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All4Labels ramps up capacity in South Africa

Enjoying buoyant business in shrink sleeves, the All4Labels subsidiary has made significant investments. Gill Loubser reports



Uwe Bögl with operator Anda Boyta. Bögl describes the DCM ATN Sleeve3 as a 'gamechanger' – particularly for the production of shrink sleeves for the cosmetics market

Over the years, your correspondent's visits to All4Labels' South African subsidiary in Cape Town (previously Rako) have revealed fresh investment news; a recent encounter shows that the trend continues.

But the good news, admits MD Uwe Bögl, is somewhat tempered by the fact that 2019 proved disappointing.

'We ended 2018 on a high note,' he remarks. 'We saw a significant leap in sales volumes, and had a feeling of excitement engendered by last year's election of Cyril Ramaphosa as president (and the prospect of a less corrupt government), but the excitement dissipated early in 2019 as the business climate deteriorated with power outages and the onset of a recessionary environment.'

Uwe Bögl remains undaunted, however, and reflects on recent positive changes within the international All4Labels group following investment by a new equity partner, Triton.

Importantly, despite current challenges to doing business in South Africa, Bögl has managed to push through some exciting investments designed to improve capacity and to reduce waste.

Surging demand

Two years ago, a second Gallus press was inaugurated to meet ever-surging demand for shrink sleeves – a sector of the business that's risen to account for some 50 percent of turnover. This second 8-color Gallus ECS 340 handles both self-adhesive label and shrink sleeve production and offers excellent set-up efficiency.



All4Labels' second Gallus press has been upgraded with the installation of an AVT Helios S system

And now the press has been upgraded, particularly for the sake of consistency of output for customers in the personal care sector, with the installation of an AVT Helios S system. This automatic inspection system delivers 100 percent quality assurance, detecting any type of defect, including color misregister or variations, misprints, text errors, spots, splashes, die-cut problems, barcode errors and missing labels. It works seamlessly on any substrate including self-adhesive labels, embossed metallized substrates, highly-reflective holographic foils, and laminates.

Further enhancing shrink sleeve production is a second high-speed cutting machine from HCI Converting Equipment (currently being shipped to South Africa), and a newly-installed high-speed seaming machine – a DCM ATN Sleeve3.

'We doubled our capacity when we bought our first HCI machine, and expect to double capacity again when the second machine is commissioned,' reveals Bögl.

The recently-commissioned DCM ATN Sleeve 3 seaming machine is described

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by Bögl as 'a gamechanger'. He focuses especially on the exceptional quality of the seaming and the soft shoulders achieved – particularly relevant in the personal care market where on-shelf aesthetics are of paramount importance.

This investment, says Bögl, is further boosting the company's market share for shrink sleeves. 'It has improved our output by a factor of four, and has significantly reduced our waste levels,' he declares. 'In turn, these waste savings are minimizing our payback time on this vital investment.'

'Thanks to these additions, we're pumping out shrink sleeves in ever increasing numbers and ever-improving quality,' he continues. 'These significant investments in printing and finishing technology and ongoing staff training are factors that help us to open new doors, not only in the Western Cape and South Africa but further afield. We now have customers throughout sub-Saharan Africa, and continue to grow our business by providing a more complete and competitive portfolio of products.'

After four years of consolidation since the formation of the global All4Labels group, the Cape Town subsidiary has seen notable development, but, as Bögl sums up, the key focus remains on improving efficiency and diversifying into new markets, using its HP Indigo digital press to tackle short runs and flexo printing excellence for medium runs.



For more from Gill Loubser on the African market, go to www.labelsandlabeling.com/contributors/gill-loubser