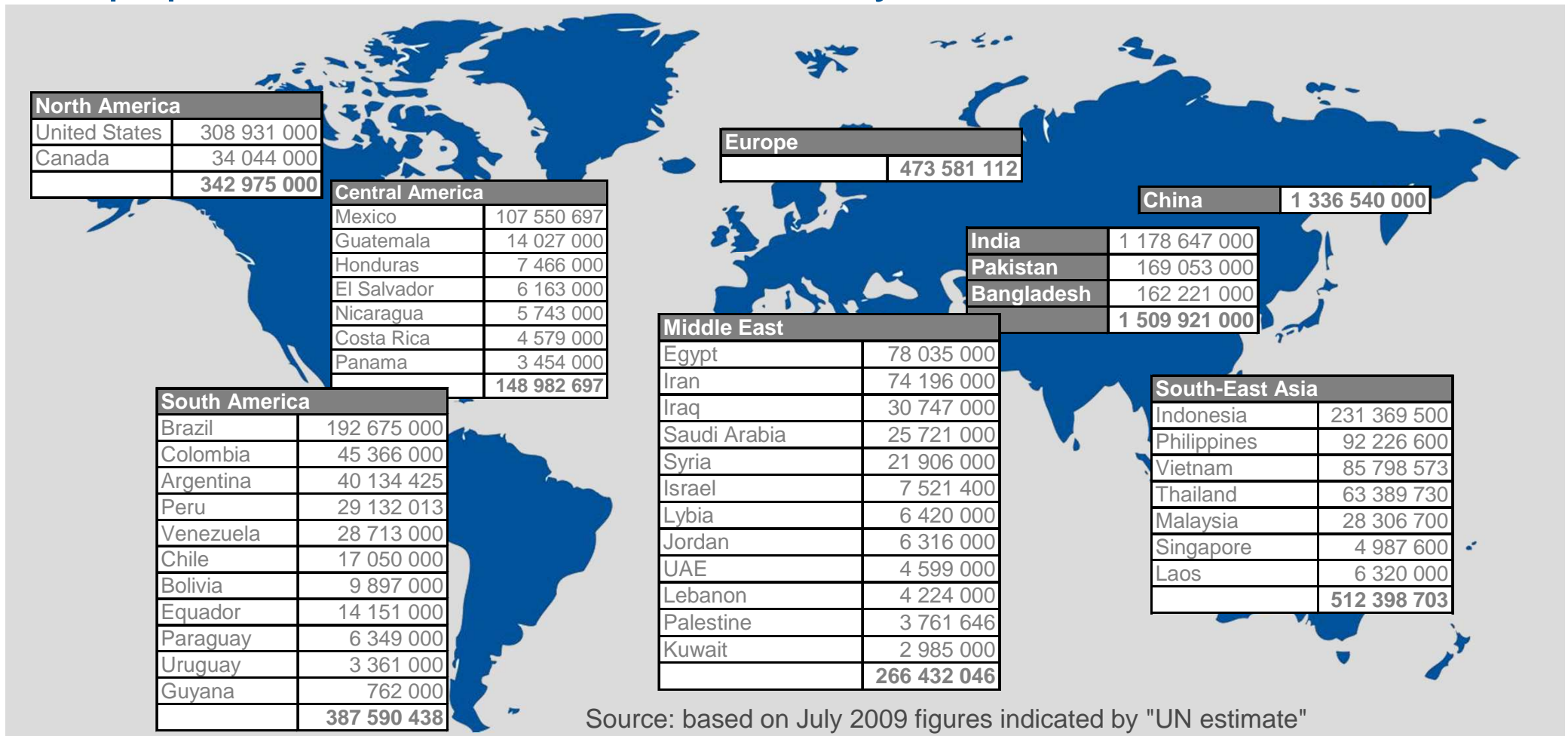


Source: Pira International Ltd

## Packaging markets in regions



The population of the world is currently 6.810.400.000



## Market trends – our experience

### Europe:



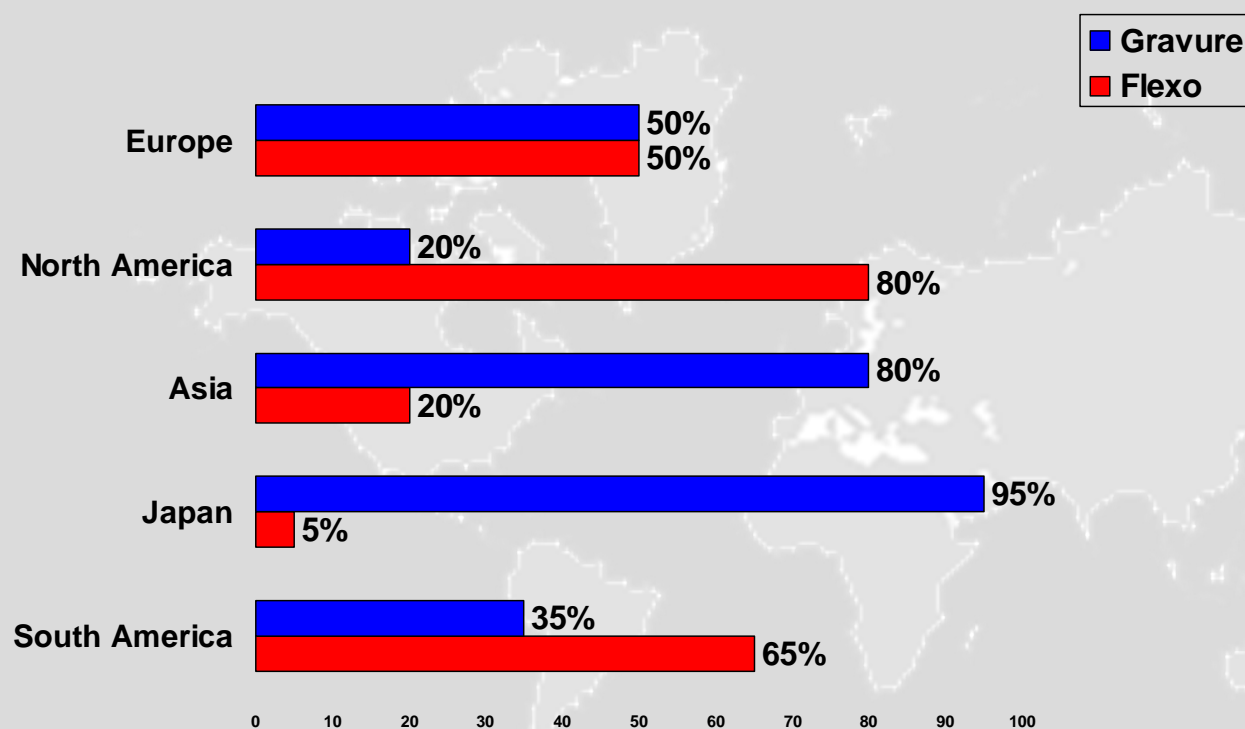
- Declining, stagnating market
- Price-pressure
- Smaller, more affordable packs
- Smaller print-runs
- Big volumes moving to low-cost countries
- .../

### New Emerging Markets:



- 2 digit-growth in Packaging
- Strong populations
- Concentrations in City
- Growth of supermarkets
- Flexo basically not existing
- Today's packaging consumption in Europe is 20 times higher than in Asia.

