Philip Morris The Push for Digital

Few brand owners are as passionate about the potential for digital printing and finishing as Philip Morris, which has installed its own digital printing and converting line for folding cartons.

Sometimes a Consumer Packaged Goods company finds an emerging trend in packaging so appealing that management refuses to wait for the supplier community to fully develop the technologies that will make it possible to capitalize on that trend. One such company is Philip Morris International (PMI), whose corporate headquarters are in New York City and whose Operation Center is in Lausanne, Switzerland. The trend they spotted is digital printing and finishing of folding cartons, and now that they've spotted it, they're going after it as aggressively as any brand owner on the planet. "The question is 'when' not 'if' digital printing will take an increasing share of the total volume," says Tony Snyder, Vice President Product Portfolio Management and Deployment at PMI.

"Brand owners need to decide if they will sit back and wait for the advances still needed to make it economically attractive, dip their toe in the water, or dive in head first. The choices we make will determine if digital becomes just another option we call on or if it becomes the disruptive catalyst to a fundamental change in the business model of today."

RADICALLY DIFFERENT PORTFOLIO'
According to Snyder, IQOS widely available around the world but not yet approved for sale in the U.S. Makes digital printing all the more compelling. "I think digital's time has come even without factoring in IQOS," says Snyder. "But when you do include IQOS in the conversation, it means we're going into a radically different portfolio. With these reduced-risk products you're not just looking at the consumable tobacco heatsticks.

In addition to the battery-powered device itself there are cables, chargers, replacement parts, user guides, safety documentation, and so on. As we thought about the packaging for such a portfolio, we knew it required a new mindset, especially when we were launching a portfolio of products in 43 markets in the last 24 months. You can do all the planning and forecasting you want, but you don't know which

Tony Snyder

varieties are going to resonate and which ones won't. So the chances are that whatever volume of printed materials you order into a conventional supply chain driven by analog equipment, it's going to be wrong. It's either too little or too much. The speed and agility of digital allows you to be much more responsive and accurate. It's the sweet spot for digital."

"Also, if you take a look at the cartons in our particular business, there's a lot going on, from metallics to embossing to lacquers and right on into creasing and die-cutting. So we could see from the start that we would never realize the full value of going digital if we didn't

make the whole thing digital, including not just printing but also embellishment and finishing.

WHAT DIGITAL BRINGS

As configured for PMI, the Labelfire consists of two flexographic stations, then the eight-color digital printing station, then four more flexo stations for coatings or lacquer or tactile embellishments, then an embossing station, and then rewind. For a concrete example of what PMI might do with digital printing in its arsenal, consider the multicolored bars in the Marlboro R3MIX package. This was a limited edition where consumers were offered different capsule flavor cigarettes within the same pack. This variability in product was extended to the pack design itself because, thanks to digital printing, 16 different pack varieties were printed in the same print run.

What changed from pack to pack was the length of the colored bars. So when consumers faced multiple packs on shelf, they saw not one static image on every pack but rather a pleasantly surprising array of imagery that reflected the product variability inside each pack.

SHOWING CONVERTERS THE WAY

Philip Morris enjoys a mutually beneficial relationship with the converters it relies on for the vast majority of its cartons. But thought leaders in the firm understand that there are times when waiting for the supplier community to develop the next big thing isn't always the best idea.

"We can't do it ourselves," says Snyder, who described PMI's digital journey at Digital Print for Packaging Europe, produced by Smithers Pira. "We need to connect with the equipment makers, the converters who buy that equipment, and the makers of the inks and lacquers, too, and show them how strongly we believe there is a marketplace for these technologies.

Source: Packaging World - Packaging news, trends & innovation