

The Growing Shrink Label

Shrink stock continues to steal the spotlight in the world of labels.



Courtesy of Seal-It, Inc.

Heinz turned to Seal-It for a full-body shrink label.

TO EFFECTIVELY MARKET a consumer product, follow these directions: apply brightly printed shrink label to a smartly-shaped container and watch it fly off the store shelf.

Okay, it's not *that* easy and maybe shrink sleeves



Igloo Coolers add color and designs to its containers with shrink sleeves from Alcoa.

aren't *that* good. But shrink labels are growing at an astounding rate, and their brilliant, 360° graphics and ability to contour to sleek container designs appeal to consumers. Simply put, shrink labels look good and sell their products.

Endless possibilities

Body labels such as shrink sleeves are expected to grow at a clip of about 20 percent per year, according to a study published by Keymark Associates, a marketing consultant for chemical firms and converters in packaging. That's a trend which has become evident in the last few years as shrink labels have expanded their niche from the beverage market to markets such as snack foods and personal care items. "Virtually every consumer market uses shrink labels now," said Jennifer Helms, marketing and sales development manager at SleeveCo, a shrink sleeve converter.

"We are seeing more and more shrink labels on food, and health and beauty products," said David J. Hill, applications development manager of labels for ExxonMobil Chemical's (Macedon, N.Y.) films business. "Some examples are the Heinz E-Z Squirt colored ketchup products from several years ago; Frito-Lay's Snacks-to-Go; and fun, colorful, shrink labels on children's shampoo bottles."

The big to-do about shrink labels is how well they attract a shopper's attention. When put side-by-side, paper and most regular film labels pale in comparison to the glitz and abilities of shrink labels. "[Shrink labels] sell products better than any other form of label out there," said Sharon Lobel, president and CEO of Seal-It, Inc. (Farmingdale, N.Y.), a shrink film

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manufacturer, converter, and printer. "They are more 'young,' 'today,' 'hip'—much more so than when you look down and see a paper label. They are more the 'future.'"

Time and time again, suppliers and converters single out the visual aesthetics and capabilities of the shrink label as its greatest attractions. The label can

be made to look like anything the designer wants—stainless steel, frosted—it's all possible, Lobel said. In addition, shrink labels provide 100 percent coverage of the container, allowing more graphics and product information to be displayed on the label, said Roger Brown, marketing manager of Plastic Suppliers (Columbus, Ohio).

Their not-so-subtle appearance is also what makes shrink labels the label of choice for launching certain new products. Being able to separate it from what's already there is very

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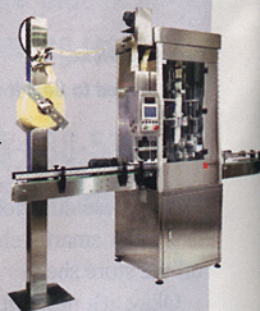
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Making shrink sleeving easy

Axon® Corp. (Raleigh, N.C.), a manufacturer of machinery for the application of heat-shrinkable sleeve labels, tamper-evident bands, and stretch sleeve applicators, recently unveiled its new high-speed shrink sleeve label applicator. Called the EZ-Sleever, the applicator is capable of applying shrink labels in excess of 300 containers per minute and is the latest addition to Axon's EZ-Seal® line of heat-shrinkable sleeve label applicators. This new machine provides high production rates at minimal costs for most full-body sleeve applications. Running film thickness as thin as 35 microns, the EZ-Sleever will handle thinner gauge films to reduce labeling costs.

"The increasing demand for full-body shrink labels led us to design and introduce the EZ-Sleever," explained Ed Farley, Axon's director of sales. "The EZ-Sleever's all-mechanical design and ease of use make it ideal for a wide variety of container shapes and sizes."

**The EZ-Sleever
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important when introducing a product. Shrink sleeves make that very easy. Nestle Purina turned to Alcoa Flexible Packaging (Richmond, Va.) for shrink labels to set off its new Wisker Lickin's cat treats.

"Their dramatic, high-impact color reproduction jumps off the store shelf," said Terry Copenhaver, Alcoa commercial manager of shrink sleeve labels.

"Shrink labels are also the only label with the ability to fit unique container shapes, which also contributes to differentiation in the marketplace."

