

India takes off

With the second India Label show approaching in New Delhi between 3-6 December 2004, **Andy Thomas** reviews the last show in Mumbai and looks at the potential of India as an outsourcing hub

Labels & Labeling expands in India

Labels & Labeling has entered into a joint venture to support the booming label industry in India. The magazine will host the Labels & Labeling International Pavilion at the exhibition in December 2004, featuring the key international suppliers. It will also organize the three-day Infolabel conference running alongside the show. From this issue, *Labels & Labeling* will increase its Indian circulation to almost 2,000 copies, giving Indian label printers access to international label news, features and case studies. While the population size of India has the potential of developing into a major market on its own, Indian printers are also looking at the global market, following the devaluation of the rupee. This could result in India becoming a major exporter of printed goods. *Labels & Labeling* will be an important partner to these label printers, providing information on how to take advantage of the lucrative international label and product decoration market.

The first India Label show was a great success, and demonstrated the potential for growth in the labeling industry in this vast country. Held at the Nehru Center in Mumbai, it attracted nearly 6,600 visitors over a period of three days, including label printers and label buyers from all over the country and abroad, with significant representation from as far afield as Sri Lanka, Nepal, the Middle East and North Africa. That's a pretty good attendance from an industry roughly reckoned to consist of 5,000 companies printing labels of some description.

The exhibition was a mix of the indigenous and the international. International exhibitors included Gidue Spa and Prix International from Italy, Koehler + Beck, Stork Prints B V from Holland, International Paper from France, Maratech International from the USA, Kimoha Entrepreneurs Limited from Dubai, As New Printing Machinery Company from

Australia, Carltek Industries and Link Label from Taiwan.

Others were exhibiting through their offices and subsidiaries in India. These included BST, Domino Printech, Erhardt + Leimer, Flexo (India), Gerhardt, Heidelberg, Intergrafica Print & Pack, Kodak Polychrome, Reifenhäuser, Dupont, Esko Graphics, K Laser Technology, Kurz, Sicpa and Tesa Tapes.

'India is an important market for us and we are glad to have this platform to reach out to more Indian customers,' said John Huang of Orthotec, Taiwan, who was demonstrating a flat bed label-printing machine at the stand of its agents, Sheth Graphics. Orthotec has an installation base of 45 machines in India.

Gidue has already underlined its commitment to the Indian market by opening a sales and service office. Its live demonstration of the Combat flexo label printing machine was a popular feature of the exhibition, and Cristina Toffolo, joint MD at GiDue, said the quality of the visitors was 'very high' during the three days of the show.

The company was introducing its Combat Quadra press to India, an entry-level configuration of the established Combat press system well suited to this market.

The GiDue India operation is run by Vijay Pareek, who formerly sold Gallus presses throughout the country. At the time of the show, GiDue had already sold two fully specified 7-color Combat presses in India, a UV machine in the North and a 7-color Combat 280 to a printer in Mumbai.

Pareek believes that shrink labeling is growing at an even faster rate than self-adhesives – between 30-40 per cent – and was emphasizing the Combat's ability to print heat-sensitive filmic using a special technical package.

Mark Andy was running live demonstrations on an 8-unit Scout press on the stand of local agent, Flexo (India) Graphics Pvt.

Nilpeter did not have a machine on the stand of distributor IPP, but were ferrying visitors to top Mumbai print house Meena Printech Pvt to see the company's 8-color FA-2500 UV flexo press in action. Nilpeter's director of Asian Operations Kim-Regin Sustmann says the India market today is where the East



European market was ten years ago – in transition between a highly regulated economy and economic liberalization – and it will take time to get the infrastructure of multiple retailers and supermarkets who will drive mass quality forward. He reckons the labels market is growing some 15-20 per cent, but from a low base in terms of volume and quality which means lower price machines will get the market moving upwards to the point where more printers could consider buying a Nilpeter press.

On the consumables side, Sicpa vice-president, Commercial Inks' Vijay K Gupta, said many printers visiting his stand were looking to shift from sheetfed offset to water-based and UV flexo, particularly in the pharmaceutical and cosmetics sectors. "They want to get a foothold before the market becomes saturated. End users are here looking for label printers who can offer beyond what they are currently offered, including promotional options, not just primary branding. They are looking for thermochromic and scratch-off, although mostly for product for export. In India these are wanted for festivals." Sicpa has an ink production plant in Bhiwadi.

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Gupta points out that much label consumption today is in small lots, and where pressure sensitive is paper sheets, stuck on by hand or by semi-automatic applicators. But there is a trend towards fully automated applicators. The trend is being enhanced by the transition from a state-dominated ownership to an explosion of competition and the growth of truly national companies, so volumes are increasing and margins decreasing.

