

# Raflataalk

UPM RAFLATAC CUSTOMER MAGAZINE

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Responsible sourcing:  
Removing risks

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UPM RAFLATAC CUSTOMER MAGAZINE

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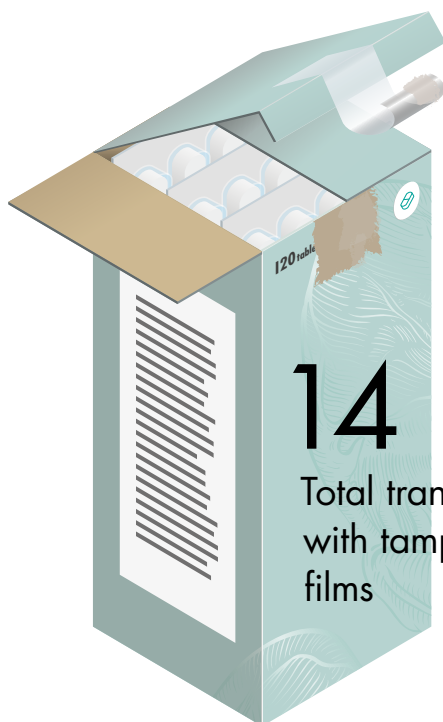
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**UPM**  
The Biofore  
Company



# 12

Label collector  
goes bananas

## Responsible sourcing, value for all



Photo: Sami Helenius

Acting sustainably and responsibly has long been part of UPM Raflatac's culture. This heritage is our strength, and we have remained true to it throughout our 40-year history. As company employees we are the temporary custodians of this heritage, and we have to work with all stakeholders to ensure this future is safeguarded.

Responsible sourcing is a big part of the effort. **Olivier Guichardon**, Corporate Social Responsibility Director for Sequana, the parent company of our customer

Antalis, wisely says that the rationale for doing this goes way beyond it being a good thing to do. How right he is. Risk, reputation, share price; it's all connected.

The challenge is huge. UPM Raflatac has thousands of suppliers across all continents and a team of experts dedicated to the task. Deforestation, pollution, conflict minerals, corruption, child labor, human rights – these are just some of the issues we need to consider. Having that knowledge and expertise in-house is of strategic importance to us. We know our supply chain in detail, and we aren't just acting responsibly, we are taking responsibility.

How do we pass on this value to our stakeholders? One great example is in Southeast Asia where we have been rolling out our FSC® and PEFC™ chain-of-custody to over 500 label converters and brand owners. Valued customers like **Jo-Joe Meejaroen**, General Manager of Weber Marking Systems Thailand, see the chain-of-custody as a first step for Southeast Asian businesses to differentiate themselves from competitors. The shared value in partnering on these topics is clear.

I leave the last word to my good colleague, Vice President of Sourcing for UPM Raflatac **Sami Poukka**: "What is the cost of not sourcing responsibly?"

**Robert Taylor**

Director, Communications & Environment



Photo: Makers &amp; Merchants

**51% of millennials check packaging to ensure social and environmental impact. Only 31% conduct further research.**

– Sustainable Business  
@GuardianSustBiz  
30 Aug 2014

images should all correspond with your marketing and core brand values. Whether you are fun, fresh, personal or premium quality, everything on the label should convey that.

#### **MAKE IT MEMORABLE**

Try and have a brand image or slogan that will stick in the consumer's mind, and highlight it in your design. The more visual the label, the more buyers will remember and connect with your brand.

#### **STAND OUT**

Be bold. When you're a needle in a haystack of products, being different is the only way to get found. So use contrasting colors, eye-catching images and sharp typography, drawing attention to small products with big, brash designs.

#### **DON'T FOLLOW THE CROWD**

Your label should show off what makes you unique, not mimic others. Highlight the differences between yourself and other brands – make it clear at first glance that the better choice is you.

[www.business2community.com](http://www.business2community.com)

#### **Labels that sell:**

## **Top tips for your product**

#### **WHICH 'TYPE' ARE YOU?**

Typography can convey more than you think, and it can be key to the design of your product label: your type is your tone. Are you fun, personal, intelligent, creative, professional or price conscious? Not only is typography a way to make a statement about yourself, it can also differentiate your product from competitors.

#### **BE THE BRAND**

Your label should match what you stand for. Typography, colors and

## BIODEGRADABLE PACKAGING SEALS THE DEAL FOR CONSUMERS

Biodegradable packaging has quickly become an essential part of the colossal global packaging market because of the increasing consumer awareness and the rising importance of environmentally-friendly substitutes. Major packaging manufacturers are now looking to differentiate their products from those of their competitors by providing the best possible biodegradable packaging products as per consumer demands.

The global biodegradable plastic packaging market is expected to achieve compound annual growth of 18% from 2013 to 2019. Developed geographies are expected to register maximum growth, particularly in the food and beverage segments.

[www.rnrmarketresearch.com](http://www.rnrmarketresearch.com)

~18%

2013 → 2019

Projected annual growth in the global biodegradable packaging market.

## ECONOMIC GROWTH ACCELERATES THE LABEL INDUSTRY

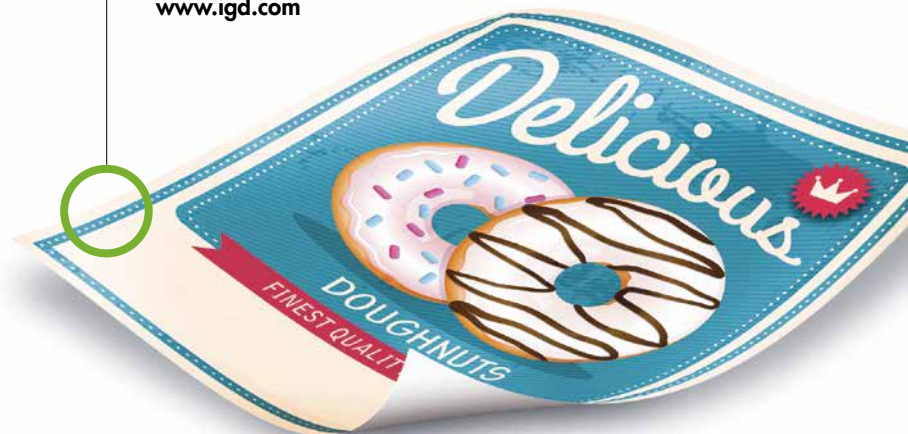
According to the Alexander Watson Associates (AWA) report, *Global Labelling & Product Decoration Market Update 2014*, there has been a significant increase in demand for products in the label and decoration markets. Since 2012, the rate of sale is up by 3.5%, and the report found that European markets are now returning to a sustainable level. It was also noted that while markets in China, India and South America remain steady and relatively unchanging, they continue to provide the key figures driving overall global growth.

