



# The Lightning Flash

The quarterly newsletter from Lightning Labels, the leaders in digital label printing

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## From the Desk of Steve Smith

In February I attended two conferences focused on the label printing industry and gained some interesting insights about industry trends.



The first conference was called Dscope (the user group for HP Indigo digital presses). This was their 4th annual gathering and the attendance continues to grow despite the economic pressures. More than 1300 folks gathered in Orlando to discuss digital printing. The two most significant take-aways for me were the growing interest in eco-friendliness, plus the overall impression that digital printing is gaining market-share and credibility worldwide.

The second conference was the annual get-together for members of TLMI (Tag and Label Manufacturers Institute). Again, the same two recurring themes were very evident – go green, go digital. Sadly, despite much research by various players in the industry, eco-friendly materials still have a way to go. As for the “go digital” theme, Lightning Labels has been leading that trend for 7 years – so we’re not surprised that it’s catching on.

Cheers,

*Steve*  
Steve Smith  
President

## The Opportunity of Variable Data Labels

If you watch the news these days you may think we are heading towards an economic collapse. While the economy is contracting at a faster pace than at any time in more than a generation, there is still business being done. And believe it or not some companies are still growing. People are still buying products and they will continue to do so even if things get worse. It is in trying times like these where a business can really get a leg up on the competition by continuing to try new things.

Digital label printing has been around now for almost 15 years. Lightning Labels has been doing business for about half that time. But there are few companies who are really taking full advantage of everything that digital label printing has to offer. Most people know digital printing is great for printing short runs economically and that you can easily print consecutive numbers on your labels, but digital label printing can do so much more. Digital label printing allows for complete variable data label printing with not just variable text but variable images as well. This article will explore some ideas that take full advantage of the unique capabilities of digital label printing.

### 1. Allow Your Customers to Personalize Their Labels

If you sell products online then it is not very difficult to allow your customers to personalize their product labels. There are several companies currently providing this service for their customers. Jones Soda has made

custom labels a core part of their brand. If you see the six-packs of Jones Soda in a grocery store you will notice that every six-pack has a different photo on the label. These photos are all submitted by their customers and they have been putting a different photo on their soda bottles since the late 1990’s. But what is more interesting in their MyJones service ([www.myjones.com](http://www.myjones.com)) where you can upload your own photo and order a 12-pack of soda for just \$30.

Heinz Ketchup has a similar service at [www.myheinz.com](http://www.myheinz.com), but here you cannot upload photos, you are limited to just three lines of black text. You can order one bottle of ketchup with a custom label for just \$6 (plus shipping). Scotch maker Chivas Regal has taken a different approach ([www.giftlabel.com](http://www.giftlabel.com)). They will send you free labels for you to adhere to your own product that you presumably have already purchased. Again, you are limited here to three lines of text.

There is a real opportunity here for all sellers of retail products. Because there is far more perceived value in a personalized product, you can charge a lot more. A regular 12-pack of Jones Soda goes for less than \$15, upload your own photo though and they will charge you double that amount. Obviously there is some expense in setting up a web site, but you don’t need a very sophisticated site to allow for personalization. And once you have made changes to your site, you can make much larger margins selling personalized products. This is a trend that is only

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## The Opportunity of Variable Data Labels

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just beginning and most likely you can still be the first company in your industry to offer your products in a more personal way.

### 2. Use Online Stock Photography

Stock photography is a much underused tool. Sites like iStockphoto.com and Shutterstock.com have millions of photos on every subject imaginable and are very inexpensive. You can download images for as little as \$1 and use them in your product labels. These images are available royalty free as long as you stay within their limits (500,000 for iStockphoto, 250,000 for Shutterstock for each photo). So you can print 100,000 product labels featuring a photo from either site and still be well under their limits.

How does stock photography marry with digital label printing? Let me give you an example. Say you sell honey and you have a photograph of a bee on your label. Instead of using the same photo on all your labels, you could download dozens of beautiful photos of a bee in a variety of flowers. It could become part of your brand; you could become known as the company that has all these great pictures of flowers on their labels. What's more we could print these labels alternating down the roll to make it easy for you to apply these labels with different photos. With a couple dozen different photos, you could ensure there would always be a unique photo for your honey jars on the supermarket shelf.

### 3. Consumers Enjoy an Interesting Story

Each flavor of Vitaminwater tells a unique and fun story on the label. The story on their Revive (fruit punch) flavor starts this way, "If you woke up tired, you probably need more sleep. If you woke up drooling at your desk, you probably need a new job. If you woke up with a headache, on a Ferris wheel

at the Idaho state fair, wearing a toga, you probably need answers, not to mention this product." Other flavors have similar whimsical stories that help enhance the brand as a fun and healthy product.

The shortcoming with these labels is that once you have read the fun story that is it. If you like the flavor, the next time you buy one you will see the same story and only glance at it. Imagine if they had created dozens of fun stories within each flavor. People would be excited to read the short story on the product label every time they purchased a bottle. That would generate even more interest in the brand and probably higher sales, too. Hiring a copywriter to write a few dozen 50 to 100-word stories would not be that expensive and you would have a powerful way to enhance your brand.

### 4. Expand the Concept of Private Labels

Many product manufacturers offer private labeling as a way to expand into new markets. Here at Lightning Labels, we do private label orders every day for our customers. The labels for these orders typically have very little in common with the design of the product manufacturer's standalone labels (other than label size). All the manufacturer provides is typically the raw product with the label and packaging design decided upon by the private label customers.

There is no reason why you couldn't expand on that concept and create a kind of hybrid private label program. Let's say you own a company called ABC Body Products that sells bath and body products. You have customers in spas and salons all over the country who order from you directly. What you could offer every customer is a personalized product label that mentions their name. You could add just one line to your standard brand label that is personalized for each customer like this: "Manufactured by ABC Body Products for XXX Spa and Salon." This way, every customer would have their own hy-

brid private label product.

