Lessons for manufacturers from food and beverage implementations

Case study e-book

Matthews
INTELLIGENT IDENTIFICATION

1300 CODING (1300 263 464)
www.**matthews**.com.au
blog.**matthews**.com.au

7 Labelling and Coding lessons SME's can learn from these examples

Are you taking advantage of best practice labelling and coding for your company? With packaging demands and trends constantly evolving, it's never been more important for Australian food & beverage manufacturers to stay alert and ahead of the game.

There's a lot to be learned from other companies. Which companies are getting it right? What equipment are they investing in? What lessons can you learn from their experiences?

In this guide, we have rounded up real-life examples of Australian food and beverage manufacturers to reveal 7 valuable lessons in labelling and coding.

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Lesson 1: Automated labelling makes good business sense

Are you using coding and labelling automation to its full potential? Imagine your packaging line as one seamless, ultra-efficient process. Some coding and labelling systems can now be incorporated into other line technologies, so your automated solutions work as one, driving efficiency to new heights.

AusFresh and Messina Gelato are two companies realising the business rewards of automated labelling.

Ausfresh

One of Australia's leading antipasto manufacturers and distributors, AusFresh supplies retailers, wholesalers and food service vendors around Australia. However, despite sending volumes of goods nationwide, AusFresh was still labelling cartons manually.

The process was highly manually intensive: one person printed 5,000 to 7,000 labels a day with product information and TUN barcodes on a desktop printer. The worker would stand at the printer the whole time to remove printed rolls and wind them manually. They would then pass the labels to another operator, who applies the batch code and use-by date with a date-gun. These labels were then applied, two labels to each box, front and side.

The manual-only process had a high risk of human error, including the wrong label being printed or a permanent label design accidentally changed when creating temporary label formats. The line needed to be stopped if labels were missing, meaning lost productivity.

AusFresh wanted to:

• Automate carton labelling
• Remove the high reliance on manual labour
• Free up workers for other tasks
• Increase efficiency

Business needs

• **Remote operation:** As part of the solution, AusFresh wanted to be able to remotely select labels, for packaging, trays, product and cartons, without operators necessarily being near the labellers.

• **Print and apply:** The carton-labelling solution needed to be able to print and apply labels to adjacent sides of a carton.

• **Integration:** The solution needed to be integrated with its existing primary product labeller, the new carton coder and, in the future, be able to be integrated into its SSCC pallet labeller.

• **Excellent quality:** Print quality on the carton label needed to be extremely high, allowing smooth product flow through the supply chain.

Solution

Matthews Australia recommended a carton print and apply system, iDSnet integration software and iDSnet Portal. Sitting at the end of the packing line, the label printer applicator (LPA) was integrated with AusFresh's existing Bizerba labeller. The iDSnet packaging automation software selects the required label, automatically provides best before data and monitors Bizerba's status.

Using the iDSnet Portal, including via smart phones and tablets, operators can remotely select labels without going near the coders. This also gives AusFresh a simple view of activity on its production lines.

Result

On top of automation improving accuracy, AusFresh has also achieved big productivity gains. "We've saved a person a day between the two functions of the person at the printer and the one overprinting with the date-gun," says Leo Soccio, AusFresh's General Manager. "Not only is that a far better use of labour, it's reduced the pressure."

Now, with integrated coding equipment, AusFresh can easily do up to 7,000 labels a day, knowing they are all accurate and using the best of the company's resources.

Gelato Messina

Award-winning artisan gelato manufacturer Gelato Messina puts a strong emphasis on raw, natural ingredients. The company's production kitchen in Sydney creates pre-mixed recipes, which are then put into food-grade bladders, packed into boxes and shipped to Gelato Messina's 10 Australian stores and one Las Vegas store.

Because making the gelato is already labour intensive, the company was looking to automate parts of the production process that don't need to be artisan, therefore allowing it to spend more time on the product. Coding carton for traceability was one such very time-consuming area, with labels hand-printed and applied one at a time.

Business needs

- **Automation in limited space:** Production identification and carton traceability needed to be automated and fit into Gelato Messina's existing factory space.

- **Integration:** The solution needed to fit with a new conveyor belt, to remove manual handling and further automate the process.

- **Clear labelling:** The printing needed to be easy to read, enabling receiving stores to quickly identify each of the different flavours.

- **Easy to use:** The coding system needed to be easy to use and allow for quick product changeover.

- **Support:** After-sales service was also very important.

