

Packaging/Printing Case Study

i-Pack



i-Pack takes total control of production with Canon

i-Pack as emballasje - display

Company Name

i-Pack

Industry

Packaging/Printing

Founded

1997

Location

Sarpsborg, Norway

Services

Digital wide format printing, packaging, POS, display graphics, commercial print, design and composition, finishing, product assembly

Website

<http://i-pack.no/>

Objective

Expand business to become leader in POS solutions.

Challenges

- Struggle to meet customer demand for fast turnaround for POS campaigns that are often reactive
- No control of print quality affecting quality of end product
- Outsourcing short-run printing jobs created onerous production line
- Limited and expensive prototyping process
- No capability to produce new applications for further business growth

Approach

- Canon analysed business strategy and best solution to enable customer to add printing to service offering
- Canon and Arizona technology was recommended by new business partner for new digital division
- Canon invited company to pre-launch of the Arizona 6000 series in Vancouver
- Demonstration of productivity and versatility across wide range of media for short-run packaging, display and commercial print applications
- Canon supported installation and integration with existing finishing line

- Provided business support to help transition into in-house printing for end-to-end production

The Canon Solution Products

- Océ Arizona 6170 XTS
- Onyx Thrive

Results



Enhanced delivery time for Just-In-Time proposition - from three weeks to one week for some applications



Increased monthly volumes by 300%



Aiming to grow volumes by 25% by end of 2015 and an additional 15% by 2016



Underpinned the establishment of newly developed i-Pack Digital division and further expansion with i-Pack Plast for wood, plastic and steel applications, and i-Pack Design & Communication for original campaign design

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Thanks to Canon's support and technology, we're well on our way to achieving our business objectives.

Canon

i-Pack takes total control of production with Canon



300%

Increased
monthly
volumes



The challenge

i-Pack – based in Sarpsborg, Norway – has always excelled at creating display graphics and packaging solutions for the Point-of-Sale (POS) market. Operating under different names and owners since its founding in 1997, the company – based in Sarpsborg, Norway – has worked with a number of leading packaging companies in Scandinavia and other European markets.

By 2013, however, its founder – Atle Andreassen – felt the company was not fulfilling its potential. “We had lost our identity,” comments Andreassen. Functioning as more of a local sales organisation for its parent company, Andreassen led a successful buyout to bring the business back to its roots. Rebranded as i-Pack AS, the specialist’s new strategy was to revert back to supplying, and, more importantly, producing high quality POS materials and special packaging. The long-term goal was to be the best in its field.

A key part of this new business strategy was winning business in

the short-run promotional graphics and packaging market. However, as Andreassen explains, the company did not possess the capability to print in-house: “Financial restrictions and a lack of vision by our previous owners hindered investment in our own printing technology. We had always outsourced our printing to production sites in Sweden and Denmark.”

This was an inadequate process. Not only slow and onerous, the costs involved in ordering and shipping printed sheets from a third party were expensive too. “The process also undermined our control over the quality of the end product,” comments Andreassen. “There was no way to guarantee that the customer’s approved PDF file would look the same once it was printed externally.”

In addition, i-Pack’s core customers – fast-moving, brand-conscious marketers – like to see samples to inspect their product first hand. “Our customers like to take samples to internal meetings

so they can visualise how the final display would look in-store. We lacked the prototyping capability to do that,” comments Andreassen.

With customer demand for faster job turnaround and more flexibility from their suppliers to facilitate reactive marketing campaigns, i-Pack knew it was time to invest in digital printing technology and offer end-to-end production.

“Sometimes you get a request on a Friday for a short-run POS campaign that goes live on the Monday,” elaborates Andreassen. “The old process of outsourcing the work to be offset or screen printed was neither fast enough nor a financially viable option. We required a way to produce samples and judge the quality in-house, rather than order 200 from a third party printer only to find that it is not to the standard we, or the customer, expected.”

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Our business can now produce eye-catching POS and packaging solutions from concept to execution that capture the imaginations of our customers, and that we can charge a premium for. All of this has been galvanised by our investment in Canon and the Arizona technology.

We printed more output in the first three months of the machine being installed than we did during the whole of 2014 combined!



The solution

Soon after the buy-out, i-Pack worked with a local print service provider (PSP) to set up a new division, i-Pack Digital. This arm would be a production site that combined i-Pack's expertise in packaging design with the PSP's understanding of the print market.

By 2014, i-Pack recognised the division required a partner to support its transition and propel its strategy forward. The owner of i-Pack's PSP partner, Jan Tore Hall, was very forthcoming in his praise about his experience with Canon and its Arizona technology.

"Jan spoke very highly of working with Canon and the performance of its technology," recalls Andreassen. "Both of these were important factors. This was our first big investment in digital printing technology, so we had to consider all the variables. Would it provide a return on investment (ROI), would it suit our business needs and integrate with our existing finishing line, would the supplier understand our business vision to become the leading supplier of POS materials nationwide and beyond?"

Based on Hall's recommendation, i-Pack approached Canon. After analysing the specialist's business plan, the company was invited to Vancouver for the exclusive pre-launch of Canon's new high-productivity Arizona UV flatbed series. "In Vancouver, they explained the economics of printing in-house

and were quick to dispel our concerns about future potential 'hidden' costs via maintenance and servicing issues that could undermine our profitability," explains Andreassen.

The company also knew that the Arizona was the right technology to enable it to produce short runs of quality and eye-catching POS work to grow its business. "We would have the capability to bridge the gap in our production line and make us very competitive," adds Andreassen.



The results

I-Pack's in-house printing service has cut 50 per cent of its outsourcing costs and reclaimed complete control of its short-run production, while laying the foundations for rapid business expansion.

Capable of swiftly responding to on-demand customer orders – turnaround time has been cut by 30 per cent on some orders – the company has increased monthly volumes by over 300%, from an average 4,000m² to 12,000m² per month.

“Vast quantities of output, around 40 per cent, is going through the Arizona and, on average, we're running it for 15 hours a day non-stop,” comments Andreassen. “We printed more output in the first three months of the machine being installed than we did during the whole of 2014 combined! We have experienced minimal teething problems and the technology runs very smoothly.”

The company is also being more economical with its substrates. Depending on the size of the application, the Arizona is capable of printing multiple orders from just one unit of media. “We can also produce a whole display application, often comprising many parts, in one pass. This makes us very efficient and ensures the end-product is visually consistent from every angle.”

Significantly, the impact of the investment in Canon has accelerated i-Pack's long-term strategy to be a leader in the field, with the evolution of four distinctive business divisions.

Joining 'i-Pack' and 'i-Pack Digital' is 'i-Pack Design & Communication' and 'i-Pack Plast'. The former operates as a small advertising agency that works with customers to create original campaigns, while i-Pack Plast cuts and prepares materials such as wood, plastic and steel for a broader range of innovative applications that can be printed on via the Arizona technology. All of these divisions serve their own core customer bases, but also integrate for end-to-end production of POS promotional campaigns.

“Our business can now produce eye-catching POS and packaging solutions from concept to execution that capture the imaginations of our customers, and that we can charge a premium for,” concludes Andreassen. “All of this has been galvanised by our investment in Canon and the Arizona technology. On back of this investment, we're aiming to grow volumes by 25% by end of 2015, and by additional 15% by 2016. Thanks to Canon's support and technology, we're well on our way to achieving our business objectives.”

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Turnaround time has been cut on some orders by

30%

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