Environmental issues are becoming important in India, for example the abolition of toluene in ink.

Indian manufacturers

As much as the show was a reflection of the arrival of the latest technologies and materials from all over the globe into the country, it also showed that Indian machinery manufacturers are gearing up to take on the best on their home turf. The exhibition saw several product launches, including a 6-color flexo label-printing machine from Graphic Technologies – sold at the show to an Iranian printer – and the launch by Kohli Industries of a narrow web roto gravure label printing machine.

Multitec's Ultraflex UFO (Ultimate Flexo Option) flexo press is the result of a joint venture with UV coating machinery specialist Graphic Technologies – previously the Aquaflex/Chromas agency in India. It is the first flexo press to be designed and built by an Indian company, so represents an important milestone. Multitec previously manufactured Forms presses, but became interested in flexo as the quality levels improved. Multitec's Amit Ahuja says that there is now better support in India for high quality flexo printing, including plate making, but local rotary stamping dies, for example, are still chemically etched rather than CNC manufactured.

"The move from offset to flexo is happening, but slowly, mainly because of the high cost of imported machines due to high import taxes, which is where we can score with a lower cost machine which still prints with high quality." Ahuja reckons there



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are no more than 25 high quality modern narrow web flexo presses in the whole of India today, so there is a lot to play for.

The press on display was a 6-color machine with hot foil and two die cutting units (the second is a combined sheeting/die cutting station), matrix rewind and programmable sheeter/stacker. Drying is by high velocity hot air with UV on the last unit. Full UV is available as an option. It can also be modified for roll-to-roll converting. Ahuja is pitching his press in direct competition to European and North American manufacturers in terms of quality and output, with a price under \$200K. There are currently seven presses sold in India.

At the show a press was sold to an Iranian printer specified with 6-colors, hot stamping on the first station, two die cutting stations and UV/IR dryers.

The Ultraflex press is sturdily built with helical gear drives and hardened chrome impression and anvil cylinders. It is available in a range of print widths from 10in (254mm) up to 20.5in (521mm). All models except the 10in include 360° motorized register control and can combine up to 12 print units (eight for the 10in model). The press can be specified for a range of materials via a variable infeed unit and separate tension control zones between print units and die cut units. Digital closed loop tension control is standard. The show model was equipped with a BST Pro-Mark inspection system

The print station incorporates a reverse angle doctor blade inking system with variable angle control and optional enclosed chamber. In-press plate position register correction is a standard feature and the inking unit can be changed over quickly without tools.

Multitec's Amit Ahuja says that with multi-nationals now moving into India, the demand is for modular presses which can add, for example, screen printing or hot foiling at a later stage. A wide range of modular add-ons are available including hot/cold laminating, chill rollers, delam/relam, embossing, hot melt coating, hot/cold foil stamping, punch station and corona treater. The press can handle a

wide range of materials from 25 micron unsupported film through 300 GSM board.

Alois Gutenberg is another India-based Forms press manufacturer now eyeing the labels market. The company showed its QX press, which can convert both forms and labels with in-line perf, sprocket punching and die-cutting. It can be configured with up to four printing towers in a choice of offset, letterpress and now flexo. The die cutting unit incorporates a 16in wide magnetic cylinder and waste rewind. Maximum speed while processing labels is 40 meters/minute (8,000 feet/hour).

One of the most interesting press launches of the show was from Mumbai-based Kohli Industries, which showed for the first time a narrow web gravure system converting PVC shrink labels. The Mantra 900 is a compact machine (2400mm long x 1500mm wide x 2100mm high) using paired printing units for either two or four color printing. Fast change features include tool-less doctor blade holders, pneumatic impression roll and doctor blade units, while the cantilevered design of cylinder and impression rolls allows easy access. There are just 2-3 press lengths of web in the press during make-ready. It is



versatile enough to handle a wide range of label materials including pressure-sensitive label stock, paper, PET, BOPP, shrink PVC, aluminum foil and lightweight board, and can print on the face or both sides at the same time using the paired print unit configuration. Maximum web width is 250mm with print repeat from 300-500mm and max speed up to 100 meters/minute (325ft/min), with centrally exhausted high velocity drying.

Tension and register is maintained by a combination of web edge sensor, electronic brake and load cell feedback on the unwind, motorized register control and a separate motor on the rewind. Unwind and rewind use

expanding airshafts.

Kaku Kohli, director, tells L&L a key target market is wider web gravure printers who have to handle short runs. Eighty per cent of Kohli's production is exported, with key markets Mexico, Nigeria, Sri Lanka and Turkey.