## Market share: Gravur ⇄ Flexo



Source: ERA



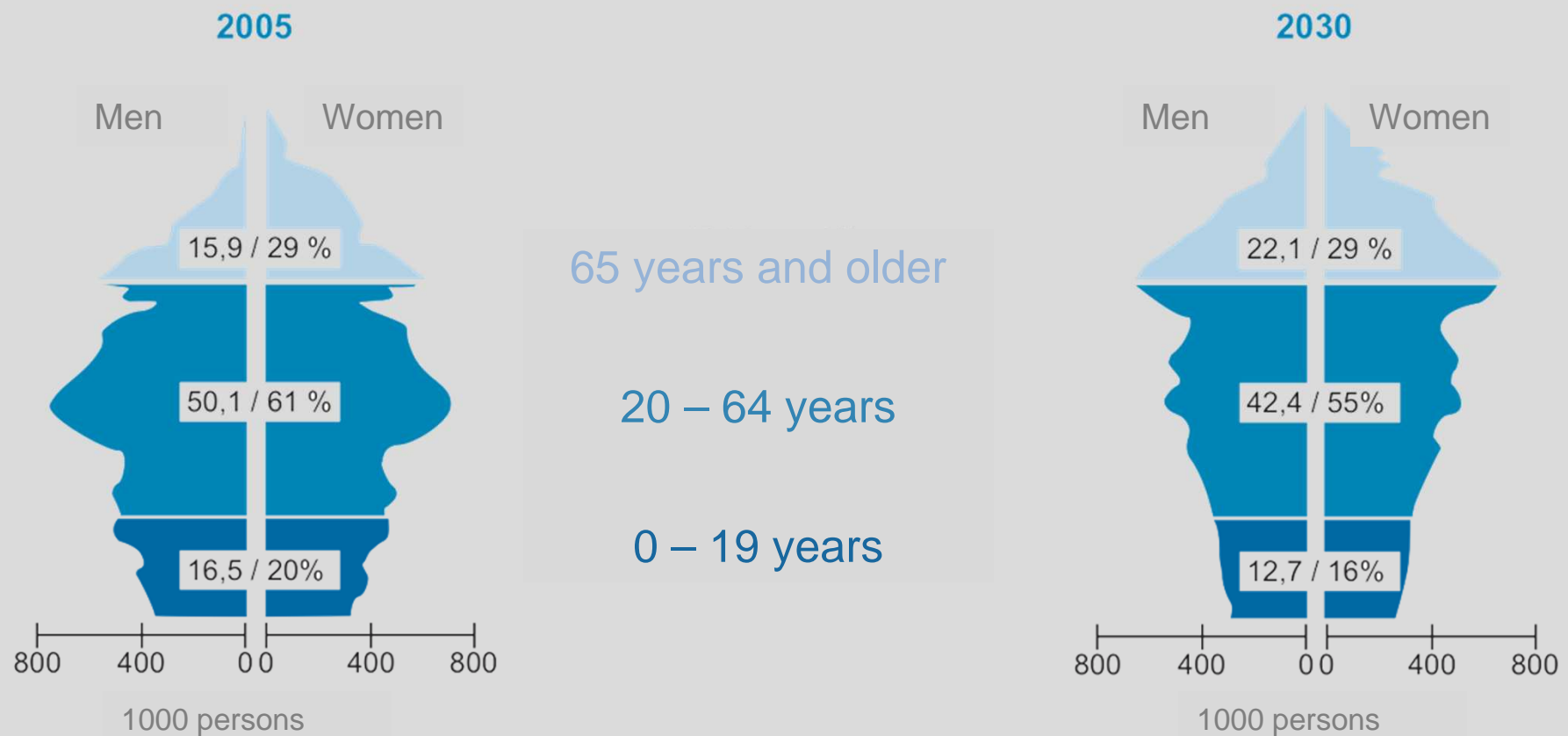
## Market trends – our experience in Europe