Solution

Matthews recommended an Mperia thermal ink jet coder, which was provided as a turnkey solution including a conveyor, to print the product name and batch code directly onto the carton. Coding is in real time and happens automatically, with cartons turned by guides as they travel along the conveyor – workers no longer need to manually guide the cartons.

Result

Gelato Messina has gone from a completely manual to more-automated coding process, increasing its operational efficiency. The company's production and facility manager, Alex Blias, says depending on batches, the business is saving between 1.5 and 2 hours each day in manual labour. "It's been really quite an easy solution in terms of useability and saving costs and time. But I also like Matthews' after-sales service: they're there if you need them," he explains.

Operations are easier as well as more cost-effective: printing directly onto boxes, rather than labels, has saved on label costs. Plus, service is easy with changing cartridges being the main task, and they last for many weeks.

Business Takeaway

As AusFresh and Gelato Messina have shown, automating processes clearly removes the possibility of human mistakes, speeds up output and can make products look more professional by being more consistently presented. Automation also reduces costs, makes better use of resources and creates greater efficiencies, with better returns, helping manufacturers to remain competitive.

Lesson 2: Small packaging is no barrier for the right coder

Once upon a time, there was only a handful of coding and labelling technologies to choose from, meaning there were limits to what you could code and label automatically. Now there is something for practically every application, industry and product – including the smallest items, as Bellis Fruit Bars has found.

Bellis Fruit Bars

Australia's top producer of school fruit bars and dried fruit-based products, Bellis Fruit Bars has grown substantially over the past few years – partly by developing products for emerging markets, such as meal-replacements and calorie-controlled snacks.

However, when the company launched a 30-gram low-calorie snack, it faced a problem: while it could use the same packaging as its 60g bars, the existing coders struggled to print on the smaller film. In addition, one of the coders on its three lines was unreliable, failing to always print clearly.

Business needs

- **Scalable printing:** The company needed a new coder that would print clearly and accurately on both smaller and larger bar packaging.

- **Fast speeds:** It needed to operate at up to 200 bars a minute, which also required fast-drying inks.

- **Limited space:** Due to space restrictions on the line, the coder needed to be compact and able to be mounted on a horizontal form-fill machine on one of the existing lines.

- **Easy operation:** Bellis also wanted low running costs, easy maintenance, simple housekeeping and programming, without having to need to change date information daily.

Solution

A compact Linx coder was the answer. Working with Bellis's engineer, Matthews mounted the Linx on the form-fill machine. It codes a best-before date onto flat wrappers, which are then filled and sealed. The coder has been set-up to automatically synchonise message width with the wrapping message's speed. So, even during film acceleration and deceleration, message length is consistent.

The coder receives a signal from the wrapping machine to initiate printing at the correct time, resulting in every fruit-bar having the best-before date printed in the same position, width and high clarity. The Linx prints much more clearly and has a sharper resolution, making it easier for consumers to read.

Result

While the initial outlay for the Linx coder was on par with other coders Bellis compared, the lower running costs and easier maintenance have proved advantageous. And being able to produce a smaller bar size using the same wrapper means Bellis can continue to expand into lucrative markets.

Smarter technologies such as these are very practical developments in coding technologies, saving manufacturers wasted time and unnecessary costs.

Business Takeaway

When investing in technology, consider future plans for product development to ensure the solution can cope with variants, SKUs and packaging changes.

With coding and labelling solutions out there to suit all sizes of business, more and more small and medium-sized manufacturers are reaping the benefits of automated solutions and using them for growth. At the same time, by scaling their coding and labelling operations, larger companies can launch products into new markets without sacrificing quality and efficiencies.

Lesson 3: Don't risk the cost of unreliable equipment

If you cannot count on your equipment to work when your line is running, it's unreliable. In the manufacturing industry, unreliable equipment has a greater cost than just monetary: it can impact workers, customer relationships, brand reputation and beyond. Patritti Wines and Schweppes were not about to make that mistake.

Patritti Wines

In a highly competitive market, the South Australian family-owned winery focuses on producing high-end quality products and modern business practices. As well as the range under its own label, the winery also offers "buyers own brand" where customers buy Patritti product, which the company then bottles and packages with the customer's labels, including coding onto generic customer-supplied cartons.

As part of its facility upgrades, Patritti upgraded the boxer on a production line. While they liked the operational simplicity of the existing carton coder, it was becoming too unreliable. And the winery recognised that unreliable equipment could cause irreparable damage to its business.

Business needs

- **High quality:** Because many "buyer's own brand" customers export their juices and wines, coding quality needed to be high.