[www.labelsandlabeling.com](http://www.labelsandlabeling.com)


## DIFFERENTIATION THROUGH DESIGN

While private labels might once have been the 'cheaper alternative', they are now a chance for retailers to connect with consumers and respond to popular demand. Rustic, more personal brands are becoming more popular with a new generation of shoppers looking for higher quality, 'wholesome' and 'authentic' products. Bringing more emotion and color to packaging makes their brand feel more genuine, and the transparency between product provider and consumer has proven a valuable marketing tool.

[www.igd.com](http://www.igd.com)







RESPONSIBLE SOURCING:

# Removin risk

International paper distributor Antalis secures up and downstream supply chain legitimacy.



TEXT Will Stone  
PHOTOS UPM, Antalis



**R**isk removal is at the heart of international paper distributor Antalis's renewed approach to responsible sourcing. According to **Olivier Guichardon**, Corporate Social Responsibility Director for Sequana, the parent company of Antalis, the rationale for doing this now goes way beyond it being a good thing to do.

In fact, according to Guichardon, risk removal is an essential part of business and one which Antalis's senior management fully endorses. Guichardon comments further: "There are three areas on which we focus, but underlining this is the removal of risk from all aspects of our business. We simply do not want to have negative impacts on our business.

"There have been clear cases, some more recently in the forest products industry, where a lack of responsible sourcing has had a catastrophic effect on a company – affecting share price and creating a loss of faith for all stakeholders. At Sequana and Antalis, we have a clear-cut approach that we have legitimacy throughout the supply chain, be this in the treatment of people or the use of resources and the impact on the environment."

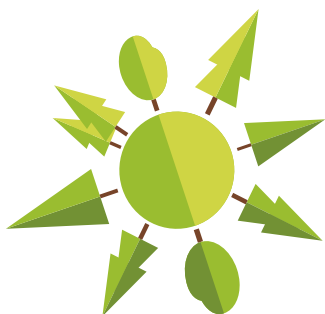
Like many organizations, Sequana has drawn up responsibility principles covering Governance, Natural Resources, People and Product offer. Guichardon has been responsible for developing and implementing these principles across the whole of the Sequana group, which includes specialty paper manufacturer ArjoWiggins in addition to Antalis.

### **Green Star System defines environmentally-responsible products**

A former corporate partnerships officer for WWF, Guichardon has significant experience in this area. Building on the experience and position of ArjoWiggins has enabled Guichardon to look at the whole supply chain with both the eyes of a supplier and also a customer purchasing products from the likes of UPM Paper and UPM Raflatac, for example. The process has meant looking as far as they possibly can up and downstream to ensure they meet their commitments and customer promise.

This has resulted in the Antalis Green Star System, designed as Guichardon explains, "to make understandings much clearer and easier." He says that complex and numerous standards, ➔





**“We set ourselves a challenge to try and really define what an environmentally-responsible product really is.”**



certifications, processes and approaches can cause confusion not only for customers but also for any business trying to identify which products to purchase over others. Guichardon underlines this further, commenting:

“We set ourselves a challenge to try and really define what an environmentally-responsible product really is. After a ten-month review, we narrowed this down to two main areas of impact.”

Antalis’s Green Star System looks at the raw material and the manufacturing stage. Within these two areas are a further eight elements against which products

are clearly assessed. For Sequana and Antalis, there is a double motivation – compliance, and also a wider responsibility to act as corporate citizens.

In tightly defined criteria, Guichardon explains that natural resources such as pulpwood must come from internationally recognized, certified forests. In addition, the product should comprise between 50 and 100 percent recycled fiber. This is a challenge for many manufacturers who use virgin fiber for their premium products, and Guichardon concedes that it isn’t possible for the majority of label materials to achieve the highest

score. Not even UPM Raflatac products can do this despite sustainable provenance and the systems in place to recycle them – UPM converts label waste into biocomposites like UPM ProFi for example.

The Green Star System also reviews the manufacturing process, demanding that an ISO 14001 environmental management system is in place as a minimum. The result according to Guichardon is a clear marketing translation of a 0 to 5 star system. All products above three stars are approved by Sequana/Antalis and clearly promoted to purchasers, who can then use the system in their own marketing.

### **Fundamental checks mitigate business risk**

To make the process of submitting reams of information easier for the supplier, Sequana has implemented an online platform called Myrmex which enables a one-time upload of information against the criteria required from Antalis. This covers, for example, EU Timber Regulations, REACH and food contact safety certificates. UPM Raflatac currently has over 300 products in the Myrmex system. Myrmex is a risk evaluation tool based on the IUCN species red list and a country-by-country risk list. By using Myrmex,





Antalis is able to automatically highlight areas of risk across its procurement portfolio.

For Sequana and Antalis, the process delivers on a clear objective – minimizing or taking away risk. Guichardon adds: “We are dealing with suppliers from more than 45 countries, and by doing this we guarantee that we have the deepest and richest information about the products we are selling. We recognize this can create limitations, for example our stance on the benefits of recycled versus virgin fiber, but in the wider context it delivers peace of mind. The job is by no means complete. A rolling

communications program is planned to educate customers and users of Antalis’s products about the Green Star System.”

Guichardon’s role is now to ensure that suppliers are supported through this process. He summarizes: “Whether you are a label converter or large magazine printer, you need to know that you can have full traceability and transparency in your purchasing decisions. You have to ask yourself ‘Can I afford to take a risk and lose business by negating certain fundamental checks?’”.