Insights into FMCG\*  
packaging requirements  
in **Europe**

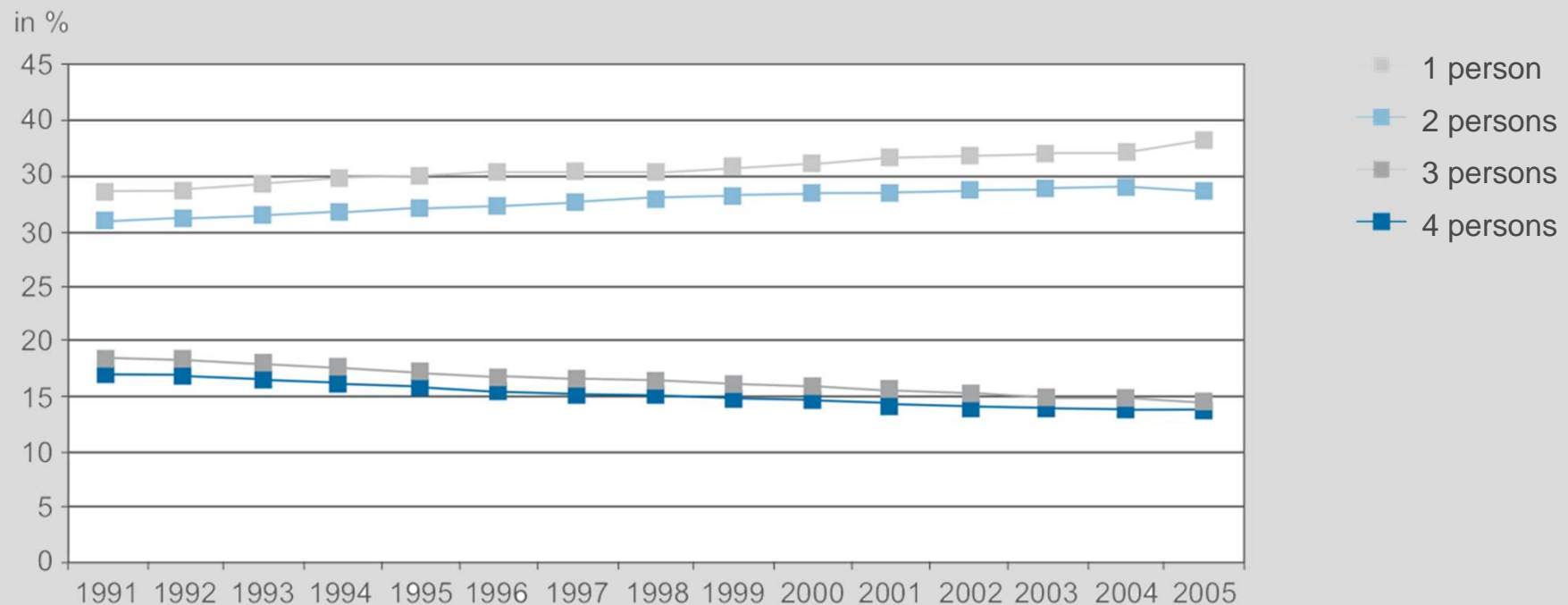


\* FMCG = Fast moving consumer goods

## Insights: FMCG packaging requirements in Europe consumer changes - demographics

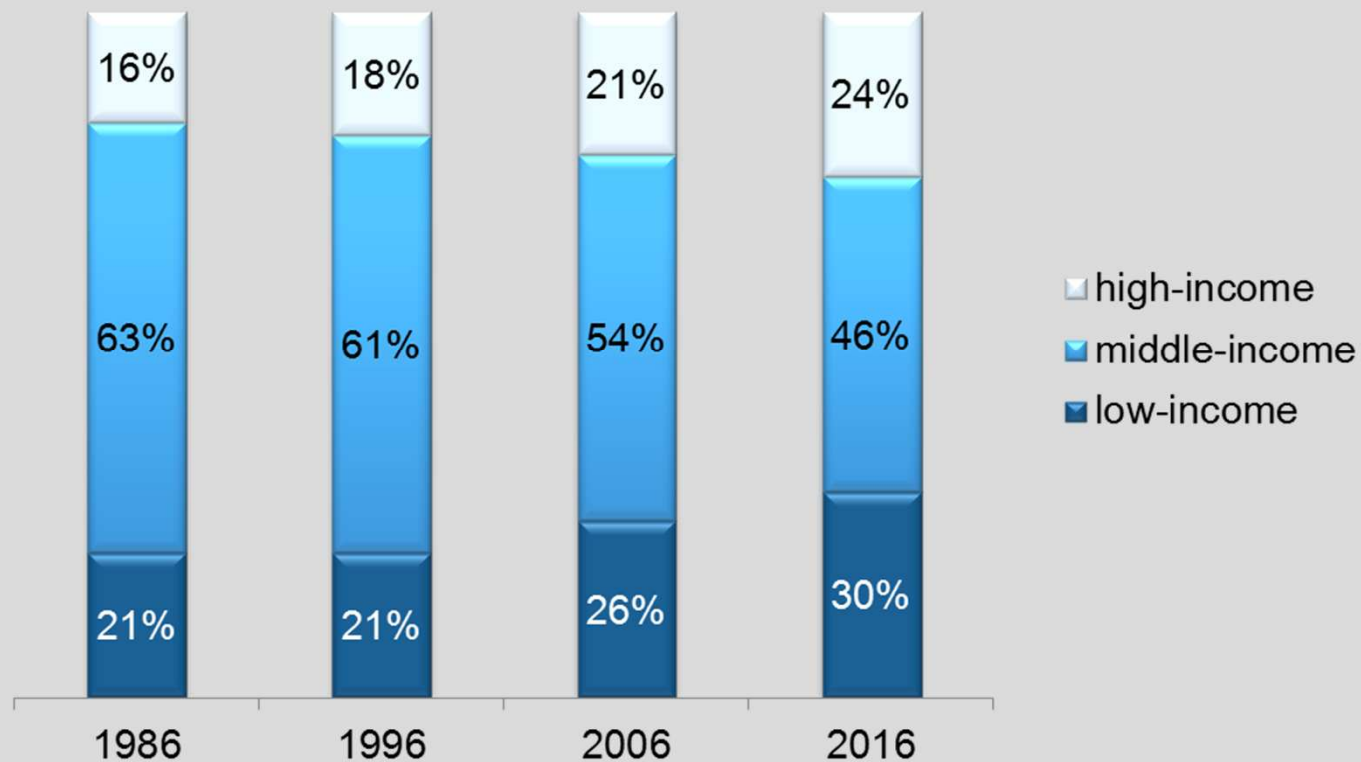


## Insights: FMCG packaging requirements in Europe consumer changes - household size



Evolution of „person per household ratio“ in Germany

## Consumer changes – spendable income in Europe



## Insights: FMCG packaging requirements in Europe

Consumer changes – target group classification

A few examples...

- WOOF (Well off older folks)
- DINK (Double income no kids)
- LOHAS (Lifestyle of health and sustainability)
- .../
- but also, smaller, affordable packs...
- .../

## FMCG market trends

### Environmental trends



“carbon footprint”

“biodegradable”

## FMCG market trends

„Recycle“





## Insights: FMCG packaging requirements in Europe

### Market Evolution

up until the 60s



introduction between 60s an 70s



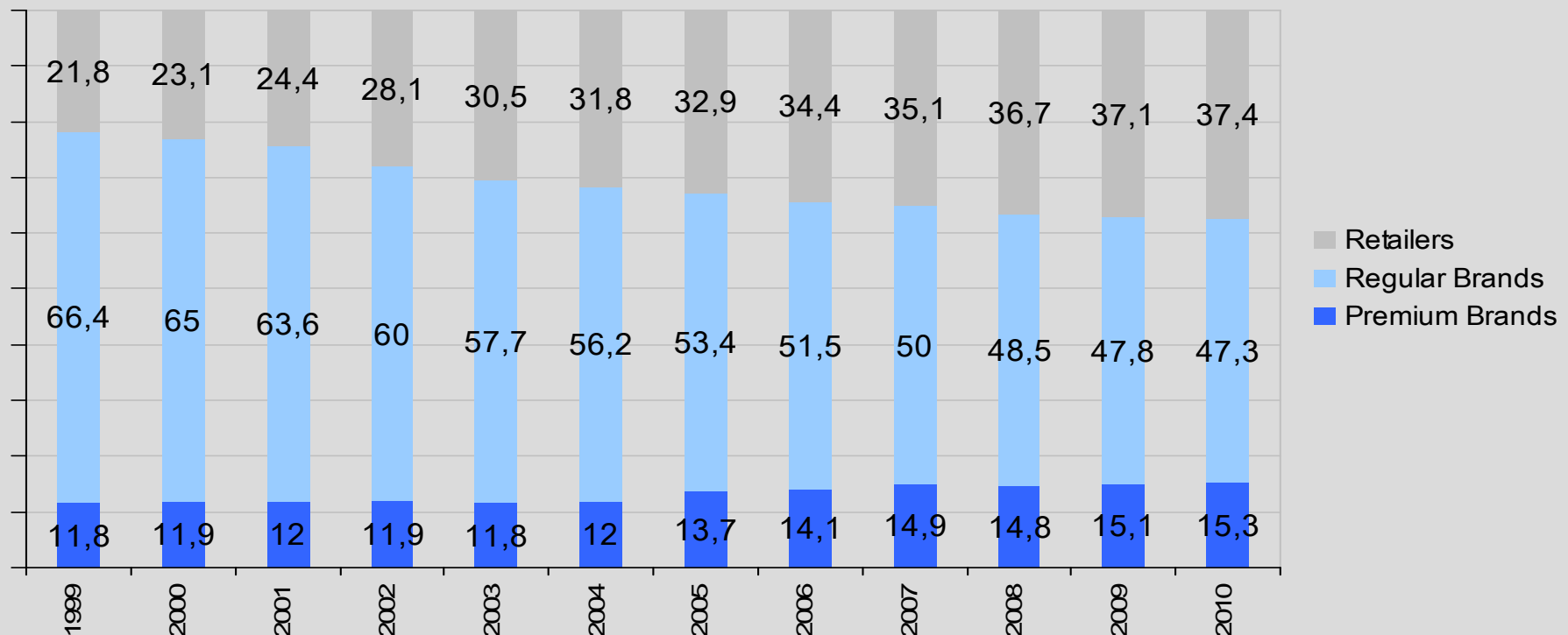
## Insights: FMCG packaging requirements in Europe

- Brand concentration in the supermarket
- Sensory overload!
- Carbon-Footprint  
CO<sub>2</sub> emissions



## Retailers gain market share, brands loosing ground

Daily used products – Market development in %



Packaging „is the single and biggest driver of sales increases in the world.“

– Muthar Kent, CEO of Coca Cola

## The **importance of color** when buying products:

According to surveys, 85% of consumers stated that **color** accounts for more than half of the factors considered important for choosing products.

