

CONVERTING

www.convertingsmagazine.com

PRINTING, PACKAGING, LABEL SOLUTIONS®



OEC
graphics
INCORPORATED

American Packaging Corp. credits great employee chemistry and a supportive management team for its successful transition to flexo printing; having state-of-the-art equipment doesn't hurt either.

BY ASSOCIATE EDITOR JORINA FONTELERA

American Packaging Corp.'s Story City, IA, facility began as a bagmaking operation in 1989.

In 1998, the company decided to invest in flexo printing and laminating to expand business. Four years later, the flexo and laminating venture is growing nicely, with approximately \$8-10 million in annual sales. Bags, on the other hand, were still the main source of revenue bringing in \$25 million.

Fast forward to 2007, and it would seem that bagmaker American Packaging (www.AmPkCorp.com) had become a completely different company in that bags were no longer, well, its bag. Thanks to about 25 percent growth annually over the last five years, the company expects to do about \$60 million in print business this year. "The whole business is transformed," says Ray Graham, operations manager. "We are totally out of bagmaking and are



focused on flexo printing." Graham credits company owners and staff for the successful move from

bags to printing. "It starts with having the right people who know what they're doing, are motivated, driven and proactive in looking for cutting-edge technology," he says. "Once we have the team in place, we start to execute, open up doors. As business grew, the ownership of the company was willing to put in the second key component. They were willing to invest the capital to continue buying new equipment so that we can keep that growth going." "As our business grew, we obviously had the need to bring platemaking inhouse," Graham explains. "With the addition of the wide-web press two years ago and the volume that we're seeing, we needed to make our own plates to support our customers and service them."

PARTNERS IN PLATEMAKING

Rather than purchasing its platemaking equipment and building its own platemaking facility, American Packaging decided to partner with **OEC Graphics** (www.oecgraphics.com) to address its needs.

"(OEC) is a leader in continuous polymer sleeves and just seems to be always on the leading edge of technology," Graham says. "From a technology and quality standpoint, they seem to fit with our business model, which is more quality-driven than price-driven."

The company entered the **OECDFM™** (Digital Facilities Management) program, which was started in 2001 to aid converters with their platemaking programs. OEC provides an on-site digital facilities manager and prepress training, and installs an entire digital-platemaking system at the converter's plant.

"One of the reasons we wanted to partner with an outside vendor, specifically with OEC, was because they already had experience putting in these types of facilities at other converters. There's no need to reinvent the wheel; they know how to do it," adds Jonathan Parkes, graphics manager. American Packaging entered a five year partnership with

“OEC is a leader in continuous polymer sleeves and just seems to be always on the cutting edge of technology.”

RAY GRAHAM, OPERATIONS MANAGER,
AMERICAN PACKAGING

OEC in late May, early June of 2006, wherein OEC covers the startup cost of the equipment and staffs the approximately 600-sq-ft platemaking room. When the contract is up, American Packaging takes over the responsibility for the equipment.

AHEAD OF THE CURVE

Currently, the platemaking department has an on-site facilities manager and two plate technicians. It has an Esko Cyrel™ Digital Imager (CDI) Spark 4260 with optics 80 (www.esko.com) and a DuPont FAST light-exposure booth and processor (www.dupont.com). The installation and training of the two plate technicians in OEC's Oshkosh facility took about two weeks, and the room was up and running.

"If we brought (all the equipment in) and did it ourselves, there's a huge upfront capital and, in addition to that, there's the learning curve. We virtually had

“One of the reasons we wanted to partner with an outside vendor, specifically with OEC, was because they already had experience putting in these types of facilities at other converters.”

JONATHAN PARKES, GRAPHICS MANAGER,
AMERICAN PACKAGING

none," Parkes says.

Since the addition of the plateroom, downtime and waste have been significantly reduced. Before it was built, all the plates came in from out of state. If the plates were damaged on the press or through some other mishap, the press would need to be stopped and the operators would move on to a different job as they waited for another plate to be made and then driven down to the plant. With the in-house platemaking facility, a new plate can be made, mounted and ready



flexo press to be installed in the next 18 months," Graham says. "With that, it's just going to continue to drive the plateroom volume up."

Due to the anticipated increase in demand, the company is already looking to add another on-site graphics coordinator, a third-shift plate technician and a processor. "We're getting to the point now where DuPont is suggesting we seriously evaluate that and implement that soon," Parkes explains. "We're not at that point yet, but we're rapidly approaching

to go in 40 mins or less.

"The addition has really helped us add capacity from a downtime-reduction standpoint," explains Kevin Neis, manufacturing manager.

And with the new business American Packaging was just awarded from Nestlé, which puts the Iowa division over \$70 million in sales for 2008, an

even greater demand will be placed on the plateroom's capacity to produce all the needed plates.

"We're in the process of getting approval for another wide-web

the square-footage volume where we're going to want a second processor for when we get an absolute rush."



RECIPE FOR GROWTH

As Parkes says, it won't be too long before the second processor will be needed, and the company is looking forward to the new machinery. "We like to stay on top of the latest and greatest technology and trial it and apply it to our daily process to make life easier and more efficient. If there's something new out there, we want to play with it, try it, see how it works," he adds.

Luckily, the owners enable their employees to be able to continue to trial and use new equipment, as Graham had previously mentioned. "The owners invest money back into the company. In the last couple of years alone, we've invested \$28.5 million installing new equipment here and at the gravure facility (in Wisconsin). I believe that's why we're seeing a growth; because of the people and world-class equipment in our facilities," he says. "It's easy to execute and grow when you have these two components."

