

Innovations

A newsletter dedicated to the success of TLP customers



Tailored Label Products, Inc.
"Passion for Innovation"

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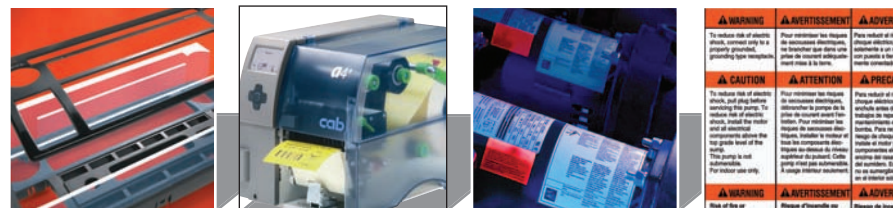
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Talent Management: A Competitive Strength and a Customer Benefit



In past columns, Jeff has shared details about some of the LEAN TOOLS TLP uses in our Continuous Improvement (CI) efforts. But as important as our tools are, the most critical resources behind TLP's CI efforts are our people. And providing an environment that encourages individual CI is the most rewarding part of leadership in this special organization.

TLP uses a wide variety of CI tools to advance the flexibility, knowledge base, experience and innovation skills of our organization. One of the first tools we deployed was BASIC LEAN CONCEPTS training. We began that process with on-the-job, real-world, project experience. This first step in developing a culture of CI is a key part of our "Talent Management."

I first heard the term "Talent Management" in the context of "talent agencies" and the deployment of their clients into specific entertainment venues. Over the years the term evolved to encompass management of sports figures. Today it's in the mainstream for a variety of HR tactics ... of which LEAN skills training is one.

Other Talent Management tactics TLP is using on a daily basis include:
Cross training... operational depth development and flexibility
Materials or process science training... application competency development
Project management and product

development
Project management and product

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In The News

United Way Giving Reaches an All Time High - TLP embraced the theme "Live United" in its efforts to raise funds for United Way. TLP raised \$20,018 and had an incredible 91% participation rate. The amount raised soundly beat TLP's goal of \$14,500 and even surpassed the record giving level of \$20,000 in 2009. "Our employees recognize that other people in the community are having difficult times and went beyond the call of duty to 'Touch the Lives of People (TLP)' in our area," said Mike Erwin, president of TLP.



See TLP in Booth 725 at PLASTEC South - TLP will be exhibiting at the PLASTEC South Show, Orange County Convention Center, March 16-17 in Orlando, FL, Booth #725. PLASTEC South serves the plastics industry and features the top suppliers of processing machinery, auxiliary equipment, molds, molding components, materials and services providers.

Laura Schilling Promoted to Customer Service Representative - Laura helps service a major account while working directly with TLP's project manager.

Industrial Market Will Feel Affects of CPSIA

The "Domino Effect" is a linked sequence of events where the time between successive events is relatively small.

This is the effect the Consumer Products Safety Improvement Act (CPSIA) will have on the industrial label market.

The CPSIA requires that all products intended for children under the age of 12 are tested and certified as meeting the lead limits as set forth in the law. **Phthalate** testing is required for toys intended for children under the age of 12.

Testing is also required for "child care articles" for children under the age of three, which is driving demand for **phthalate-free products**. (Phthalates are the main additive in vinyls and adhesives, because they provide the softening properties to



these plasticizers.)

The real issue here is that phthalates will need to be removed from these products globally.

Why is this our issue? Because the global consumption of **phthalate-free** products will increase dramatically and the demand for products with phthalates in them will diminish dramatically.

This will not only reduce the supply available but will increase the cost of these products due to economies of scale.



Quality Engineering **Tips** From the TLP Team



Sue Cantwell Jim Brown George Scannell Tina Stewart

Many Options Can be Considered for Engineering Labels to Achieve a Lower Total Applied Cost (TAC)

While the economy may be slowly rebounding, manufacturers and retailers are still seeking ways to reduce total applied cost (TAC) without sacrificing the quality, performance or branding of their products. TLP understands the financial pressures companies and brand managers are facing and can offer solutions that will help you keep an eye on your bottom line while maintaining existing labeling requirements, along with the brand image.

Since labels are typically comprised of four layers—substrate, adhesive, topcoat and liner—changing one or two of the layers can have a dramatic impact. When re-engineering a label, it is vital to consider the performance and task of each layer, as there may be opportunities to enhance the function of the labels while lowering TAC.

SUBSTITUTES

Product identification is a key function of many labels, as superior branding helps move products off the shelf. However, material substitutions can often be made that enable a manufacturer to positively brand a product and still cut costs. For example, a washing machine manufacturer may be using a stainless steel brand tag because it offers a rugged representation of the product. An alternate would be to use a 2 mil brushed silver polyester label that provides the appearance of stainless steel while at a lower cost. When coated with an aggressive permanent adhesive and protected by a clear overlamine, the resulting label retains the durability of stainless steel, but at a fraction of the manufacturing and application costs.

