



Label Applicator Consulting

BI has developed relationships with several label printers who also have expertise with label applicator equipment. BI is available as a resource to help any Sponsor with issues in applying the Foodservice Rewards® label to their product(s).

It is the manufacturers responsibility to purchase all necessary equipment and services to install the equipment and train their people on its use.

A BRIEF HISTORY OF LABELS

Labels of all shapes and sizes are used in every type of product packaging imaginable. Over the last 15 years, plastic or film labels have virtually eliminated the process of printing on any kind of consumer packaging, due to the printing costs. Also, the label offers increased quality and flexibility.

Label printing is a very specialized area of the printing industry. Typically, printers who print on paper for magazines, newspapers, or other printed materials, do not print labels. Even with this specialization, there are still probably 250 label manufacturers in the United States that could produce the Foodservice Rewards label.

LABEL APPLICATOR EQUIPMENT BACKGROUND

The second part of the label puzzle is the label applicator. This is the piece of equipment that automatically places a single label onto a product or case. To accommodate high volume manufacturing environments, these need to be fast and accurate.

Much like the razor and the razorblade, label printers found that the key to producing labels was providing a way for manufacturers to get labels on to their product easily.

The largest label printers also have expertise, or are affiliated with a company that manufacturers or is a representative for a label applicator equipment company. There are several label applicator equipment manufacturers worldwide. These companies include:

- Label-Aire
- Collamat
- Quadrel
- LSI

Label applicators are designed to operate at high speeds, but can impact current operating/production speeds. The potential impact for your environment is not known.

CORRUGATE INSTALLATION ESTIMATES

The label applicator equipment would be installed in the corrugated supplier plants onto their converter equipment.

High Speed machines typically run at a rate of 7,000 – 15,000/hour. Equipment that could be installed on these machines is available from a number of manufacturers, including:

- Label-Aire
- Collamat
- Quadrel
- LSI

Each of these manufacturers make a variety of units that can accommodate different speeds and operating environments, as well as application methods (such as wipe-on or tamp-on, blow-on, etc).

Slower speed machines that might be used in a food plant at a speed of 20-30 cases per minute would run considerably less in the \$8,000-\$12,000 range. This equipment is normally purchased, rather than leased.

LABEL SPECS

The Foodservice Rewards Labels are a 2-ply, self-adhesive label. Labels are pre-printed (not print and apply). Labels include the following information:

- Foodservice Rewards logo
- Promotional copy in English and French.
- Bar code
- Product name
- Expiration Date
- Reference Number
- Unique, single use reward code



Labels vary by product, so the label/roll would change as the box for each type of product is manufactured, unless the same type of label would be used on all products in a particular category.

Each label is of value so security and waste control procedures must be in place.

LABEL DELIVERY

Expected ship date is approximately 14 business days once an order is placed.

LABEL PLACEMENT

Foodservice Rewards labels can be applied to the outside of the case at the corrugated supplier plant. Flat boxes are then shipped to the Sponsor's food plant for normal use.

COST ESTIMATES

Please note that these are ballpark estimates that should be used only to obtain a general estimate of potential charges. Estimates may increase/decrease as much as 20% depending on a number of factors, including: speed, installation, training, number of lines, number of shifts, etc.

Cost Category	Cost	Comments
Initial Site Visit	\$4,000 - \$5,000 (1.5-2 days)	Per site, unless each is the same or workable drawings can be obtained. The deliverable is a complete specifications and installation plan with pricing.
High Speed Applicator Machine	\$15,000 - \$20,000/unit	Price range for equipment running 10,000-15,000 per hour
Low Speed Applicator Machine	\$5,000 - \$15,000/unit	Price range for equipment running 1,000-5,000 per hour
Manual Applicators	\$100-\$500/unit	Manual applicator that holds the roll and assists with hand application.
Installation and Training	\$2,000 - \$3,000 per day, each plant (3 shifts)	
Spare Parts Kit	\$2,000 - \$3,000 per plant	