

Leap of Faith

Despite a sharp economic downturn, management at Proactive Packaging & Display chose to expand, with surprising results.

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The year 2000 began with more than a January chill. The U.S. economy groaned and then fell like an avalanche under the icy weight of too-high interest rates. The first tremors of its fall showed up in frosty sales figures that got the immediate attention of Gary Hartog and partner Brad Verhoeven, the principals of Proactive Packaging & Display, Rancho Cucamonga, Calif.

The company, then a six-year-old supplier of flexo printed corrugated retail packaging and point-of-purchase (P-O-P) display products, was facing the first economic downturn since its birth in 1994. Since then, Proactive had rocketed ever higher in sales, growing at a torrid 30 percent a year. Attracted by the company's reputation for unique, direct flexo-to-corrugated printing and manufacturing,

prestigious clients had signed on, but the handwriting on the wall clearly spelled recession.

Knowing the slowdown's icy grip would tighten, Hartog and his management team decided it was time to act. Mulling strategy for the new fiscal year, beginning in June, they knew other packaging manufacturers had adopted conventional wisdom approaches to the recession: cutting expenses, mergers, shutdowns of capacity, and employee layoffs.

But Hartog would have none of it. A man of strong personal convictions and belief in Christ, he also has an unshakable faith in the power of the U.S. economy. Standing by these beliefs, he made the unconventional case to his management team that Proactive ought to lean against the recessionary wind and not retrench like others.

He proposed investing in a new large format flexo press and equipment that would ramp-up Proactive's capabilities in high resolution, direct-to-corrugated board flexography. Supporting his case for expansion was, as he says, "Faith in Christ, independence, owner and employee involvement, and the importance of having unique capabilities."

Laughing at Logic

Proactive Packaging & Display did defy conventional wisdom and committed to investment and expansion while other manufacturers hunkered down. To make room for the new equipment destined to go into its 64,000-square-foot manufacturing plant, Proactive's graphic and structural design departments moved to another building nearby, bringing the company's total floor space to 100,000 square feet.

Next, equipment suppliers were interviewed. Technology, features and advantages of flexo presses, diecutting, folding, and gluing equipment were scrutinized, then tested in minute detail. Hartog and his management team traveled to other plants to run test jobs



Surrounded by some of Proactive's full-color, direct flexo on corrugated work are (from left) Principal Gary Hartog, Operations Head John Scott, Plant Manager William Stansbury, and Production Planner Jerome Flournoy.



for evaluation. User experiences with suppliers' dependability, service and support also were gathered. "When we put it all together, there was really only one possible choice and it was Bobst," Hartog says.

Proactive became the first U.S. packaging manufacturer to order and install a seven-color Bobst Masterflex 203-A Matic, a large format, seven-unit, 50- by 80-inch press designed for high resolution direct flexo printing on corrugated. Proactive also ordered a Bobst SPO 203-A diecutter, Dynapack blank separator, Post 1080 folder-gluer, and a Martin Transline 1228 flexo folder-gluer.

The equipment order was placed just as the economy hit bottom.

"Proactive remained on plan through December, but even as the contract was being signed, we saw our business volume fall by as much as 25 to 30 percent," Hartog says. "It felt strange to be spending money on new equipment, just as the economy was tanking. But we had decided going in, we would rather be in a recession with new capabilities than to be there as the same old company."

Place Your Bets

Hartog feels multiple cuts in interest rates, consumer tax rebates and spending by government to inject liquidity into the economy will induce a strong recovery in the year ahead. But he's betting most on American consumers.

"America loves to shop," he says. "Shopping is a need that can't be met by two-dimensional dot-com storefronts on the World Wide Web. America's affection for shopping is going to unleash a resurgence in retailing as the recovery gets under

way." Hartog also believes retailing has changed. New stores and warehouse clubs are enormous, so big that armies of salespeople would be needed for traditional, one-on-one retail selling, raising manpower costs too high to turn a profit. So to restrain selling costs, retailers are turning to P-O-P displays as their primary selling tool.

"Vendors are being required by retailers to deliver their goods in graphic-rich, high-color, retail corrugated packaging," Hartog says. "Packaging and P-O-P displays will do the selling."

"So as America's shoppers hit the aisles again in great numbers, a huge upsurge in demand for top quality, multi-color, corrugated retail packaging seems a virtual certainty. That creates a major opportunity for sales of our direct flexo printed products."

He notes that litho and singleface have long been considered the gold standard of print quality. "Past flexography press limitations kept flexo from competing on quality," he says. "But when Bobst introduced the Masterflex in Europe, high-quality, direct print flexo in up to seven colors on corrugated became possible, with excellent richness, resolution and register quite close to singleface in overall print quality."

"In fact, Proactive is currently the only packaging converter producing 150-line resolution direct flexo, day-in and day-out," Hartog says. "And now we have begun printing at 175 lpi. The results have simply been fantastic."

"Our new Bobst Masterflex 203-A press has positioned Proactive to deliver high post-print flexo quality, attractively priced below litho and singleface products."

Up Close and Personal

On tour of the Proactive plant, Operations Head John Scott takes us press side of the Masterflex 203-A. Scott explains its fully-enclosed design protects the process against airborne dust for utmost quality and gloss.

The Masterflex 203-A press, rated at a top speed of 10,000 sheets per hour, handles a maximum sheet size of 50 by 80 inches or a minimum of 20.5 by 23.6 inches. Its board thickness range spans from 0.03 inches to 0.35 inches. A specially designed, non-slip drive belt at the feeder forwards the board into the press smoothly. The feeder is equipped with a Bobst sheet cleaner to ensure that the board stock enters the press dust free.