## GAINING INSIGHT

**UPM Raflatac has undertaken a comprehensive study to gain further insight into responsible sourcing, particularly in relation to forest certification. Over 30 leading European-based companies across key sectors such as food, retail and pharmaceuticals were interviewed.**

These are some of the key findings of the study:

- Despite labels being a small part of packaging, sustainable origin and traceability for all packaging materials has grown in importance.
- PEFC™ and FSC® are both recognized and accepted by the majority of companies. FSC certification is best recognized globally, especially outside the EU, though PEFC is widely used in Europe.
- For the majority of the respondents, forest certification is not a minimum criterion when sourcing paper-based labels.
- Forest-certified materials help mitigate sourcing risk in the supply chain and support compliance with EU Timber regulation requirements.
- A combination of eco-labels and responsible sourcing across the supply chain is essential in the ‘big picture’.



Photo: Sami Helenius

## RESPONSIBLE SOURCING IS GOOD BUSINESS

*Customers, consumers and other stakeholders increasingly want to know where the products they buy come from, how they have been produced and what impacts they have on the environment and on people. Vice President of Sourcing for UPM Raflatac Sami Poukka shares his insights on doing business sustainably and responsibly as the way forward for the label and packaging industry.*

### **IS THERE VALUE IN RESPONSIBLE SOURCING BEYOND ETHICAL BUSINESS?**

Absolutely. The whole supply chain benefits, and it's no longer the sole responsibility of the manufacturer or producer. Label and packaging end-users now see it as a competitive advantage – they can be confident that every stage of the process is monitored, ethical and safe.

### **WHAT BENEFITS DOES RESPONSIBLE SOURCING BRING TO UPM RAFLATAC?**

On a higher level, it demonstrates that we are a trusted player in an international market. On a day-to-day basis, responsible sourcing makes us fully compliant with industry-specific regulations, and also creates standardized and uniform processes across every continent where we operate. Since we started fully developing responsible sourcing three years ago, we have improved our own operations and also seen better relationships with our own suppliers in terms of improving resource efficiency and managing end-of-life materials.

### **HOW DO YOU DELIVER RESPONSIBLE SOURCING WITHIN UPM RAFLATAC?**

We have a company-wide Supplier Code. This is the first step in our supplier relationship. By signing up for our code, suppliers accept a commitment to meeting our responsibility principles, code of conduct and the parameters according to which we deliver sustainable products.

To ensure suppliers maintain these high standards, our sourcing unit completes an annual supplier survey. This detailed survey determines a great deal in terms of how well a supplier complies with environmental directives and industry-specific regulations. Every area is covered from economic, social and environmental impact to risk assessments – for example, ensuring that minerals aren't sourced from conflict zones in Africa.

Wood is a critical area, and we work closely to monitor the origin of wood fiber to ensure its sustainable and legal origin. We have a zero-tolerance policy on tropical hardwood fiber for instance. In addition to the survey, our specialist team carries out supplier audits and field assessments where needed. We consider it a major benefit to have such expertise in-house.

### **DOES RESPONSIBLE SOURCING RESULT IN HIGHER PRICING?**

Perhaps the question should be: What is the cost if we don't source responsibly? On the whole, however, the impacts of responsible sourcing have not resulted in higher pricing. In fact, our hope is to turn it the other way. We can grow closer partnerships with responsible suppliers and keep prices down. We also hope that by sourcing responsibly, our customers at the other end of the value chain will choose us as their trusted supplier. Responsible sourcing is good business!

## Market focus:

## CERTIFICATION IN SOUTHEAST ASIA

In a region that has perhaps had more of a rocky road in terms of responsible sourcing, Southeast Asia is awakening to the benefits of sustainability not only as a must-have but as part of a longer-term marketing opportunity.

**Jo-Joe Meejaroen** is General Manager of Weber Marking Systems Thailand. With more than 21 years of industry experience, he is well-versed in continuous improvement from the environmental and business perspectives. Commenting on the adoption of new practices, he says: "There are currently two approaches. Brand owners still play a big role in recognizing the effects of having sustainable product ranges; printers, however, tend to be more reserved on the impact sustainability will have on the market overall."

Weber Marking Systems Thailand has already started the process to adopt chain-of-custody (CoC), and Jo-Joe believes that CoC certification provides a powerful tool for organizations to see the depth of sustainable business. He adds that CoC is the first step for Southeast Asian businesses to identify themselves and achieve differentiation from current competitors.



There is, he says, a growing awareness of the use of forest resources, which means traceability will be paramount. Sustainability at the heart of brands, businesses and all actors in the supply chain will bring wider benefits through more efficient production and reduced energy consumption. Waste material recovery to reduce landfill volumes will come to

the fore front in the coming years, as will effective carbon footprint measurement, enabling objective comparisons of the environmental impacts of label material selection.

Earlier this year, Weber Marking Systems joined over 500 label converters and brand owners in attending UPM

Raflatac's chain-of-custody tour of Southeast Asia. UPM Raflatac is the first label stock manufacturer in the region to offer chain-of-custody certified label papers.

Jo-Joe believes that UPM Raflatac is in a good position already: "UPM Raflatac has been active in promoting sustainability throughout Southeast Asia. I envision all countries in the region will become more sustainably aware. In the meantime, with the added value of chain-of-custody certification, UPM Raflatac will be considered the market leader in sustainability."

## Demand for certified products growing

UPM Raflatac has achieved both FSC® and PEFC™ chain-of-custody certifications for a range of label stock produced at its Malaysia factory and for slitting and distribution operations in Thailand, Indonesia, Vietnam and India. All UPM Raflatac factories in the Asia-Pacific region are now PEFC and FSC certified. This is a significant milestone towards UPM Raflatac's aim to supply products that are sustainable over their life cycles and expand its range of CoC-labeled products.

"We're seeing rising demand for FSC and PEFC certified products and are proud to be able to supply these materials to our customers," says **Jouni Komulainen**, General Manager, UPM Raflatac Southeast Asia. "A clear chain-of-custody is also crucial to retailers. They can underline their sustainability credentials to consumers, who in turn can make more responsible buying decisions."



## SOCIAL RESPONSIBILITY RECOGNITION IN MEXICO

UPM Raflatac is the first label supplier in the industry to be recognized for social responsibility in Mexico.