## First Moment of truth

**Stop**



**Hold**

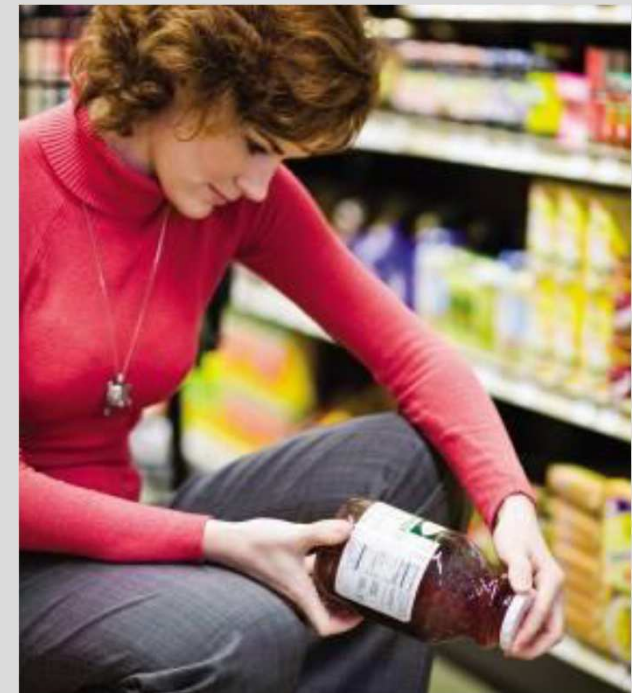


**Make  
the  
sale**

Disturbance  
Eye attraction

Interest  
look and feel  
hand attraction

convinced





## Packaging is the most important communication tool...

The first moment of truths...

- 1,6 seconds...

is the average time to make a purchase decision at the “point of sale”









## Packaging is the most important communication tool...

- 1,6 seconds...

is the average time to make a purchase decision at the “point of sale”

- 74% of all purchases are unplanned and decided on the point of sale
- Important → the price
- **60% for packaging and product presentation**





## Consumer's trust

**Color** itself and **color consistency** of packaging is also playing an important role in recognition of brands and reaffirming consumer trust.



## Diversification | private labels vs. premium brands



premium brands



private labels

## Fast moving consumable goods

Inconsistent color can also create a perception among consumers that a product has been on shelf too long, or in some parts of the world, that the product is not authentic. The long-term effect is that it can dampen consumer trust in the brand.



Color inconsistency reflects “bad quality”





## Each product is only as good as its packaging...

- protection against forgery has become a major topic
- individual appearance prevents from forgery
- innovations and new technologies are required to do so!





## Security Features

The economic loss is estimated around 168 trillion dollar per year.

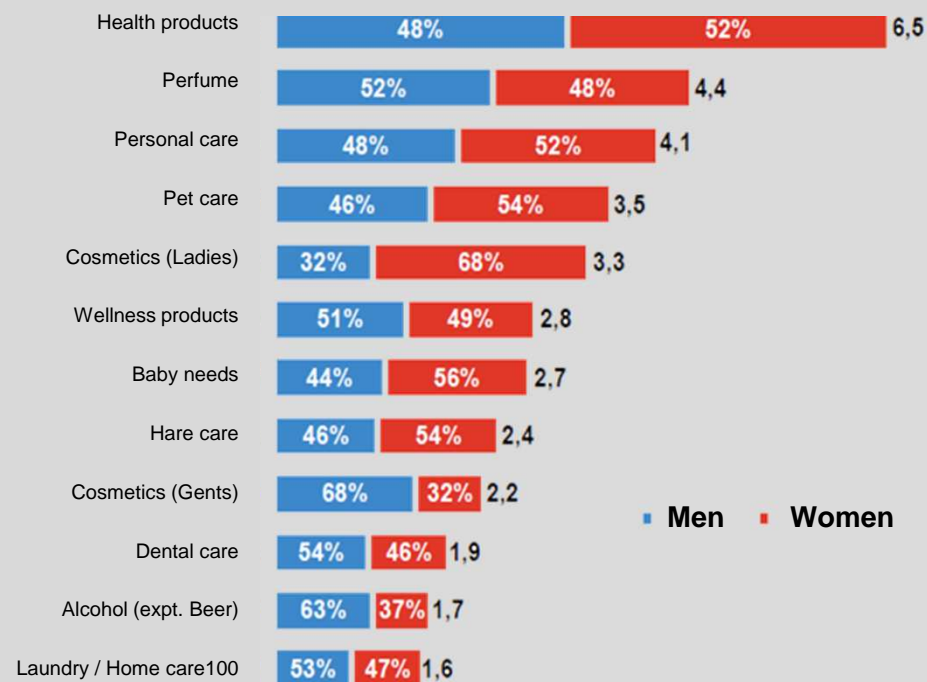
Approximately 2000 children die per day because of counterfeit medicaments.



