

QTL increases its business and opens new opportunities for customers' labels with HP Indigo digital printing technology



At a glance

Industry: Labels & Packaging

Business names: Quality Tape & Label Co., Inc.

Headquarters: Smyrna, GA, USA

Websites: qtlabel.com



Business names: Atlantic Chemical & Equipment

Headquarters: Atlanta, GA, USA

Websites: atlanticchemical.com



Challenge

- Expand digital printing capacity to meet fast-growing demand.
- Offer customers new label design and production possibilities to help them succeed in competitive markets.
- Improve efficiency to enable longer digital print runs in line with customers' changing requirements.
- Expand versatility to enable new digital applications, including folding cartons and shrink sleeves.
- Gain pricing flexibility without jeopardising margins.

Solution

- Replacing an older HP Indigo press with an HP Indigo WS6600 Digital Press with Inline Priming Unit to expand digital printing capacity and enable longer run lengths.
- HP SmartStream Designer to support increasing amount of variable data printing (VDP) jobs.

Results

- QTL revenues have consistently grown in the past five years, with digital printing on HP Indigo presses accounting for 70 per cent of the growth.
- QTL replaced two 12-hour shifts per day with one 8-hour shift which increase margins by 15-25 per cent.
- Enhanced Productivity Mode (EPM) on the HP Indigo WS6600 Digital Press enables more competitive pricing and higher margins without impacting visible quality.
- Inline Priming Unit (ILP) on the HP Indigo WS6600 enables new media types, facilitates inventory management and increases margins by eliminating the need for flexo priming.
- High-quality, versatile digital label printing for Atlantic Chemical & Equipment (ACE), including inline printing of batch codes, has helped boost ACE's competitiveness and supported its growth into larger markets.

“The quality, consistency and efficiency of the HP Indigo WS6600 is outstanding. Each new HP Indigo press has brought us colour, speed and consistency improvements and that, along with the great support, has made it an easy decision to stay with HP.”

– Rob Daniels, vice president, QTL



At Quality Tape & Label (QTL), thinking outside the box is standard practice – and a vital competitive advantage. This approach is driven by the legacy of QTL's founder, Cecil Daniels, and directly enabled by the family-run company's on-going use of HP Indigo digital printing technology.

Established in 1979, QTL initially focused on one and two-colour flexo label printing. Since then, QTL has grown into a multi-million dollar company that provides a wide variety of digital and flexo label as well as flexible packaging printing services. Its customers range from local family-run businesses to multi-nationals, with many customers in the fields of nutraceuticals, chemicals, hair care and water bottling. Long-term customer relationships are a hallmark of QTL's approach, with two of the three original customers from its earliest days still on board and several other customers sticking with QTL since the early 1980s.

Partnership that goes beyond printing

“Our success is built on the ethics of my grandfather, which means treating our customers as we want them to treat us, as partners,” says Rob Daniels, vice president at QTL.

“It's about showing them how we can go beyond the product we are printing, offering consultations and ideas. We're out there seeing what HP is bringing to the market, and what others are doing, and showing our customers how it can impact their business.”

HP Indigo developments help drive growth

Recently, QTL's ability to offer its customers' new capabilities took a giant leap forward when it upgraded to a new HP Indigo WS6600 Digital Press. The WS6600 was installed as a replacement for the HP Indigo WS4500 Digital Press, which itself had dramatically boosted QTL's business. By mid-2012, the HP Indigo WS4500 Digital Press was running 24 hours a day and QTL was struggling to keep up with its digital workload. To increase its digital capacity, QTL replaced the WS4500 with the HP Indigo WS6600 Digital Press, installed with an Inline Priming Unit (ILP) in April 2013.

“In our first four years of digital, we printed a total of 3.5 million impressions. In 2011, we ramped up to the WS4500, and a few months ago to the WS6600, and now we're printing a couple of million impressions a month,” says Daniels. He reports that in the past five years, QTL has consistently grown, with 70 per cent of the growth coming from its digital business.

He attributes that dramatic growth to the great efficiency improvements that came with each new generation of the HP Indigo press. “The WS4500 required less maintenance than our previous press the HP Indigo WS2000, so it became more cost-effective to print more jobs, including longer runs, digitally.”

“The digitally printed labels we get from QTL have helped us be more competitive and allowed us to expand into markets where we would not have been able to compete before. With these labels, we can show we are ready for the big leagues.”