Because of its commitment to the environment, its employees and the community, the Mexico label facility was presented

earlier this year with the Empresa Socialmente Responsable (ESR) certification from Cemefi, a Mexican philanthropic organization.

UPM Raflatac Mexico's achievement of this highly regarded certification is in line with parent company UPM's core values and demonstrates the terminal's promise to continue working toward a sustainable future.



TEXT *Holly Larson*  
PHOTOS *Robert Seale, Becky Martz*

“There are so many  
banana labels,  
and so little time.  
I’ve been collecting  
now for 23 years.

I can’t imagine  
ever stopping.”



**BECKY GOES BANANAS  
FOR PEEL-AND-STICK LABELS**

14,500 banana labels – and counting  
93 broccoli bands  
147 asparagus bands

[www.beckymartz.com](http://www.beckymartz.com)

Banana label collecting:

# A hobby ripe for the picking

*Picture this scene: A weary traveler enters an airport food kiosk, searching for a healthy snack. He reaches for the glass fruit bowl by the register, but is outmaneuvered by an American woman with lively eyes and short brown hair. She snags a banana, but rather than purchase it, eyes the label on its yellow skin. She sighs and hands it to her fellow traveler. The problem? That label is one of the 14,500 that she already possesses.*



## Meet Becky Martz, banana label collector

American Becky Martz visits 10 food stores a week in her new hometown of Oviedo, Florida, a suburb of Orlando; picks up rotten bananas and their peels from the ground; and immediately heads for small ethnic or independent grocers the moment her plane touches ground in another city. All the world is a collecting opportunity when you're hunting for the small, colorful sticky labels that brand bananas and identify their country of origin. Banana labels are often customized with art and messaging for holidays, major events, movie releases and TV shows. A few have also been used to promote political causes.

## A hunt that's global in scope

Becky is not alone in pursuing this unconventional passion. She is part of an international group of collectors who trade labels, meet at conventions and go on special hunting trips. Becky's husband **Bill** jokes that banana labeling was a cheap hobby before they began traveling the world from Munich to Los Angeles and Vienna to Costa Rica. They've even attended the wedding of one of Becky's best collecting friends, Klement, in Slovenia.

Becky's hobby started innocently enough in 1991, with a Chiquita banana label that said "The Perfect Stocking Stuffer". Finding that humorous, Becky kept it. When she reached 17 labels, she realized she had a collection and began searching for them in earnest. Becky always carries wax paper or old dollar bills in her purse so she can affix and transport labels she finds without damaging them. Once home, she removes the label adhesive with paint thinner, daubs a repositionable adhesive on the back of the label face and stores her new addition on plastic-covered pages in a binder.

"Banana labels are ephemera, disposable stickers," says Becky. "That's what makes them valuable to me. Almost all of them end up in the trash."

## The power of focus

Becky's collection would likely have remained modest, if not for the involvement of her family. Her son **Carl** helped connect Becky with other collectors online as early as 1996, while her husband Bill maintains her website, aptly named, "Becky's Gone Bananas... and Broccoli Too!" In an attempt to diversify, Becky has begun collecting broccoli and asparagus bands, but finds them less inspiring than banana labels. "I have to stay focused!" she laughs. "I have a strategy going at all times. I know who to contact and what to ask for, such as labels from the World Cup."

Becky's favorite label is a small, navy one from Sweden. A cherubic blond Swedish boy with ruddy cheeks and a sports cap featuring the Jacko brand name. "It's a label from the 1960s, a Christmas gift from a friend. Jacko has everything a collector wants in a label: It is old, beautiful and rare."

## A collection decades in the making

Although Becky's collection has many highlights, she's still hunting for the "Holy Grail" of banana labels: a commemorative two-label set Chiquita created for the 1990 Summer Olympics that featured Russian mascot Misha the Bear. "They were never released due to the U.S. boycott, but some escaped destruction. I'm still looking and ever-hopeful," Becky says.

Becky's collection has been featured in magazines and blogs but is not the world's largest. That honor belongs to **Dr. John Kirchner**, a professor in California, who began collecting since the 1970s and has amassed more than 20,000 labels.

Offering advice to would-be collectors, Becky says, "You should collect what you love. It doesn't matter if the items have no value. To you, they'll be priceless."

TEXT Andrew Ayres



**“Quite simply, it comes down to the combination of effectiveness and ease of implementation.”**

EU Falsified Medicines Directive:

## **New legislation for pharmaceutical manufacturers, and a simple remedy for compliance**

*UPM Raflatac has developed pharmaceutical labeling products to support compliance with the Falsified Medicines Directive on packaging for prescription drugs and high-risk, over-the-counter medicines. Few solutions offer the same ease of adoption.*

The Falsified Medicines Directive (2011/62/EU) places two demands on pharmaceutical product packaging. Packs should carry a unique serial number to identify and authenticate individual products, and they should be sealed in a tamper-evident way which visibly exposes attempts to open the packaging. The serial numbers and package integrity are verified at the point of dispensing, where medicines are released to consumers and patients.

UPM Raflatac's new pharmaceutical label materials – comprising a specially developed adhesive and transparent film label faces – introduce tamper-

evidence functionality to facilitate legislative compliance.

### **Transparency for ease of implementation**

“For many pharmaceutical product lines, our PSA label solution is the preferred option. Quite simply, it comes down to the combination of effectiveness and ease of implementation,” says Business Segment Manager at UPM Raflatac **Markku Pietarinen**.

“The RP 62 EU adhesive provides extremely rugged tamper-evidence on the cardboard boxes typically used for prescription drug packs.

Any attempt to remove the label sealing a box results in visible cardboard tear on the surface of the packaging. The damage is irreversible.”

Combining the new adhesive with clear film label faces is key to the simplicity of implementation. Pharmaceutical manufacturers achieve the tamper-evidence required by the new directive, without changing existing branding or graphic designs.

“As a concept it's quite simple,” Pietarinen says. “There's no simpler way for pharmaceutical companies to comply with the new legislation and continue with existing package layouts and packaging stocks.”