## FMCG market trends - Internet Shopping

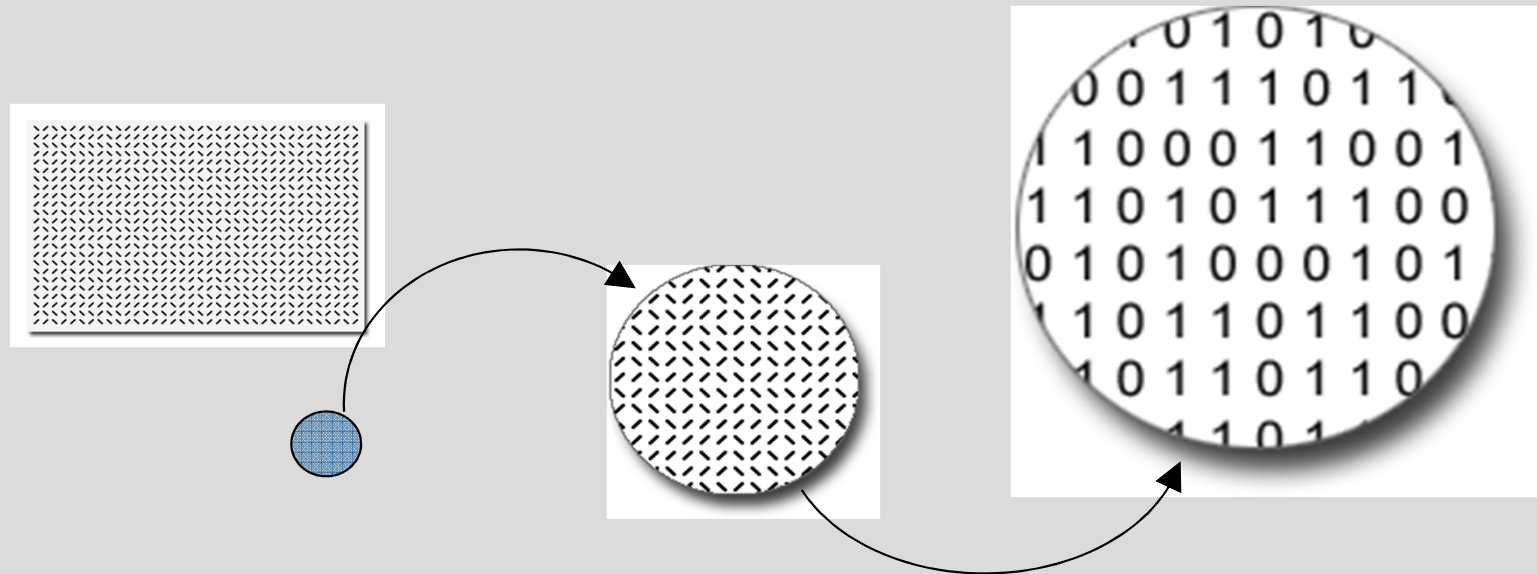
### FMCG internet purchases

*...online shoppers within the last 12 Months in %*



## Security Features

Basic Microglyphs encode information in tiny, 45 degree diagonal lines (glyphs)



## Attract consumers through innovation...

- innovation and new technologies help to create new products & marketing ideas

### NIGHTGLOW

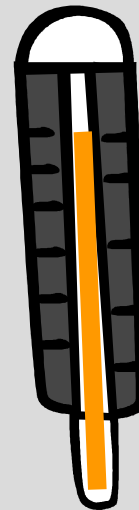
Special printing inks with phosphorescent pigments give your packaging a lasting glow



## Attract consumers through innovation...

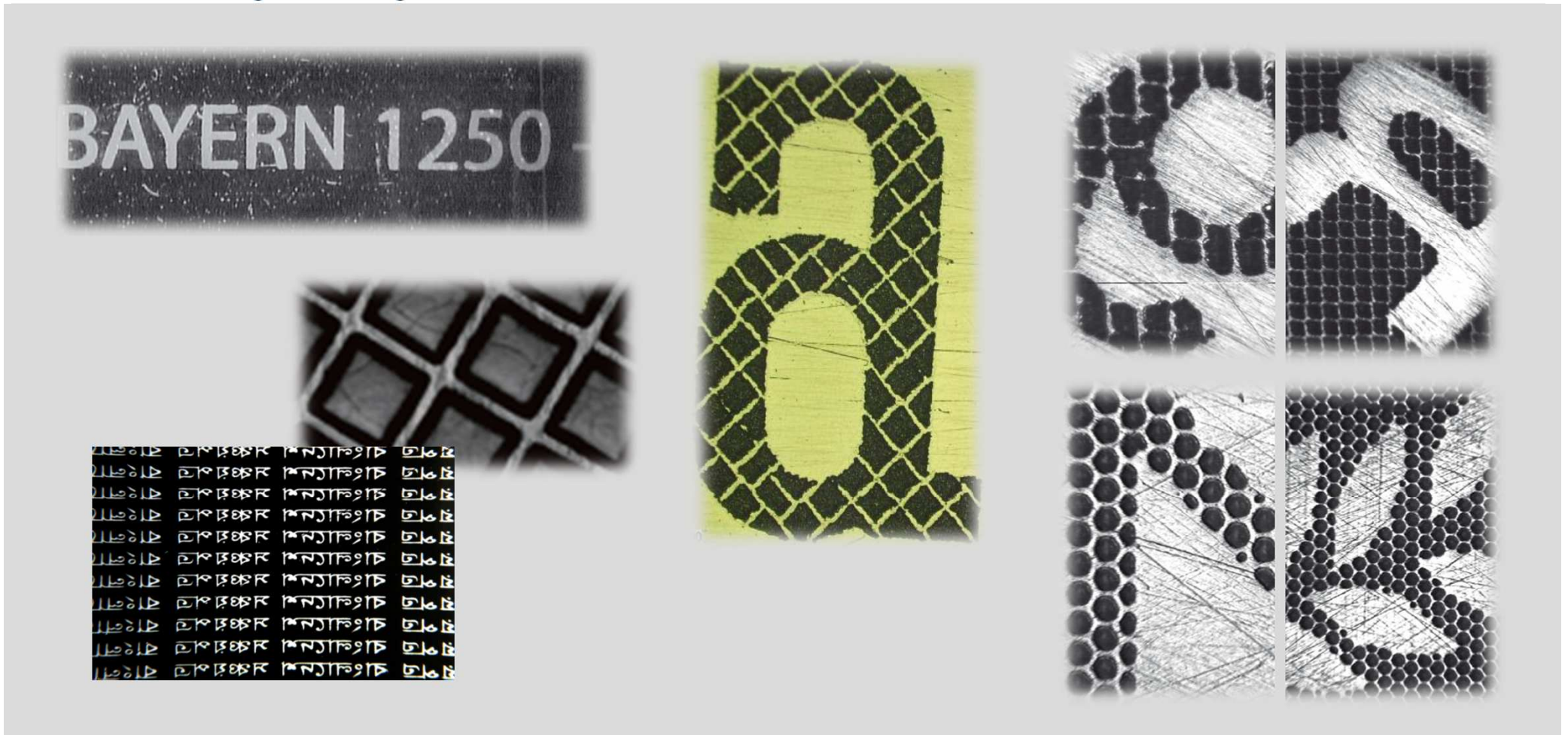
- Temp-control:  
Reversible thermo-chrome inks

These are printing inks which are sensitive to temperature and react to different temperature ranges by changing color.





## Special engraving features...



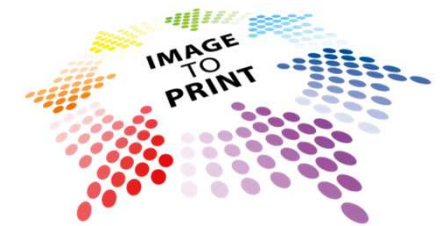
## These facts & figures influence the global packaging market

We need to be:

1. better
2. faster
3. cost efficient

**and last but not least,  
we need to be innovative...**



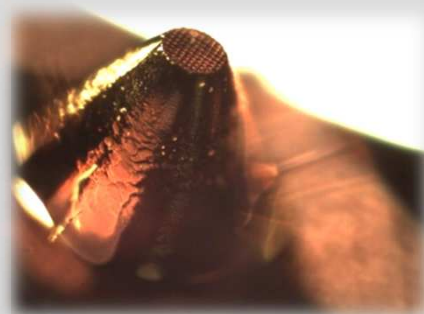


We need to be innovative...

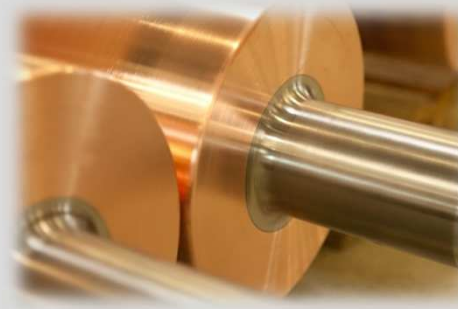
Innovative, in terms of technology,  
research & development...