Even within the realm of pressure-sensitive labeling, there are numerous options. In some cases, TLP may be able to suggest a thinner, but equally durable, substrate to reduce cost. In other cases, we can switch to a thinner gauge liner, therefore reducing waste. One of TLP's partners, FLEXcon, is offering a recyclable PET liner and is working with customers to develop programs to collect and reuse these liners.

When considering material substitutions, understanding the characteristics of the various substrates, liners and adhesives is crucial. At TLP, we have field-tested many of our substrates and materials. This helps to reduce new label development timeframes and consolidate design-to-market schedules for increased efficiencies.

REDUCING TIME & LABOR

Another way to decrease TAC is to reduce the time and labor associated with label application.

For example, almost every element of a larger product features a work-in-process (WIP) label to help keep the final product in compliance with ISO or other quality assurance programs. This necessity for accountability through WIP labeling may provide an opportunity for combining labels. TLP can help customers identify which labels can potentially be combined and streamline the production process.

For instance, a manufacturer of stovetop appliances currently needs a work-in-process (WIP) label to track individual components during production as well as a mask to prevent certain areas from being powder coated. In analyzing the process, it was determined that a

single label could be created that would serve both purposes. The cost of printing and die-cutting the labels would be virtually cut in half and instead of two labels being applied in the manufacturing line, only one is applied.

Another option may be for the manufacturer to eliminate the cost of removing the mask and the WIP label. This may also help prevent WIP label failure during the powder coat process.

When considering re-engineering a label, the list of potential cost reductions is long. TLP can help you with the label designs as well as determining the potential economic benefit of using the new labels. You may be surprised at how significant the cost reductions can be.

TLP's partner FLEXcon provided technical assistance in the production of this article.

Honeysuckle: THE Color for 2011

Last year's Pantone color of the year was turquoise because of its calming effect (much-needed after a tumultuous 2009).

This year, they're forecasting a more vibrant color: Honeysuckle. According to Pantone Color Institute Executive Director Leatrice Eiseman, "In times of stress, we need something to lift our spirits. Honeysuckle is a captivating, stimulating color that gets the adrenaline going – perfect to ward off the blues."

Various shades of honeysuckle are showing up in apparel items.



Solutions

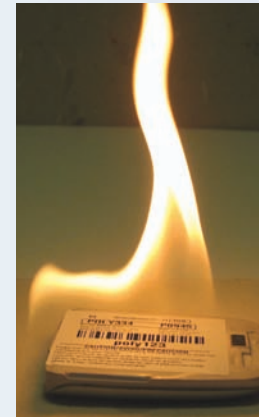
1,000°F Plus Materials Help With Customers' Special Needs

TLP is regularly sourcing new products aimed at helping meet customers' specific or unusual needs. We have recently introduced a new family of products designed to withstand the most extreme manufacturing conditions and the harshest environmental exposure.

In keeping with what we discussed in regards to lowering Total Applied Cost (*see article left*), these materials have the potential to replace costly metal nameplate systems.

Beyond their superior performance in unique applications, each of the specific label materials are REACH, RoHS, PFOS, and WEEE compliant, as well as Halogen Free.

The new offering includes TLP-HT1000, a high-temperature film that can withstand temperatures up to



1,000°F (537°C) along with exposure to chemicals, solvents and other challenging conditions. TLP-HT1000 is ideal for the toughest applications such as electronics, industrial and automotive manufacturing.

When combined with the appropriate thermal transfer ribbon, it passes the following military requirements: MIL-STD-202G, Notice 12, Method 215K and MIL-STD-883E, Notice 4, Method 2015.13. Preheating the labeled product can further enhance print permanence for applications that require extreme solvent and/or abrasion exposure.



TLP offers labels for mounting boards and other difficult-to-bond surfaces.

In addition, TLP-HT1000 meets the UL510 OANZ2 flammability rating.

The product is perfect for surface

mount board processes, either on the top or bottom side of the board, work-in-process labeling and asset tracking, among other applications.

Also included in the offering is TLP-HT1100, another high-temperature label material that can withstand temperatures up to 1,112°F (600°C), along with persistent extreme temperature, conditions common to steel and aluminum manufacturing.

Not only does TLP-HT1100 withstand extreme heat, but it resists harsh outdoor environments including oils, salt water, and moisture, along with other solvents.

Specifically, the material is ideal for printing variable information in the following applications: cold rolling, tube mills, structural steel mills, steam pipes, and ovens.

With applications ranging from electronics manufacturing to steel and aluminum mills, TLP's newly sourced product offering provides viable cost reducing options for challenging applications.

If you want more information, contact a TLP representative or visit www.tailoredlabel.com.

Talent Management: Competitive Strength, Customer Benefit

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development... On-the-job and seminar-based project execution planning

Technology awareness... The identification of new solutions or processes in the areas of IT, production reliability or efficiency

Leadership succession... Providing bench strength and

continuity in all areas of the company
It takes years to develop effective programs that satisfy the requirements of the tactics listed above. TLP utilizes these types of programs every day ... resulting in LOWER TURNOVER, GREATER PERSONAL GROWTH and MORE EFFECTIVENESS AS A TEAM.
In short, our "Talent Management"

has become a competitive strength and a customer benefit.

Mike Erwin
Co-owner and President

Visit www.tailoredlabel.com