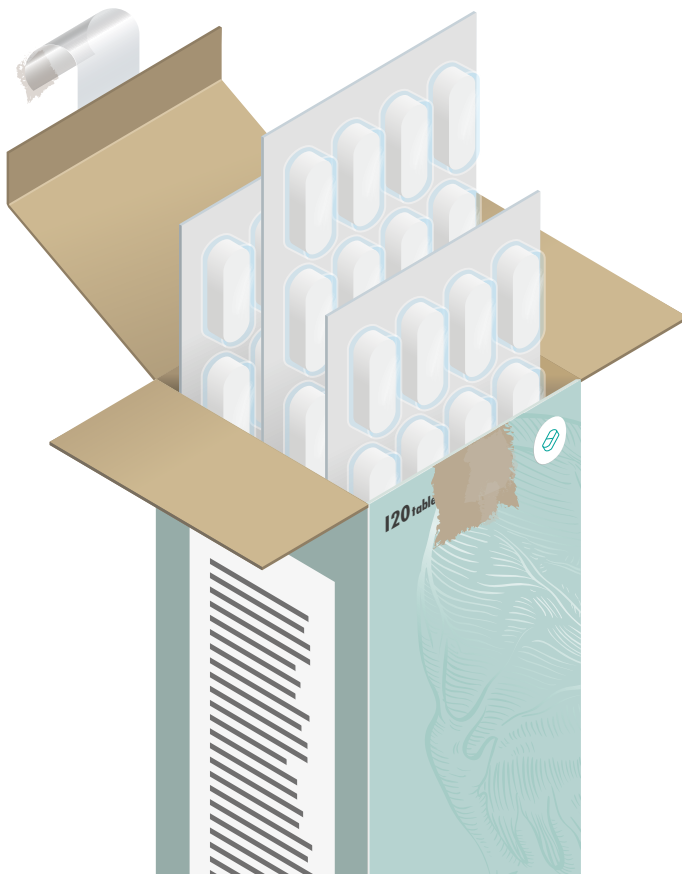


## Tamper-evidence with the RP 62 EU adhesive

UPM Raflatac tamper-evident products with the RP 62 EU adhesive exploit the properties of the cardboard typically used for pharmaceutical packaging, which carries a water-based varnish. The adhesive works by facilitating cardboard tear between the bleached chemical pulp and BCTMP layers in the cardboard construction.

Lifting or removing the label rips away the surface of the cardboard, causing highly visible and irreversible damage as an indication of package tampering.

Combining the tamper-evident functionality of the RP 62 EU adhesive with a clear, film label face doesn't cover the information printed on the box: When fulfilling the requirements of Directive 2011/62/EU, there's no need to change the existing graphic design of the package.



## PRODUCT TAMPERING, COUNTERFEITING, DIVERSION TO GRAY MARKET CHANNELS...

In an increasingly competitive marketplace, threats like these are critical to the equity of a brand. Companies worldwide lose the equivalent of hundreds of billions of euros each year to goods that are counterfeit, interfered with or diverted in the supply chain.

Threats like these also motivate legislative change, particularly regarding pharmaceutical and food products where public well-being is especially vulnerable to substandard or potentially dangerous products.

Companies address these challenges by integrating unique security features into their packaging and label materials which work in conjunction with the security they build into their supply chains and the monitoring in the marketplace. Self-adhesive labels provide an efficient means of securing product authenticity, integrity, identification and tracking.

PSA labels can integrate three core functionalities: Tamper evidence using destructible materials, anti-counterfeiting using features which are difficult to reproduce, and tracking and tracing using printed or electronic information. In practice, security labels often incorporate a combination of properties plus security printing techniques to address multiple needs.

"The most robust security labeling materials are created by layering different measures to make the overall solution most effective and more cost-efficient than the individual features separately.

One-of-a-kind solutions may be created for maximum effectiveness," explains **Bertrand**

**Cosse**, Director, High-End Specials at UPM Raflatac.

"Working with UPM Raflatac, security label printers and brand owners have total access to the latest label materials and technologies, research and development resources and industry partnerships – helping them stay a step ahead of security threats with cutting-edge knowledge and innovation."



TEXT Barbara Bernardi  
PHOTO Nuova Gidue

Flexographic printing reaches the point of digital standardization

## A DIGITAL REVOLUTION IN FLEXO

*The REVO project reflects the willingness of all partners involved from the flexo industry to standardize and maximize the potential of digital innovation. Printing and conversion machine manufacturer Nuova Gidue and label stock supplier UPM Raflatac have joined six other industry leaders dedicated to integrating digital advances to achieve a far-reaching impact.*

The REVO Digital Flexo Revolution exploits resources exclusively provided by REVO project members – new software, hardware, UV flexo inks, digital plates, new-generation anilox rollers, seven-color separation, standardized substrates and digital automation on-press.

**Federico D'Annunzio**, Managing Director at Nuova Gidue, is pleased that UPM Raflatac joined the project announced in February this year, contributing industry front-running expertise in label materials.

“UPM Raflatac provides the PSA printing materials to ensure the results are perfect, with a consistent yield and uniformity,” D'Annunzio says. “If this quality isn't assured, REVO wouldn't deliver the process we're developing – which is both digitalized and standardized.”

### Flexo quality, digital efficiency

REVO is transferring all the flexibility of digital print processes to flexo – retaining a comparable quality and, with cost benefits including less waste, quick start-ups, frequent job changes and high flexibility in job planning.

The project is driven by three basic principles: the use of UV inks, digital automation for all procedures, and the ability to print with an extended color gamut with seven-color separation for natural and vivid results. Also, the quality of flexo has been significantly improved with 80 lines per centimeter as the standard.

Printing technology and new printing substrates are progressing in parallel with the same objectives. “Among the benefits of REVO are cost-efficiency and a reduction in waste, and our product development supports this with label materials

engineered for a more sustainable use of resources, cost-efficiency and process-efficiency while retaining optimal performance,” says **Marko Tiainen**, Business Segment Manager, Prime, from UPM Raflatac. “What's more, our proprietary production technologies guarantee the same consistency of surface quality and ink reception in every corner of the world, which is important to standardization.”

### Making packaging history

Federico D'Annunzio concludes that the flexo world is at a turning point.