Repro



Flexo



Gravure

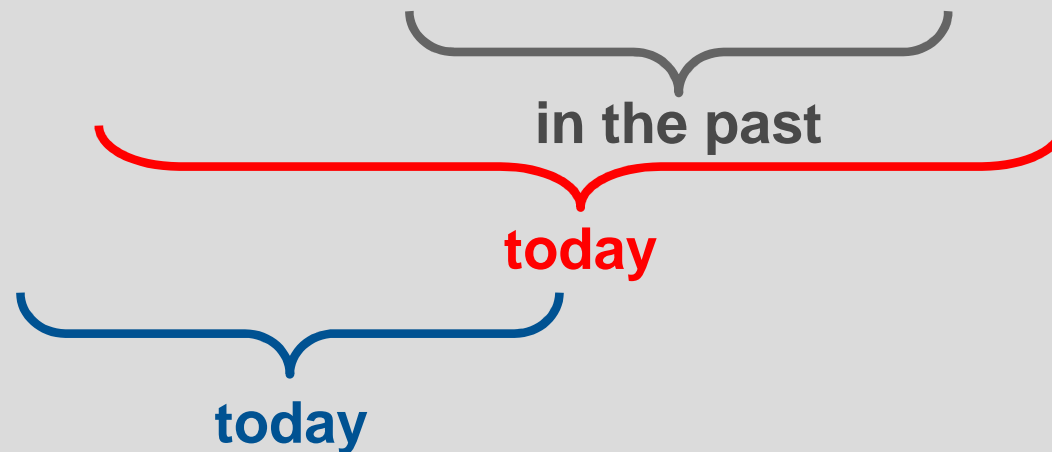
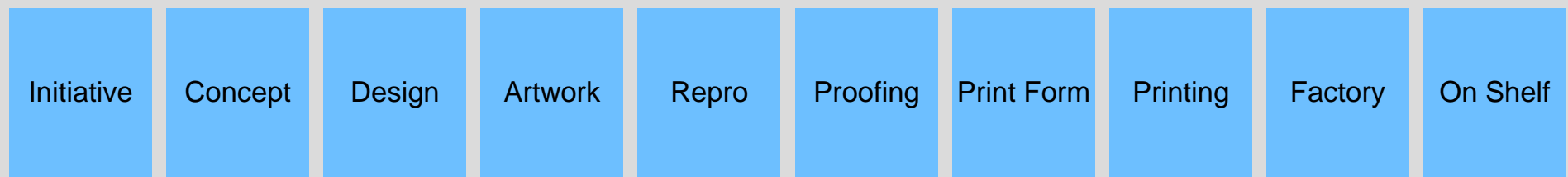


Bases

and any other opportunity which could influence our industry...



## Repro | Process ownership in the print supply chain



- enlargement of the process ownership
- while the graphics developments are done directly with the Brands

## Brand management

- Brand management (all processes)
- Design consulting (feasibility)
- Artwork creation
- Color separation (reproduction)
- Workflow-tools and project management
- Central archiving
- Additional services



## Artwork & Repro

- Janoschka offers Artwork & Repro for major Brands for all printing technologies used for packaging printing.