Gujarat-based label printer S Kumar was demonstrating a low cost multi-color hot stamping label press. The company had previously imported hot stamping machines from Italy before deciding last year to design and build a machine that in the words of chairman and MD Nimish Hansoti, would be 'within reach' of printers in India. The SkilFoil system

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incorporates up to three-color hot foiling units, and optional embossing, die cutting, slitting and rewinding stations. It is designed for short run production between 50 and 200,000 labels, including barcode labels. It is easy to operate and runs off a 5KW power supply. Hansoti tells L&L that the press can either be used as a stand-alone label printing system, or as an added value unit to over-print pre-printed labels using an optional photocell. Label size is from 10 x 10mm up to 115 x 125mm.

Two machines had been sold to label printers in India and S Kumar runs one at its own plant. It has plans to sell the press throughout SE Asia and in the Middle East to Dubai and Iran.

Ratan Industries had on display a flat bed label printing and die cutting unit, while ID Technologies launched its own barcode/label printer.

Indian Labelstock manufacturing came of age long ago alongside their 'big brother' Avery Dennison, and they were


present in large numbers. Weldon Celloplast, Kedia Lamicoat, Stay-on Papers, Millennium Papier, Gloss Holding, Deluxe Lami Paper Plast and Sarvodaya Industries were busy all the three days. Nor were they perturbed, it seemed, by the imminent entry of Raflatac, whose executives were among the visitors gauging the market and the show.

Label printers


Some of India's top label printers exhibited at the show, including New-Delhi Good Work Co, whose owner Mrs Kusum Dungalay has been in the print industry for 45 years. Three years ago GWC installed a Gallus R200 letterpress machine, as well as a Mark Andy flexo press, a Heidelberg offset machine and a Screen press. Platemaking is in-house, ink suppliers Sicpa and Akzo Nobel and dies are imported from Gerhardt and Koehler & Beck. Typical end use markets are automobile and export

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“Local manufacturers are now having to compete with the multi-national FMCGs in terms of better design and materials”

markets include Sri Lanka and Pakistan, as well as Namibia. Kusum Dunglay estimates 10-15 per cent growth in the labels market, with a growing use of more sophisticated materials such as clear-on-clear, while her end user customers such as India Oil are moving to automated applicator systems.

Other major printing houses included Inter Labels, PRS Permacel, Super Labels, Prakash Labels, Webtech Systems, Good Work Company, Meena Printech, Great Eastern and Million Papers, all anxious to meet end users.

“The most gratifying aspect of this exhibition was the presence of so many Label printers and the interest shown by the label users,” commented Anil Arora, the organizer of the show. ‘I feel, taken together, this is going to take the label industry up a couple of notches.’

The market

Sheetfed offset is still the main process for printing wet glue paper labels, but the situation is changing fast as end users take up automatic roll-fed label applicators, opening up the market for self-adhesive labels, as well as shrink and other filmic labels. More and more commercial offset printers are becoming interested in the labels market.

The quality of flexo origination is also improving. Mumbai-based Numex

Blocks was the first repro house in India to buy a Cyrel Digital Imager (CDI) digital flexo platemaking system, for example. The company’s plates were being used at the show on Multitec’s Ultraflex press and GiDue’s Combat, with excellent results.

Rotary tooling still has to be imported, and comes mostly from the US, Australia and Japan.

So rotary flexo is now establishing itself as a high quality process, as Abhay Datta, executive director of Graphic Technologies comments, “Three to four years ago nobody would have considered flexo.

Today the pressure sensitive materials and the anilox suppliers are here and tooling suppliers like Gerhardt, Kocker & Beck and Electro Optic. But we need more manufacturing here. We particularly want one of the die makers to start up production here – it will certainly pay for itself!”

This is the first time Datta has shown his machine at an Indian show and he is now convinced that ‘something dramatic’ is happening in the Indian labels sector. ‘Local manufacturers are now having to compete with the multi-national FMCGs in terms of better design and materials. There is a very talented graphic design base here. What has been lacking up to now is the equipment.’

But he also has significant export plans, pushed by the devaluation of the Rupee.

‘Everybody talks about the size of the population of India, but we don’t know if there are better markets abroad.’

Globalization is a clear trend in this country, with the major global brands looking to produce a similar brand image for their products sold across the world. This in turn is pushing printers to consider technologies like rotary screen, which is why Stork had a crowded booth at the show. The trend is to start adding modular units as the demands of end users increase – particularly for spot UV and hot foil.

Single serve sachets are one of the fastest growing print-package segments in a market where the vast majority of consumers cannot afford labeled containers, and it is an area ideally suited to production on narrow web presses. Even the poorest people in the countryside are exposed to the advertising of the FMCGs moving into India – particularly through cable TV, which is ubiquitous in even the poorest areas. ■

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