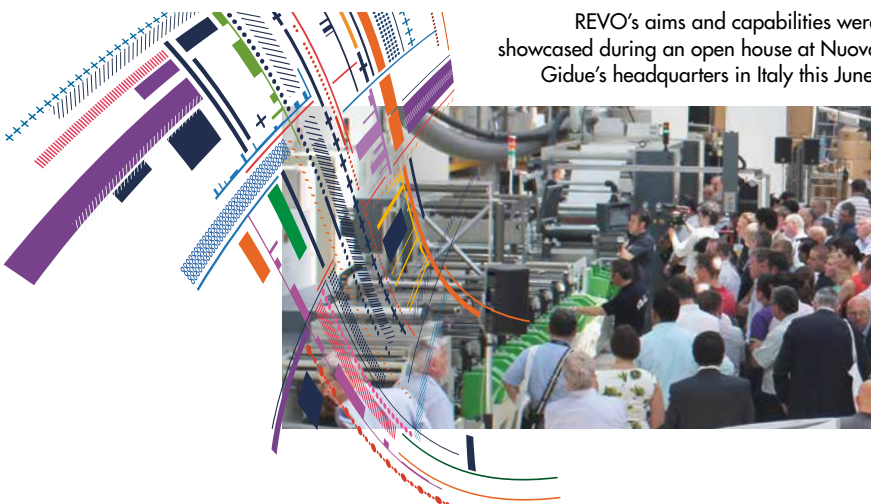
“Enhanced sustainability is one of the cornerstones of REVO. During the project, we've been able to show how technological innovation also enables a reduction in printing materials and ink while reducing waste. The project marks a major change in the history of packaging. The whole industry is moving towards digitalization – and flexo is also now at the point of digital standardization.”

### REVO is...

a team of eight label and packaging industry leaders cooperating to drive flexography towards the new digital world of printing and converting. Process consistency, efficiency and cost reduction are the objectives of the REVO Digital Flexo Revolution, meeting the packaging and labels challenge for short runs, global quality and total flexibility.

#### REVO Members:

Adare, Apex, AVT, Du Pont, Esko, Flint, GIDUE, UPM Raflatac.



REVO's aims and capabilities were showcased during an open house at Nuova Gidue's headquarters in Italy this June.

TEXT Bizpro Consulting China  
 PHOTO UPM Raflatac

Online retail and logistics in China

## WAYBILLS ON THE WAY OUT IN CHINA'S HIGH-VOLUME E-COMMERCE LOGISTICS?

*Handling postal and courier logistics with speed and accuracy, reducing operating costs and improving overall service quality are challenges that e-commerce operators in China are keen to overcome.*



The traditional five-sheet waybills commonly used by logistics centers in China are generally printed with dot matrix printers. The downsides include their comparatively high cost, slow printing speed and their lack of online integration and visibility. Only high-tech, highly reliable and efficient logistics systems can adapt to China's rapid economic development – and PSA label technology is part of the solution.

### Speed and online visibility, delivered more sustainably

**Gu Caihai**, Product Business Manager at UPM Raflatac China says UPM Raflatac's 'Fast' range of removable logistics labels brings a new level of efficiency to express delivery processing and reduces e-commerce operators' costs. From a facility located in Changshu, Jiangsu, UPM Raflatac supplies label stock for two and three-layer logistic label solutions based on environmentally sound adhesives and sustainable, FSC®-certified papers suitable for thermal transfer bar coding.

"Several major domestic and international online retailers are already using labels converted from our new logistics range.

Clearly we're offering solutions that meet regional market needs," Caihai says. "For e-commerce end-users switching from dot matrix waybills to bar coded self-adhesives, the major strengths of the 'Fast' range are speed, convenience and online supply chain visibility for monitoring delivery, inquiry and fee collection."

Upon signature for delivery by the recipient, the courier or logistics company collects and files the top layer of the label.

"Our unique adhesive makes this product range stand out from other solutions," emphasizes Caihai. "After the face material is removed, the reverse side of the face and the top side of the layer left below are completely tack-free."

The labels can also be pre-printed with branding, promotional information and advertising as an effective way of building brand recognition.

### Label converters' confidence in market share

In Songjiang District, Shanghai, **Gu Hongtao**, General Manager of Shanghai Kin Printing Science and Technology Limited Company, has total confidence

in the market for removable PSA logistics labels: "In the next three to five years, removable PSA labels are expected to grow a market share from the smallest fraction to around 50%."

**"The tack-free adhesive in our 'Fast' range makes our logistics solutions unique."**

The company specializes in printing design and product identification, and incorporates a variety of printing technologies to offer a full range of label solutions to industries including logistics, food, electronics, electrical appliances, pharmaceuticals, pesticides, cosmetics and apparel.

"Market opportunities are changing," says Hongtao. "Customers have growing expectations, and this poses higher requirements on the presentation and quality of logistics solutions. As I see it, logistics labels are also a key part of corporate image and branding, and can help improve perceptions of product quality and actually trigger purchases."

Cost, however, is the first big challenge surmounted by removable PSA logistics labels: "The bigger the shipping volumes, obviously the bigger the savings that directly profit our label

customers."

Gu Hongtao explains. "And in addition to bringing perceived added value to the products they ship, advertising can be printed

on these labels to generate additional income."

He sums up that label solutions based on UPM Raflatac's removable logistics range appeal to e-commerce operators due to the benefits at the beginning of order processing in terms of cost and speed, and the superior visibility they enable via thermal bar coding throughout the logistics chain.

"What's more, online retailers can now respond to orders more confidently. And given the comparative environmental friendliness of these solutions, they also improve customers' corporate social responsibility image."



## SUCCESS STORY

TEXT Holly Larson

# The perfect top

## New film construction builds brand for world's leading condiments

*Mustard, mayonnaise and spicy and regular ketchup are the perfect accompaniments for sandwiches, meats and other foods, which is why consumers relish using them at mealtimes and group gatherings around the world. Now these much-loved condiments have gotten a facelift in Brazil.*

In mid-2013, a major brand owner approached its Latin American label converter partner, Baumgarten, asking for help upgrading the packaging for four products. The company had previously been using paper labels, but was rolling out squeezable HDPE bottles and wanted a better look for the labels that would adorn new packaging.