▪ Offset



▪ Gravure



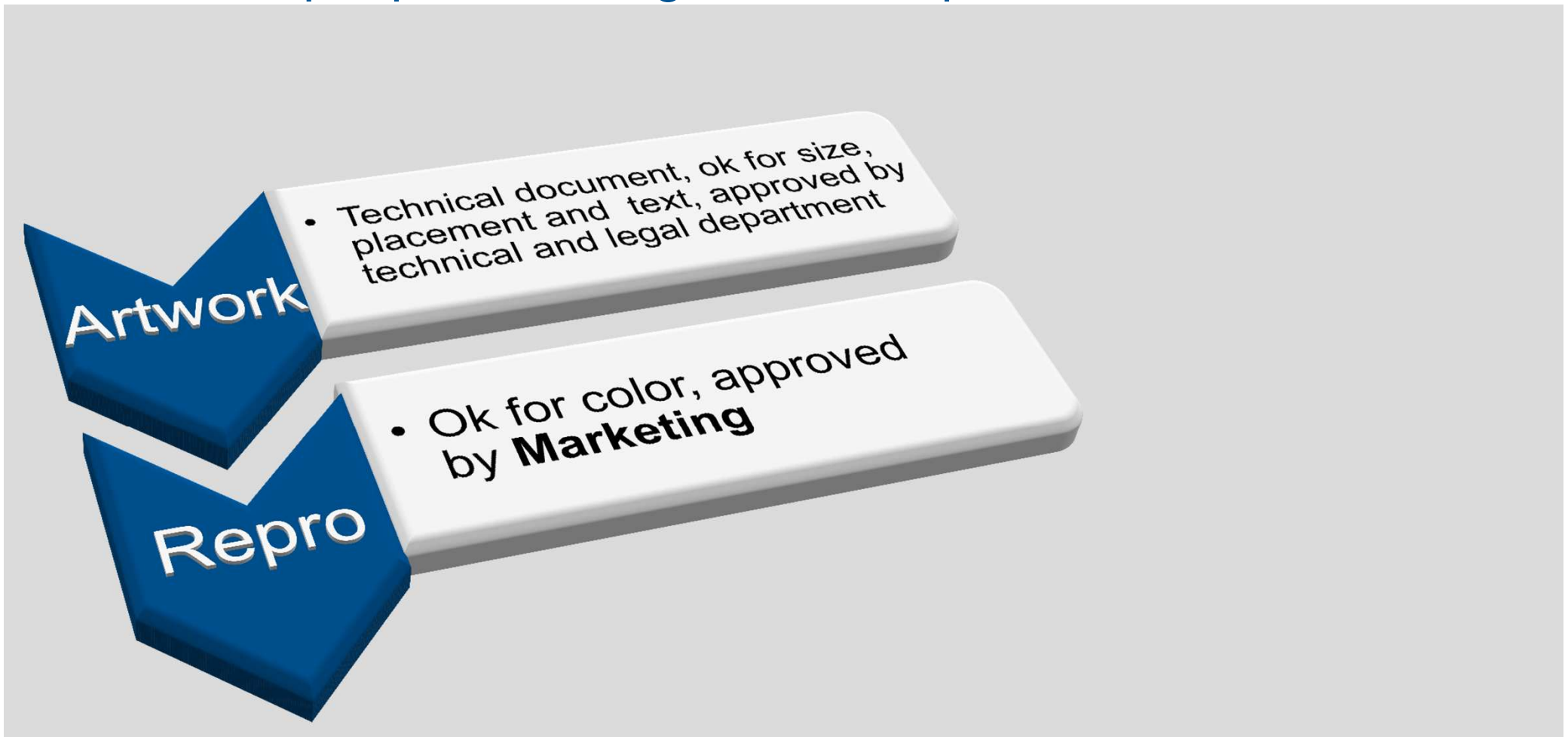
▪ Silk Screen



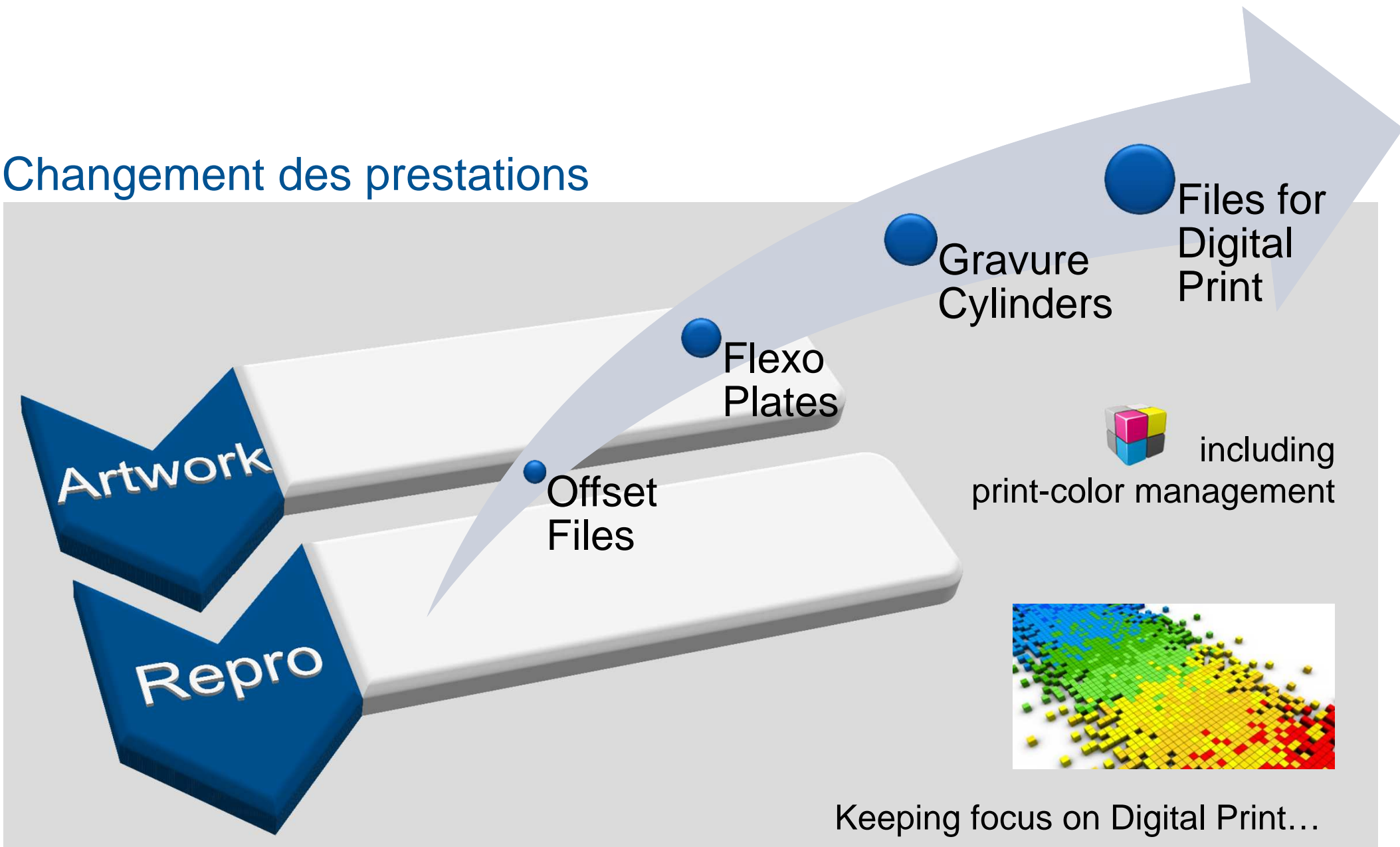
▪ Flexo



## Services Graphiques | Changement des prestations



## Changement des prestations



## Fast moving consumable goods

“The identification and recognition of a product is **the most important asset** of the brand”.

Inconsistent color, especially in a product range, where different substrates and different printing technologies apply, are no longer accepted.





Significant difference in color are not accepted anymore



Approved color-target



Print-run

## Print Color Management (PCM)

Perfect use of new technologies  
and software which is now available

- Simulate the printing results
- Show marketers only what you can achieve





## Impact on the printing result

- Different printing Inks
- Different substrates



## Print Color Management (PCM)

### PrePress knowledge



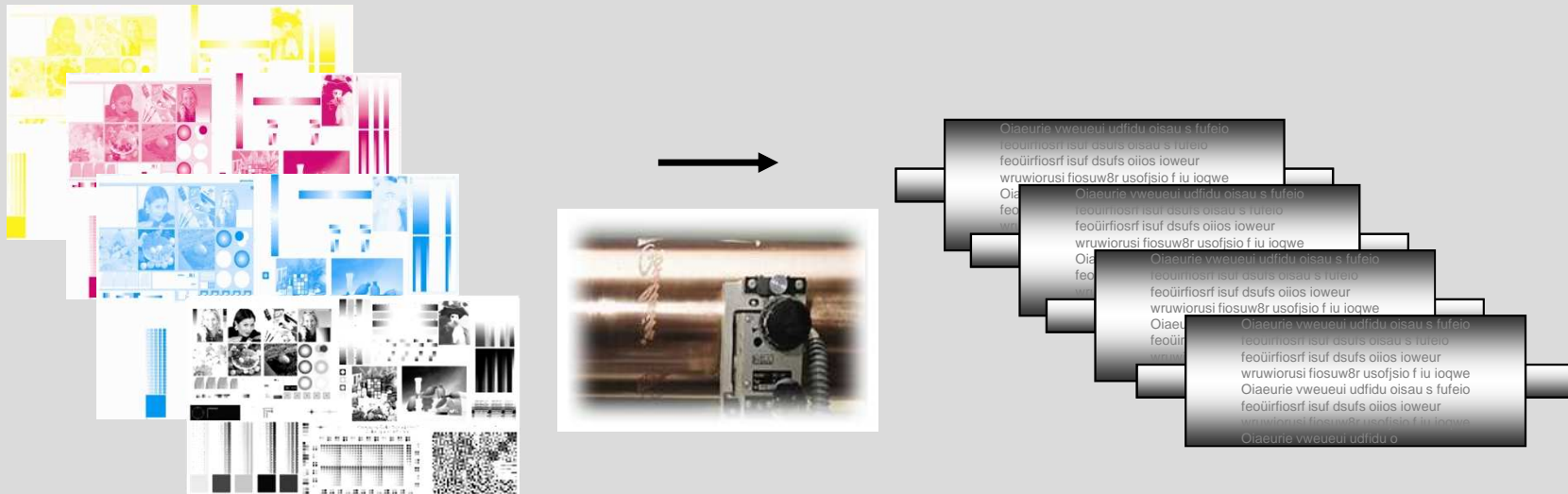
- Customized parameters, individual fingerprints
- Dedicated profiles
- Specific production software / colour management requirements

## Print Color Management (PCM)



«finger-print» test form

## Engraved set of cylinders



YMCK

YMCK

Standard parameters



## Print run | printing result under perfect conditions

Printing machine with standard settings

- Printing speed
- Doctor blade setting
- Ink density and viscosity
- Substrates
- etc.



