

UK MIS pioneer reaps rewards

Hamilton Adhesive Labels was the first label converter in the UK to install the LabelTraxx management information system (MIS), and the company has quickly seen the benefits. **Andy Thomas** reports

Chris Marsh has a long and distinguished service record in the UK label industry. His working life began at BPC Hannibal when big investments were being made in Gallus R160's. 'The labels side of the business was seen as the future of the company rather than flat sheet Litho,' recalls Marsh, owner and MD of Hamilton Adhesive Labels. Marsh's next step was Douglas Labels and lastly Labelsco, where he was a sales manager. His next step was to set up Hamilton Adhesive Labels in September 1992.

In June 2007 the company moved into a purpose-built factory equipped with three Nilpeter FA3300s, rewinders and a mixture of plain die cutting machines for blank labels, representing an investment of £2M over the last year. Hamilton converts prime (up to 7 colors) and blank labels – both on its own behalf and as a trade printer – and distributes printers and ribbons. This represents a complex job mix.

Before installing Tailored Solutions' LabexTraxx MIS – the first UK label converter to do so – the company ran a DOS-based MIS, which they realized needed upgrading. 'Too many packages are print management software bastardized for the labels industry,' asserts Chris Marsh. 'The beauty of LabelTraxx is that it is developed by people in the labels industry. We needed a package that ringfenced everything from prospects to management. The DOS system went up to the delivery note and then onto Sage for delivery note, invoicing and accounting, and there was no link between the two. Finished goods were held on an Excel Spread Sheet. There was no traceability. Now we have full traceability.'

A significant part of Hamilton's business – between 60-70 percent – is through the trade, so a significant requirement for the LabelTraxx MIS was to automatically raise paperwork for the final end user and not the distributor client. 'LabelTraxx allows us to set up a customer as a distributor,' notes Chris Marsh. 'It removes our name from the delivery note and puts the sender's name as our customer's.'

Indeed, one of the principal benefits of LabelTraxx has been as a Customer Relations Management (CRM) tool. With the e-traxx web portal module. Hamilton's customers can log onto a

secure server and view stocked product inventory, place orders, see order status, see shipment status and request quotes. LabelTraxx has price banding built in, allowing discounts to be automatically generated as order size increases. Customers for whom Hamilton holds stock can also call it off on-line.

Chris Marsh encourages his customer-facing staff to understand how they can use the data on the system. 'For example, just knowing when a job will be dispatched makes them look good. Management Information Systems are not just for management!'

Shop floor data collection

In the last six months, Hamilton has started working with the LabelTraxx Shop Floor data capture module. This enables management to compare estimate vs actual, creating a feedback loop for the standards set in the system. 'Once you start to build data you can make decisions about customers and types of jobs that make you the most or least money,' says Chris Marsh.

'We can view by customer and by department added value and average gross profit per hour. We have already identified some jobs that we should not be doing for that price. "Commercially acceptable" is our motto. In a market place where we need to stay aware of our costs to survive, customers cannot be allowed to dictate how we produce – and sometimes you just have to walk away.'

Repeat jobs made easier

Each job passing through the Hamilton plant from order confirmation to dispatch is identified by LabelTraxx with a unique code. This groups information on plates and dies (and their location), the number and sequence of colors, ink mix and anilox. 'So when you re-run the job the plate and sample can be easily found and all the information related to the job can be recalled,' says Chris Marsh. 'That alone is a massive step forward – to easily find repeat jobs and ensure they are printed consistently.'

Marsh says there are 'too many companies out there just chasing business and who have no idea of the real cost. We can feed back our cost information back to our estimating system to improve the accuracy of quotation.'

The system uses price information originated by the stock control module to calculate the actual cost of inks and materials used on the job, as identified by the operator. This information – along with information on cores and boxes used – feeds back to the inventory management system.

The shop floor collection module has also improved Hamilton's internal efficiency. 'We can see where an operator is spending too much time making ready, identify the problem and see whether more training is necessary. We can check this over a period of weeks to ensure we are seeing a good cross-section of work. This has helped create healthy competition among press crews and was an easy sell to the shop floor.'

Traceability

Traceability is a key benefit delivered by the LabelTraxx MIS, and recently helped Hamilton achieve BRC (British Retail Consortium) accreditation. 'Without LabelTraxx we could not have gone for BRC so quickly,' confirms Chris Marsh. 'BRC requires you to set up systems for quality control, hygiene, identification and traceability. In LabelTraxx all rolls of paper and film start in the system with roll ID –supplied either by the manufacturer or by ourselves - and that stays with the job through the plant.'

Raflatac has a direct link into the LabelTraxx MIS. Phil Timms, general manager explains the benefits: 'we raise a paper order and that goes straight into the Raflatac planning

system and to their goods dispatch operation, generating a 20 digit EPSMA barcode. When the roll arrives here that number is received electronically into our stock system, so we automatically know everything about the roll.'

Fasson is not currently on the EPSMA system, so Hamilton has to enter this data manually onto the LabelTraxx system. 'When Fasson comes in line it will save us a lot of time,' says Phil Timms.

'With this level of traceability, if a customer has a problem with a roll of labels, we can check if that batch has been used for another job and ask that customer to quarantine the rolls until they've been checked and we can take corrective action. This is a capability we did not have before. Around 70 percent of our jobs are below 4,000 meters run length, and to have full traceability for each one is fabulous.'

The Stock Products module not only handles finished goods inventory but also items that are resold such as printers and ribbons. ■

Investment modeling

One of the most interesting – and overlooked - applications for an MIS is to model different production scenarios, including the purchase of new equipment.

'We are using LabelTraxx to identify capacity bottlenecks. For example, where do you need your 7-color press with tumbar,' says Chris Marsh.

'We have used LabelTraxx to help identify which press to buy next and also on smaller projects - for example to identify whether it is more cost effective to employ a separate packer or have the operators pack as they run.

'We now have four turret rewinders and our new machine will have a turret rewind and two tum bars,' continues Marsh. 'We now take the longest roll possible and pair it with a turret rewinder and the operator produces the labels and packs them – from roll to palletized product on one machine. We find this is the most productive way to operate. We spent a long time fighting with press manufactures to increase maximum roll diameters to cater for 4,000 meter unwinds.'

Concludes Marsh: 'Labeltraxx handles all aspects of our business from prospects through to full management accounts. In the short period of time LabelTraxx has been installed I believe it has helped us become one of the most efficient self-adhesive label companies in Europe.'

Label Traxx Version 5.2 launched

New features in Tailored Solutions' recently released version 5.2 Label Traxx software include:

- Full support for HP Indigo label presses – users can now quickly calculate digital press parameters and graphically view the process crossover point between flexo and digital
- Press capacity planning – A new report enables managers to quickly review the current scheduled load on each press, including hours, days and costs assigned to each press backlog
- Flatbed and rotary presses – Label Traxx 5.2 now accommodates rotary press stations and flatbed die cutters, in addition to the popular narrow web machines used by most label converters
- 'Find similar' search capability – Users can now search project schedules to quickly identify jobs with similar setups, thus minimizing makereadies
- VAT enhancement – Label Traxx users in countries employing value added taxes have several new tools in version 5.2 which simplify compliance