- **Fast speeds:** The carton coder also needed to keep pace with the line's current speed of 4,000 bottles an hour (around 300 boxes), while also having the ability to run at faster speeds with future line upgrades (at least 6,000 bottles/hour).

Solution

Matthews Australia recommended a Linx thermal inkjet printer (TIJ) to code onto generic cartons. The coder sits after the boxer on the production line.

Result

Not only was it easy to set up, the Linx TIJ is also easy to use with a user-friendly touchscreen. Above all, the reliability offers exactly what Patritti Wines needed.

Schweppes

When Schweppes launched The Real Iced Tea Co. range in late 2013, the company wanted to focus on growing the existing iced tea category, which continues to flourish. The all-natural product was created in response to consumers looking for something "better for them" that was between a full-sugar soft drink and water.

However, ongoing downtime due to losing memory of old carton coders was causing problems and bottlenecking output. It only made sense to look thoroughly for new coding equipment.

Business needs

Schweppes had two main needs:

- To be able to print a variety of information on generic, plain brown board cartons.
- To integrate easily with existing technologies and be easy to use.

Solution

The team at Schweppes Australia Pty Ltd's Tullamarine plant in Victoria compared equipment from several suppliers, choosing a solution by Matthews Australasia. The solution was an Mperia system, with two technologies: a Thermal Inkjet Coder and Drop on Demand (DOD) Coder, because of the advanced technology, its simplicity to use and easy of integration with existing equipment. The Mperia is set up to run six coding heads for the two different technologies on the one production line from the one controller, a capability unique to the Mperia.

Result

The Mperia sits at the carton coder, on the outfeed of the packer, printing between 40-60 codes a minute, operating six days a week. It improved what Schweppes already does, while also allowing them to enter new markets, with the capabilities of red-ink printing and coding special codes and texts, as well as the variety of text sizes and fonts.

On top of the capabilities of the old coder, operators can do a lot more with the Mperia, such as modify, edit and create new codes while the system is still running.

The solution has had a strong impact on the company's efficiencies and productivity:

• Downtime has improved due to not losing memory
• Quick changeovers between code selection from product to product
• Less mess on the coder heads due to better control of ink usage, and it has a simply flush system.

Business Takeaway

Before you make any cuts to your maintenance budget or delay on replacing failing equipment, take a look at the total cost of unreliable equipment for your company. Unreliable equipment can lead to downtime, lost production and sacrifice of quality, which in turn can lead to reputation damage and even lost customers. Is it worth the risk?

It is possible to replace equipment or upgrade to newer technology on a rental model so do consider taking advantage of such finance models to ensure your plant has reliable operations and cutting edge technology.

Lesson 4: Look to label applicators for promotions

Product identification is evolving. Today's manufacturers are recognising that product identification is about more than ticking compliance boxes with GTINs, batch numbers and codes; it can provide a valuable tool to engage consumers. That's what Port Lincoln Tuna Processors found when a customer asked them to run a promotion.

Port Lincoln Tuna Processors

The South Australian company processes tinned salmon for Tasmanian-based Tassal, who wanted to run a promotion on its 95-gram tins. However, Port Lincoln Tuna Processors couldn't cover the existing wrap-around label with another label, leaving only the top of the tin (the opposite end to the ring pull) as the place for a promotional sticker. None of the co-manufacturer's existing equipment was suitable for the job, so it needed to quickly find a label applicator that could do this.

Business needs

- **Cost-effective:** Port Lincoln Tuna Processors doesn't have a big call to apply promotional labels, so a significant investment would not be justified.

- **Quick availability:** The equipment needed to be available and operational fast in order to meet Tassal's wider campaign promotion timelines.

- **High quality:** Consistency, accuracy and efficiency were critical in the new labelling equipment.

- **Easy integration:** The labeller needed to fit into the existing line without disrupting or changing the production process.

- **Food safe:** The labeller needed to meet food-manufacturing conditions

Solution

Port Lincoln Tuna Processors approached Matthews Australasia for the solution, whose experts recommended an Avery (now known as Novexx) in-line label applicator. Matthews installed the Novexx onto the production line after the wrap-around labeller and it was fully operational in time for the promotion. The company uses the labeller to apply a 60mm-wide top label to 95g metal tins, with the label facing upwards on the supermarket shelves, so consumers easily see it.