## Print Color Management (PCM)

The values of „optimum print result“ will be spectrophotometrically captured and the profile will be generated



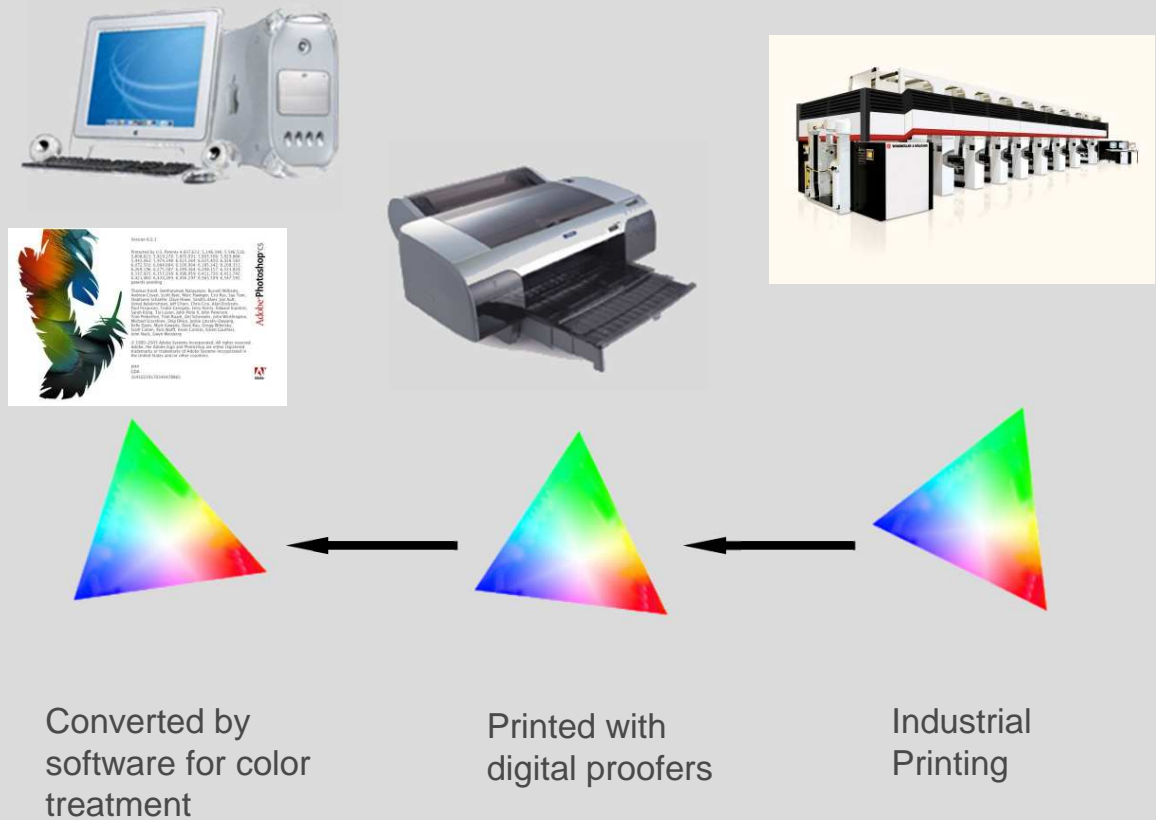
A silver HP printer is shown on the left, and a handheld barcode scanner is shown on the right. The scanner is black and orange, and it is scanning a barcode on a piece of paper.



## Print color management (PCM)

**“Turn things around and do the work upfront...” !**

- printing machine with optimum settings
- Digital-proofers with “printer specific” profile...
- “Printer specific” repro





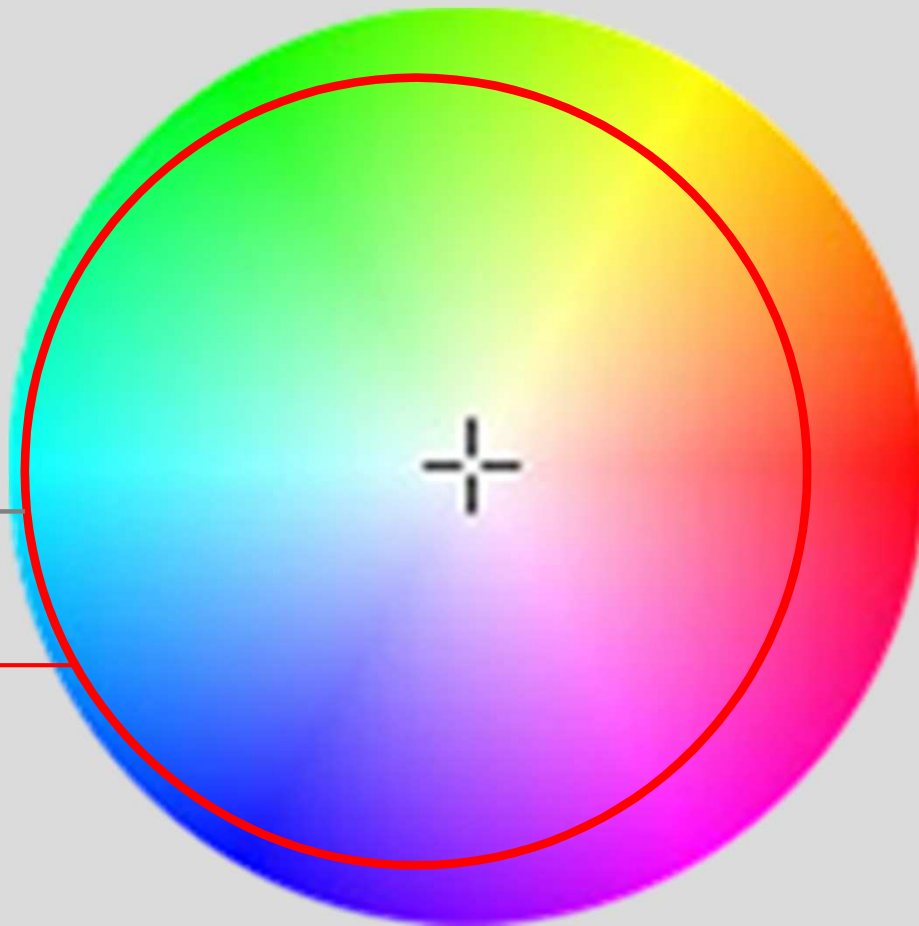
## Print color management (PCM)

The Result:

The digital target-proof and the printed result **will match!**

Digital Target Proof

Print Run



## Print color management (PCM)

Our Target: Target proofs and printing results will match!  
**Reduced set-up time – reduced waste – reduced cost !**

Original Target



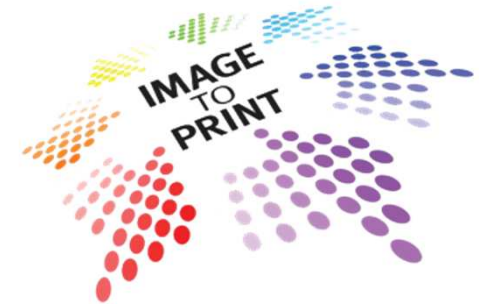
Offset

Flexo

Gravure

Printing Results





Thank you for your attention !

Rudi Weis-Schiff

27.11.2013

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