Additionally, upgrading to film stocks would enable the company to increase recyclability rates, since PP film labels don't need to be removed from packaging prior to recycling. Improving recycling rates is a strategic priority for this end-user, which has publicly published ambitious sustainability targets. The company is lightweighting packaging, increasing recycling rates and encouraging its customers to do the same.

However, there was a challenge to address in evolving the Brazilian product line's appearance: budget constraints. The brand owner couldn't afford to significantly increase the overall cost of packaging, which would also drive up the price of its goods for shoppers. Any film solution the company implemented would need to increase packaging costs only incrementally.

### Converting the client to a new solution

UPM Raflatac and Baumgarten collaborated to create a new film



# ping

construction that met all of the brand owner's objectives. UPM Raflatac leveraged a new local supplier to acquire well-priced raw materials and worked with Baumgarten to get the new film construction approved, both at the converter and the end-user. The product, SY824A – PP Matte White 40 RP37 2.1 mil White Glassine – met all of Baumgarten and the end-user's objectives, offering exceptional brand appeal and recyclability. This white film also performs well in moist and wet environments, showcasing brand messaging and art without wrinkling; essential since products experience long stays in consumer refrigerators.

**“The new label provides an enhanced look for the condiments that meets consumers’ increasingly sophisticated tastes.”**

“Baumgarten and UPM Raflatac collaborated with the brand owner product team to create a film label solution that is helping this global company drive sales in Brazil. The new label provides an enhanced look for the company's condiments that meets consumers' increasingly sophisticated tastes,” says **Fernando Gabel**, Managing Director, Baumgarten.

## Speeding the path to higher product sales

Baumgarten prints the white corona-treated film on its matte side to create an attractive high-end label for the four food products. The label stock's adhesive and glassine liner also support high-speed performance on printing lines and in automatic labeling operations. Baumgarten achieves all the productivity it requires. “The film converts superbly on our machines,” says Gabel.

UPM Raflatac's team designed the entire solution in Brazil and delivered it within just two months. Baumgarten began selling the finished film labels to the brand owner in the fall of 2013, and sales have grown beyond initial forecasts.

“We appreciated UPM Raflatac's responsiveness and commitment to finding a winning approach,” says Gabel. “UPM Raflatac was a true partner in designing a film label solution that met our client's objectives.”

UPM Raflatac launched its business in Brazil in 2008 focusing on small and medium-sized converters, but is increasingly working with large converters and global brand owners.

“We are extremely pleased with our growth in the region,” says **Maurício Médici**, General Manager, UPM Raflatac, Brazil. “We appreciate the opportunity to team with large converters and global companies to maximize their product sales in our area.”

With over 130 years of experience, Baumgarten is one of the largest and most up-to-date converters in Latin America, headquartered in Brazil with additional plants in Argentina and Mexico.



## ¡Hola Latin America!

The Latin American region is booming, and multinational companies are responding. Global giants, including Audi, Nissan, PepsiCo, Nestle and Cisco, have all announced investments in excess of

\$10 billion in Mexico, which is viewed as the most stable and mature of the economies in this emerging market.

**Jose Garcia**, Regional Sales Director for Mexico and Central America and General Manager of UPM Raflatac's Mexico facility, says that most of the

Latin American economies will likely

grow over the next few years, but that Mexico and Brazil currently offer the most promise.

Beginning with the Mexico City terminal, UPM Raflatac has steadily built up its operation in Latin America over the past 13 years – including the acquisition of a high-performing label stock operation in Brazil and the expansion of a terminal network strategically positioned to serve customers throughout the region.

Jose foresees growth in the automotive, retail, home and personal care as well as durables industries. Demand for prime labels will increase as companies seek to position their brands and products with increasingly discerning and economically empowered consumers. And the need for special solutions will grow, too. Jose says that companies in all industries are seeking products for security applications to authenticate their goods and protect them from counterfeiting, which costs global product manufacturers billions of dollars in lost revenues each year.

Jose says that he hopes UPM Raflatac will become the leading label stock supplier in Latin America within a few years. “We are on a growth trajectory. We have all of the assets we need to support growth, and we also have the right people. Our staff has the industry knowledge, expertise, and drive to make our business succeed.”



## CHALLENGE &amp; SOLUTION

TEXT *Fernando Giron*  
 PHOTO *O-I Peldar*

# Love

at first sight

*With UPM Raflatac self-adhesive solutions, O-I Peldar has found the perfect companion to continue innovating high-quality, revolutionary designs for glass labels.*

Unlike wet-glue labels, self-adhesive solutions give O-I Peldar the ability to utilize a wider range of materials and finishes – as well as a variety of label shapes and sizes – providing designers with the limitless possibilities and freedom they need to portray a brand's image on the label. When the company was introduced to UPM Raflatac, O-I Peldar quickly realized this world-leading supplier of self-adhesive label materials had plenty to contribute.

## Challenge #1: Exclusive design

O-I Peldar presented three challenges to UPM Raflatac, the first being an exclusive design. An attractive package design is often essential to increasing a company's brand value. For months, O-I Peldar searched for a label that would better suit one of its latest innovations; the black coated glass. Such an attractive package design required a waterproof solution that would allow the label converter to print intense black on both sides of the label.

After an intense search and testing period, involving different labeling technologies, such as printing, O-I Peldar discovered that none could meet the required high levels of quality and design. Luckily, the company soon received a visit from UPM Raflatac.

**Once the right  
face stock  
was chosen –  
an exclusive film  
completely  
black in mass  
and adapted  
100%  
to the design's  
needs – the joint  
development  
began.**

UPM Raflatac's labeling professionals have extensive knowledge in the research and development of unique and innovative self-adhesive solutions with the singular goal of meeting the requirements of everyone involved in the production of the final packaging solution – the label converter, the designer and the brand owner. Additionally, UPM Raflatac has a broad range of face materials that guarantee an attractive design and satisfy customers' expectations.

Therefore, it's no wonder a special partnership between O-I Peldar and UPM Raflatac was formed.