Furthermore, shrink labels provide a variety of practical benefits. Full-body shrink sleeves and neck bands offer tamper-evident capabilities. Shrink sleeves can also reduce inventory by eliminating the need to stock printed containers, and add shelf-life to the product through UV protection.

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The sleeves that SleeveCo used to label Pennzoil-Quaker State's Black Magic car care products were the first shrink sleeves to cover a trigger spray bottle.

"The blow molders and companies like [SleeveCo] are really finding that the boundaries for what shrink labels can do are almost endless," noted Helms. "We've had some difficult projects and have been able to figure out a way around all obstacles."

It's a "green" thing

Behind the glamour of a finished shrink label is its material. PVC has been the dominant substrate used for shrink labels for many years. Its high shrinkability, about 65 percent, and low cost make it an attractive option.

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Courtesy of Seal-It, Inc.

Seal-It's shrink sleeves decorate these orange juice containers.

However, other substrates with comparable or more attractive properties to those of PVC are taking over market share.

Between the years 2000 and 2005, reports a study published by Packaging Strategies, the annual growth rate for shrink labels will be 20.3 percent. Broken down, the study forecasts that a majority of the growth will be in PETG at 35.4 percent of the total, then PVC at 12.4 percent, OPS at 10 percent, and OPP at 8.3 percent.

Barry Hostetter, business director of Applied Extrusion Technologies' (AET, New Castle, Del.) label films, points to environmental reasons for the expected growth of other substrates. "[OPS] and PET are considered more environmentally friendly than PVC," he explained. "Major problems with recycling of containers with labels are: 1) separation of the label from the container; and 2) contamination of the recycled material with 'label' contamination. Some labels, such as OPP labels, are easier to separate [from PET containers], while others are more difficult—such as PVC labels."

How hard it is to separate a label from the bottle material during the recycling process is determined by the specific gravity of the substrate—its ability to float in water, according to information compiled by Brown and Gary Gates of Mark Andy (St. Louis, Mo.) for this month's TLM/FFTA Technical Conference in Chicago. OPP is a floater and can easily be separated from PET bottles. OPS is a hanger and doesn't float or sink, but it can also be separated out. PVC and PET labels, on the other hand, have a high specific gravity. This means they sink and blend in

with the PET bottle fragments, making the recycled material nearly unusable, said Brown.

Material matters: alternatives to PVC

OPS is widely used in Japan and throughout Europe because of its "green" properties, said Copenhaver. Currently, PVC is banned in Japan where OPS holds about 70 percent of the shrink label market. However, it won't be long before the material takes off in the United States, and it won't be because of environmental benefits alone, she added. "OPS can shrink up to 80 percent with a more controlled shrink curve than PETG. The density of OPS is more than 20 percent less than PVC and PETG, giving it a tremendous cost advantage over PETG and a slight advantage over PVC."

While OPS also prints and machines very well, it has a few drawbacks. The substrate needs a temperature-controlled environment in order to be processed because it has a low shrink initiation temperature, Brown said. Another problem, Helms added, is that it is hard to get since many companies have concentrated their efforts on producing PVC and PETG.

OPP is another viable, low-cost, environmentally-conscience film alternative. But the substrate is limited to low shrink applications of less than 25 percent, making it better suited to be used as roll-fed, wrap-around shrink labels like those that decorate Kool-Aid containers, rather than as shrink sleeves used on fancily-shaped bottles. Brown explained, "The existing adhesive technology for wrap-around applications favor OPP in this market due to the fact OPP is a lower shrink product. High shrink products—PET, PVC, and OPS—cause the adhesive to be pulled and stressed at the point where the label is adhered to itself. When the adhesive is pulled, it exposes the adhesive to dirt and other contaminants, or it may cause the label to stick to the cases it is packaged in."

Still, OPP may be just the answer for converters who have been looking to enter the shrink label world, but haven't been able to afford the sleeve technology. "The newer wrap-around technology should permit current flexo printers to enter the market at a much lower initial cost," Brown said.

Whether a label converter uses OPS, OPP, or PVC, as long as the result is a shrink label, their customers should reap the rewards. "The popularity of shrink labels is growing at a phenomenal rate because of the shelf presence they offer," concluded Helms. "There is potential for 360° marketing, and printing up to 11 colors allows for vibrant labels. This helps companies stand out in very saturated markets." 