– Carole Sneed, administrative assistant, ACE



New press with EPM delivers higher margins, and more

“We chose the WS6600 mostly for the larger frame size, higher speed and efficiency,” explains Daniels. “It was an excellent decision. We’re making about 15-25 per cent higher margins out of every job, and we’re printing so much now that we’ll have to add an extra shift.”

Enhanced Productivity Mode (EPM), which QTL uses on about 50 per cent of jobs, has brought the cost of printing down. “We ran a job at EPM that we used to run four-colour on the WS4500 and we calculated that in one eight-hour shift we saved \$1,100 in click charges. We also figured we did what would have been 22 hours of production on the WS4500 in that same eight-hour shift on the WS6600.”

With the business growth and increased margins enabled by HP Indigo digital printing, QTL has been able to boost its re-investment in multiple aspects of the company including adding more finishing equipment and a Corona Treater.

Digital printing also helps QTL solve its customers’ most pressing challenges. Daniels explains: “If a customer calls and has an urgent need for a small number of labels out of a longer run, we can deliver the first set the same day using digital and then run the rest on flexo later.”

More media options with inline priming

“The ILP is another great tool in our toolbox,” says Daniels. “It helps with inventory because we can keep regular substrates in stock and just prime them as we go. It’s made me more willing to try different media types. We just ran a job on some really expensive material that I wouldn’t have touched before. But because there’s no media waste from priming on flexo, we could just prime what we need and print.”

As runs get longer, QTL does more with digital

QTL prints most digital labels on semi-gloss, clear and white polypropylene media or silver foil, in runs lengths averaging around 1,500 m (5,000 ft.), and commonly up 3000 m (10,000 ft.). However, digital production jobs even bigger than that are becoming increasingly common. For example, QTL recently produced a 243,800 m (800,000 ft.) label job comprised of 20 different SKUs using its HP Indigo WS6600 Digital Press.

“The economy is picking up and our customers are selling more products so they need more labels, but they’re already used to digital quality and they don’t want to go back to flexo,” says Daniels. “The colour quality is one of the biggest selling points for us. The quality and consistency are just so much better than flexo. They’re willing to pay digital prices to keep the quality and maintain the integrity of their brands, so our run lengths are getting longer.”

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QTL is also getting work from new customers that had been going elsewhere for longer runs or six-colour printing. “With the efficiencies of the WS6600, we’re really competitive on price, so we can transition these customers to digital. They’re getting a premium product without the fixed costs of flexo, layout changes can be done without costs for plates, and they can do anything they want with design, which really opens their possibilities,” says Daniels.

QTL’s HP Indigo investments pay off for ACE

Georgia-based Atlantic Chemical & Equipment (ACE), a QTL customer since 2006, is one company that has benefited greatly from QTL’s on-going investment in ever-more advanced HP Indigo digital presses.

As QTL’s digital printing capabilities have expanded, ACE has been able to improve its labels, progressing from plain, flexo-printed, one or two-colour labels to eye-catching, full-colour labels. And, instead of ACE manually printing batch codes and barcodes on the labels using its own thermal transfer printer, QTL now does the whole job using variable data printing (VDP) to print batch labels, barcodes and QR codes on the full-colour labels.

New labels enable ACE to compete in bigger markets

Carole Sneed, administrative assistant at ACE, describes the difference that QTL’s advanced digital printing has made. “The quality before was dismal compared to what we have now. It was monochromatic or a limited number of blends, and sometimes the barcodes were not readable by some scanners. We couldn’t compete with the larger national companies. But, with digital printing, our labels are now equal or superior to what the largest companies have.”

In addition to its own line of chemicals and cleaning agents for the professional HVAC/R market, ACE has a thriving offering for companies that offer private-branded cleaning fluids. Its ability to provide high-quality custom-printed labels is a key element in winning private brand customers.

Sneed says: “The digitally printed labels we get from QTL have helped us be more competitive and allowed us to expand into markets where we would not have been able to compete before. With these labels, we can show we are ready for the big leagues.”

Sharing the benefits of more efficient digital printing

With its new HP Indigo WS6600 Digital Press, QTL is able to produce some of ACE’s labels more efficiently without a discernible impact on quality by utilising EPM on some jobs and by replacing 12-colour sandwich printing with 10 colours. Daniels says: “Our growth with ACE is with the efficiency. We have passed on some cost savings to them so they have been able to become more competitive.”

The advanced capabilities of the new press are set to help ACE in others ways too. ACE is now looking at expanding to international sales and QTL is working with ACE to facilitate the expansion. Daniels says: “Now we are talking about printing 2D bar codes and adding other security features in the labels, such as micro-text to protect ACE against counterfeiting.”

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