Business Takeaway

When it comes to driving in-store purchase, the power of on-pack promotions is unmatched by most marketing tools. Marketers have long used on-pack promotions to boost short-term sales, generate brand loyalty and awareness, and reward purchasers. Label applicators allow you to run a temporary on-pack campaign without repackaging your product or completely re-designing the packaging. This makes them an extremely cost-effective way to generate a buzz around your product or special offer.

Lesson 5: Coding solutions can provide the key to the Global Market

While Asia's ever-growing appetite for high quality Australian products is an exciting prospect, navigating the complexity, red tape and costs can be daunting for any manufacturer.

It comes with its fair share of complexities and risks. Counterfeiting is hurting Australian products here and overseas, and the food and beverage industry is a growing victim. This has huge implications for any Australian food and beverage company that wants to export, especially to China where the Chinese Government is cracking down on labelling and coding requirements.

Here's how Wescobee Honey and Camperdown Dairy International overcame the challenges.

Wescobee Honey

Australia's second major exporter of consumer-packaged honey, Wescobee Honey sends product to around 21 countries. The company has long been sending product to the Middle East, and recently expanded into Japan and China too, which added new demands to its coding and labelling equipment.

Business needs

- **Efficiency:** To cater for the export market, Wecobee needed a multi-lingual coding solution that could help improve its overall efficiency and productivity.

- **Versatility:** Along with needing to print language-specific information on labels, Wescobee had also broadened its product range. So, it needed a coder that could print on a wider variety of substrates and package sizes.

- **High-contrast coding:** Readability was an issue on the amber and darker substrates. The printed information needed to be easily contrasted on all substrates without changing inks to make the information easily readable.

- **Flexibility:** Wescobee needed to print product information, branding and traceability codes, which varied based on the SKU.

Solution

After trialling Wecobee's packaging through various coders, Matthews' technicians provided a report of suitable coders. The company chose the Linx Spectrum as the best fit. The coder sits at the end of the production line, so that filled and lidded containers pass through the coder and onto a turntable to be packed off.

Result

The contrast grey ink means the ink doesn't need to be changed for different substrates and the printer automatically makes adjustments for different container sizes. It allows Wescobee to code directly onto the packaging so they are no longer limited by having to print onto labels first. The whole process is far more efficient and streamlined, enabling Wescobee to met overseas customers' needs.

Camperdown Dairy International

In 2013, China clamped down on the flood of foreign infant formula companies. Importing manufacturers must provide the Certification and Accreditation Administration of China (CNCA), plus meet a series of requirements under the Infant Formula Milk Powder Production License Examination Rules (2013). Product inspection, product safety-control and product traceability come under the Infant Formula Milk Powder Production License Examination Rules.

Business needs

Camperdown Dairy International needed to have strong product traceability processes in place to meet these guidelines and gain Chinese government accreditation.

Solution

After researching cutting-edge product ID technologies for a year, Camperdown chose to work with Matthews Australasia because of the company's total hardware and software solution, flexibility in getting it up and running, knowledge, and partnership approach.

Developed by Matthews Australasia and the cloud-based authenticity platform Trust Codes, the system laser marks each tin of infant milk formula with a unique QR code and human readable information both managed by iDSnet. The etched QR code allows consumers to scan and identify the individual product, reports its history, and also displays essential information about the brand, Australian dairy products, and how best to consume the product.

Result

- **Accreditation:** The track-and-trace system's effectiveness resulted in the Chinese Government accrediting Camperdown to import powdered infant formula. The Australia manufacturer could therefore sign deals with distributors, with a retail value of around $9 billion.

- **Anti-counterfeiting:** The laser technology gives Camperdown depth of information, speed with in-line marking, accuracy, and supports business growth – all with the confidence the code is both secure and difficult to reproduce from an anti-counterfeiting perspective.

- **Authentication:** The solution at Camperdown's factory incorporated in-line validation with a camera-based system by ensuring each printed code is verified and scannable, before it's uploaded to the secure Trust Codes cloud. Consumers can use their smartphones to scan the code and authenticate the product is genuine.

- **Consumer connection:** Chinese consumers use the scanning capability in the free, popular Chinese messaging app, We Chat. With no need to download a separate program, scanning is easy and the consumer can interact with the manufacturer at POS.

- **Future flexible:** Camperdown has found the solution simple to use with the intuitive, user-friendly iDSnet. The software's flexibility means they can continue maximising its benefits long into the future.

Business Takeaway

The right coding technology can unlock the global export market, and business growth, while protecting the brand overseas. Serialisation is one of the most effective ways to improve traceability and provide you with the data you need to respond quickly and effectively to risks in the supply chain. Serialisation makes it more difficult (and less financially viable) for counterfeiters to enter the supply chain – simply because it's difficult to duplicate valid codes.