Inside, the board is kept flat in the vacuum transport, and tight register is assured by the unique overhead transfer line running between all units. Driven rollers gently grip the unprinted side of each sheet using vacuum and precisely transfer the sheets through the seven printing units, keeping free of smearing. Conventional and UV inks can be used. The big press is equipped for UV and aqueous coating and each printing unit has a drying curing station.

Between the printing units are access doors leading to the well-lit interior. Inside, ample room is provided between units, allowing an operator to work safely and comfortably while the press is running. Ink feeds to each of the printing units, located just outside the doors for ease of access and speedy changeover.



Anilox roll change is easy and automated with the Bobst Masterflex. While another job is running on the press, automatically lifted anilox rolls are positioned for immediate exchange during setup for the new job.



(From left) John Scott, Brad Verhoeven and Gary Hartog at the feeder-end of Proactive's new Bobst Masterflex 203-A press.

Everything about the Masterflex is designed to save time and maximize production efficiency. A job can be running while the press is actually being readied for the next job. Anilox rolls can be positioned to be automatically lifted into place at changeover later.

At the delivery end of the Masterflex 203-A, in-line-printed-and-dried sheets are stacked and delivered by conveyor to either the SPO 203-A diecutter and Post 1080 folder-gluer or if the sheets are destined to be converted as RSC, to the Transline 1228 flexo folder-gluer. After finishing on either of these lines, goods are palletized and shipped.

Through its advanced design features and high level of automation, job changeovers on the Masterflex 203-A are fast and low in cost. So printing short runs of direct flexo print cartons is both practical and profitable. This gives Proactive an advantage over converters using litho or gravure single-face printing methods.

Scott explains, "In all other methods, makeready and press time costs are only economically viable if they are spread over a long print run. That's why litho and gravure singleface sheets or rolls will usually be preprinted and held in inventory.

"Those warehoused sheets will later be converted as the customer orders cartons. But preprinting poses risk. If any change occurs in the product name, copy or part number, preprints will be instantly obsolete. So the customer is 100 percent at risk of paying for inventory he or she may never be able to use. In contrast, the low-cost and quick makeready of the Masterflex 203-A make it possible to print just the needed quantity of direct flexo packaging. There isn't any preprint inventory so there's no risk to the customer."

Pride In The Press

A job changeover approaches and pressman Lewis Rocha and assistant José Bernabe demonstrate how the advanced technology of the Masterflex 203-A

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-G. HARTOG
PROACTIVE
PACKAGING &
DISPLAY



The Bobst Masterflex press delivers speedy setups and variable length print runs of high resolution, direct flexo color on corrugated.

speeds its setup time.

Stepping inside the press, Rocha initiates the automatic wash-up feature on a unit and in no time, the anilox roll is clean, dry and ready to be replaced. The roll needed for the next job waits below on a movable carriage inside the unit. The rolls are automatically exchanged by an elevator-like transfer mechanism.

Rocha notes, "There are 21 anilox rolls in the Masterflex 203-A and automatic roll transfer in each unit. We have 900, 600, 440, 360, 250, and 220 anilox rolls. The 220s are for coating work. We use the 900s to apply the process inks, for screen rulings to 175 lpi. The 600, 440, 360, and 250 rolls also can be used to vary the solids with the screens to produce direct flexo jobs that rival the best preprint work."

Rocha demonstrates the total press remote control provided by the computerized console. A touch-screen provides unit selection, menus and keys that operate press remote control functions, including feeder, impression, register, inking, coating, drying, and sheet speed. At all times, the operator has a complete overview of press status and sensors monitor all press functions.

For substantial time savings in reprint work, parameters of as many as 5,000 specific jobs can be memorized by the Matic unit at the console. When a job is selected, the press automatically configures itself for printing exactly that job, precisely as it was done the last time.

Rocha and Bernabe efficiently complete their setup. From feeder to automatic wash-up of chamber doctor blade assembly to automatic transfer of anilox rolls, to plate change, ink and color setup, the seven-color Masterflex 203-A is ready to go on the new job in record time. Rocha comments, "I've been printing for 30 years and José has been at it for 12. None of us have ever seen a press the equal of the Bobst Masterflex 203-A. It sets up very quickly,

its waste is virtually nil and it produces exceptional quality work faster with greater efficiency than any other flexo press."

Giving Thanks

Hartog adds, "We could not have done this without help. I'm thankful to Christ for His faithfulness and vision; to my customers and support staff; to my suppliers, Bobst, Montbello Container, Matthews and Inx, as they continue to break out of old standards and create new levels for our industry with us.

"I'm also thankful to my past mentors. Jack Jeffries, for people skills and strength, and Rick Lantello, for box knowledge and honor, at Willamette; Michael Feterik, for sheet plant efficiencies and understanding risk, at OCC; and Marvin Pomeranz, for risk knowledge and friendship, at Gaylord.

"In getting through a recession, conventional wisdom says cut costs, shed headcount and don't invest in any new equipment," Hartog continues. "We think that's nonsense. With enduring faith in Christ, and the very best employee team in the industry, bar none, we took our leap of faith because we're all deeply committed to doing our very best for our customers.

"Our new Masterflex 203-A has helped increase our business volume. It's an investment that has paid off and we're now delivering more and more jobs every day. Because we had faith, so much help and invested in the Masterflex, we are working a second shift, even as the rest of the economy still languishes in recession. For Proactive, the recovery is already here." **PBP**

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The computerized console and touch-screen of the Bobst Masterflex give total remote control. To save time, up to 5,000 specific jobs can be memorized and when one is reprinted, the press automatically re-configures.