This process included relevant laboratory tests and industrial trials to ensure the expected results were both obtained and approved by all.

The involvement of each party; O-I Peldar, the label converter and UPM Raflatac, and the creation of a strategic project team in order to achieve the common goal, was essential for the project's success. The result? A high-quality glass bottle featuring an innovative and exclusive design easily identifiable with the brand.

## Challenge #2: Good adhesion

The second challenge presented to UPM Raflatac was to overcome the adhesion and brand image quality problems that O-I Peldar was facing with labeling glass beer bottles through the washing and sterilization process.

UPM Raflatac was charged with finding the best self-adhesive construction that would complement O-I Peldar's bottle while successfully exceeding demanding bottling requirements.







The extreme conditions that beverage bottles experience during the bottling process require self-adhesive materials with a tolerance for high temperatures and resistance to water-whitening at every stage of the process, including prolonged immersion in water after labeling. This was no problem for UPM Raflatac, as the company offers a wide range of beverage label materials, combined with stunning finishes and excellent printing, converting and durability properties. And UPM Raflatac employs a team of experts with extensive knowledge of the bottling process and its diverse technologies.

Therefore, after assessing the presented requirements it became clear that the key to success was largely dependent upon choosing the right adhesive for this application, and UPM Raflatac recommended its outstanding RC7B adhesive. This adhesive is perfectly suited for glass surfaces and is the ideal solution for applications requiring the desired “no-label look”.

Additionally, RC7B as multipurpose permanent adhesive offers excellent performance in tough conditions, offering good adhesion and lasting clarity even when applied to wet bottles. And its high temperature tolerance makes this adhesive the best choice for packaging and bottling processes, including pasteurization.

### Challenge #3: Transparency and conformability

The third – and final – challenge was to select a self-adhesive solution that not only featured extremely high transparency, but also one that was also conformable to the attractive curves of a new spirits bottle for Peldar's Premium product line, Covet™.

The problems O-I Peldar found with polypropylene materials were mainly caused by their limited conformability to the contours of Covet's unique bottle. Although polypropylene gives the appearance of a “no-label look” with its excellent clarity, the material's rigidity can cause wrinkling once applied to uneven surfaces, so O-I Peldar dismissed this film as a solution. With polyethylene, additional problems arose; this material is flexible and adapts well to irregular surfaces,

however, it is not an adequate material when a “no-label look” is required.

When O-I Peldar presented all the problems to the UPM Raflatac experts, their answer was unanimous – Raflex Plus! This face material combines the best functionality properties and appearance of polyethylene and polypropylene in a single product. It conforms well to package contours and provides the highly desired, aesthetically pleasing “no label look”.

Once again, UPM Raflatac was able to provide a high-quality self-adhesive solution that will guarantee a stunning brand image, which O-I Peldar and its Covet product line insist upon for their most sophisticated and innovative glass containers. For brands, it can't be any clearer, O-I Peldar glass containers featuring UPM Raflatac self-adhesive solutions are synonymous with high quality and extraordinary designs.

### About O-I Peldar

As the world's leading glass container manufacturer, O-I has more than a century of experience crafting pure, sustainable, brand-building glass packaging for many of the world's best-known food and beverage brands. O-I provides high quality glass packaging for beer, wine, spirits, food, non-alcoholic beverages, cosmetics and pharmaceuticals. The company also produces beautiful tableware and stemware for household use. Find out more at [www.o-i.com](http://www.o-i.com).

### About Covet™

Covet™ is a collection of luxury glass packaging products that help super premium brands achieve their business objectives and deepen their connections with consumers. Covet™ brings the best of O-I's global capabilities, including custom glass design and decoration, a collection of classic O-I bottle designs and O-I's innovation portfolio to help high-end brands seize market opportunities.

## GOOD NEWS FOR YOUR BUSINESS!

Sign up for our free eRaflataalk newsletter at [upmraflatac.com](http://upmraflatac.com) for the latest news, product launches and more – delivered straight to your inbox.

## APPOINTMENTS

Antti Jääskeläinen has been appointed Senior Vice President for UPM Raflatac EMEA.



## Biofore car drives sustainable change

All industries – including the automotive industry – are searching for new sustainable materials and solutions. The Biofore Concept Car, the result of a joint project between UPM and the Helsinki Metropolia University of Applied Sciences, demonstrates the innovative use of biomaterials in the car industry. In the Concept Car, the majority of parts traditionally made from plastic have been replaced with durable, high-quality biomaterials, namely UPM Formi and UPM Grada, and the vehicle runs on UPM's renewable wood-based diesel, UPM BioVerno.

UPM Raflatac's self-adhesive label materials are used to mark spare parts and in the car's interior and exterior design. All labels used in the Biofore Concept Car have been manufactured using the latest adhesive technology and solvent-free production processes.

The Biofore Concept Car premiered at the Geneva International Motor Show in March and has raised considerable interest in the automotive industry and in the media.

Learn more at [www.upm.com/upmcc-en](http://www.upm.com/upmcc-en)

## Growth investments for Asia and Europe

UPM Raflatac plans to invest 14 million euros in its factories in China and Malaysia. The plan is to increase production capacity in the region by more than 50% by building a new coating line in Changshu and upgrading machinery at both sites.

UPM Raflatac is also rolling ahead on other continents. The investment in a new film coating line at the company's label stock factory in Nowa Wies, Poland was announced earlier this year. Central and Southern Europe account for the majority

of the European film market, and the new capacity will enable UPM Raflatac to better serve customers in these areas.

"These investments will give us the capacity required for continued growth and take our capabilities and quality to the next level," comments **Tapio Kolunsarka**, Executive Vice President, UPM Raflatac. "These developments will clearly improve our competitiveness towards meeting future customer demand."







# The safe choice for Pharma labeling

UPM Raflatac supplies a range of pressure sensitive materials to meet the strictest requirements in pharmaceutical labeling. Whether you need a non-migration adhesive or an ultra-clear luminescent adhesive for missing label detection; think safe, think UPM Raflatac.

UPM Raflatac has always been defined by engineering expertise and service excellence – captured by our customer promise 'Engineered with Raflatouch'.

[www.upmraflatac.com](http://www.upmraflatac.com)

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