Lesson 6: Simple to use equipment and local support can improve ROI

If you're looking to automate or improve your coding and labelling processes, it's imperative that the equipment is easy to use from the outset. Many manufacturers, like Cairns Natural Spring Water, are also realising the value of support from the equipment provider.

Cairns Natural Spring Water

Cairns Natural Spring Water wanted to bring its coding up to the level of its state-of-the-art bottling machinery, so decided to automate the process. However, the Australian-owned and operated family company has a strong focus on service and supporting the local community, and expects the same from its suppliers.

Business needs

The solution needed to be easy to use and fit the plant's production line. The coding needed to be clear so stores don't reject the product. Above all, after-sales service was an extremely important factor for the company.

Solution

Matthews recommended a Linx continuous inkjet coder to place best before dates on two bottle sizes: 600ml and 1.5 litres. Sitting after the labeller, before packing, it codes just under 30 bottles a minute. Operation is simple: staff simply turn it on to run the current batch, with Matthews pre-programming the coder so the date changes automatically. Warning lights signal when ink and solvent need topping up, which is a straightforward process.

Result

The coder has capabilities beyond what the company currently uses it for, so they have room to grow. The bottler also found the after-sales service to be excellent with any issues and questions solved over the phone as needed.

Business Takeaway

With the focus on better efficiencies, equipment manufacturers are making it easier to use coding and labelling equipment, with features including colour touchscreens and more. However, it's equally important to choose a supplier that will provide local support when you need it. With Matthews Australasia, you benefit from a team of experts on hand to provide upgrades, modifications and troubleshooting when needed. There's also maximum spare parts availability, so in the event of a failure, you can be sure that downtime is minimised.

Lesson 7: Coding onto generic cartons offers a Cost-Effective Solution

Generic packaging can be coded and printed on in-house to drive down packaging costs and deliver improved efficiencies. First and foremost, you save on the costs of printing and storing pre-printed branded packaging.

Using standard packaging sizes for different products can also reduce changeover times and save on overall packaging costs, as The Gourmet Nut Company has discovered.

The Gourmet Nut Company

Specialist coater of several gourmet nut products, The Gourmet Nut Company has experience dramatic sales growth both in Australia and overseas. In fact, their growth has vastly outpaced its labelling process, whereby the company applied three separate labels to packages by hand.

Business needs

The company wanted an automated solution that would increase efficiency, improve packaging quality and increase packaging consistency.

However it was extremely important to reduce overall packaging costs – as a small business, too much working capital was tied up in thousands of reel of film for individual products across its 12 product lines. By eliminating the need to change a whole film wheel whenever they wanted to change products on the line, the company would be able to save time, money and free up valuable resources.

Solution

Matthews recommended two Linx thermal transfer over printers (TTO), with one user interface having control over both printing devices. This reduces tasks and makes set-up easier – only one set-up is needed even though the coders print different things. The coders simultaneously print the product ID on the front, along with the ingredient panels and best-before and batch codes on the back.

Result

The coding solution has saved a huge a mount of time by removing manual labour, improving efficiency in the process and lifting packaging quality and consistency. Generic film has freed working capital (and physical storage space) from being tied up in film inventory. And operators find the TTOs very easy to use.

What's more, the generic film and simply programming means the company can easily trial and add new products.

Business Takeaway

Do you really need branded film or cartons? For smaller businesses especially, printing onto generic cartons or film offers a cost-effective packaging solution.

One of the biggest advantages is the ability to update packaging on the fly or when trialing new products/ variants. It also reduces the changeover time. This is particularly important for smaller manufacturers who change products or packaging multiple times per day and for contract manufacturers who manufacturer for different brands. By using generic cartons, the cases are only changed when a different size is required. Messages are quickly and easily programmed into the coder, meaning a line can be ready for coding new cartons in just a few minutes.

Conclusion

The manufacturers we've highlighted in this ebook have all been driven by different business needs and challenges, but if there's one thing that they all have in common, it's this: they all recognise the importance of up-to-date labelling and coding technology to their business.

Each food and beverage company has looked for a better way to do things, and in doing so, has been able to improve efficiencies, reduce costs and improve the quality of their product. For some, if not all, this has also led to long-term growth opportunities.

Not every solution will be right for your company, but we hope you have found the lessons valuable and that these companies have inspired you to think about how you can improve your coding and labelling process.