The technology is available today to easily do everything mentioned in this article. There is a big opportunity here for forward-thinking companies to do something completely new. You can really stand out from the crowd by creating a groundbreaking product label. You could even promote your variable data labels and make it a part of your brand as Jones Soda has done.

In today's challenging times, those companies who innovate now will be in the best position when the economy starts to recover. By taking full advantage of the opportunities provided by digital label printing, companies you can create innovative product labels. The ideas presented here are not expensive to implement. Printing complete variable data labels costs only a little more than regular digitally printed labels.

I believe that digital printing is going to transform product packaging as more companies see the benefits of using this technology to create a more valuable product label. But right now, we are only at the very beginning of this trend. Those companies who jump in first will have a distinct advantage. By the time the economy has recovered you could have a program in place that would put you way ahead of your competition.

~ Peter Renton



## Customer Focus

Jamyla Benu  
Oyin Handmade  
Baltimore, MD

Jamyla Benu is the "Grand Mixtress" at Oyin Handmade. She has always enjoyed mixing things together, so several years ago when she realized her favorite "natural" body care products used petroleum and other harsh ingredients, she decided she could do better herself. She began mixing and experimenting with her own recipes and Oyin Handmade was born.



Ever since Jamyla was a little girl she has loved the word "oyin." It means "honey" in the West African Yoruba language. She discovered that honey was a versatile ingredient that was perfect for many beauty products so it was an easy decision to name her

company Oyin Handmade. Jamyla officially began her company in the winter of 2001, supplying her all-natural hair and body care products to a small group of family and friends. But it didn't really get going until the web site ([www.oyinhandmade.com](http://www.oyinhandmade.com)) was launched in the spring of 2003.

Oyin Handmade is a family business. Jamyla's husband Pierre also works in the business focusing on marketing and shipping. He is a filmmaker, so he has also made some commercials for Oyin Handmade, something that is out of reach for your average small business. Jamyla focuses on the formulations and making the products and there are five part-time employees who also help.

When you browse their web site, you will see some products with unusual names. I am pretty sure they are the only company in the world with a hair care product called Greg Juice, named after Pierre's cousin Greg. Then there is Frank Juice, which is not named after anyone named Frank but after the product's fragrance, frankincense and myrrh. They also have coffee-flavored soap they named Cuppa Joe and a solid shampoo named Grand Poo Bar. Such fun names have helped get them some good press in industry magazines.

When Jamyla started Oyin Handmade she

printed all the labels herself on vinyl material using a desktop printer. When that became too time consuming she used the commercial printer that printed brochures and postcards for them. But the labels were printed on individual sheets and had a 2" minimum. So for small labels they had to cut the printed labels in half by hand. Jamyla soon realized this had to change.

Jamyla discovered Lightning Labels while searching for a new label printer. Foremost in her mind was efficiency; she wanted a professional label printer who would supply the labels on rolls and be able to print them in a large variety of sizes. She was pleasantly surprised by the print quality of Lightning Labels. She loves the high gloss look, and the fact that the labels are very durable and waterproof. This is especially important for hair care products that typically spend their life in the shower. As they run out of their current stock of labels Jamyla is slowly replacing all the labels in their product line.

Chatting with Jamyla it is obvious Oyin Handmade is a labor of love. Even though I am sure it has been very challenging, you can tell that both her and Pierre love what they do. I have a feeling that the Grand Mixtress will be concocting these creative formulations for many years to come.

~ Peter Renton

## Lightning Labels News

### Natureflex Replacing EarthFirst PLA

After extensive research, we have decided to replace our EarthFirst PLA material with a product called Natureflex. There have been several concerns raised about PLA regarding its recyclability, the fact that it takes corn away from the food supply and that Whole Foods is discouraging its use. Natureflex has none of these issues. It is made from wood pulp manufactured from sustainably farmed trees and it has the same waterproof and oilproof characteristics of PLA. And most importantly, pricing is quite similar.

### HP Invites LL to Advisory Council

HP, the manufacturers of the HP-Indigo WS4500 presses we use here, have invited Lightning Labels to join their Indigo Digital Press Advisory Council (iDPAC). We are one of only 15 companies worldwide invited to participate in the council, which discusses future direction for the HP-Indigo technology. Our president, Steve Smith, will be flying to Barcelona for their 2009 meeting. This is a major honor for us and we are very pleased that HP recognizes our leadership in the digital label printing industry.

### LL Speaking at Industry Conferences

The label trade association, TLMI (Tag and Label Manufacturers Institute), held their annual meeting for label printers in February. Steve Smith spoke on a panel titled "Digital Printing Trends and Opportunities." In late March, Steve will also be speaking at the Digital Label Summit in Barcelona, Spain. This is the first conference ever devoted entirely to digital label printing. In September, Peter Renton will be speaking about digital label printing at the TLMI Technical Conference in Chicago.



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## Learning About Labels

### What are Raster and Vector Files?



For years I never understood the difference between raster and vector image files. For some reason, I found the concept difficult to understand and I imagine there are others in the same boat. So here is a simple explanation of these two kinds of files.

Let's start with an example. Look at the two M characters above. They are both 8 point Verdana font, or at least they started out that way. I created the M on the left in Photoshop and the M on the right in Illustrator. I then increased the size of both letters by 1000%. You can see that the M on the right has maintained its smooth lines and still looks good, whereas the M on the left has lost its sharp lines and looks fuzzy.

The M on the left is a raster image (also called a bitmap image). A raster image represents an image as bits of information that translate into pixels on the screen. Because

these pixels are very small, a raster image normally appears as a smooth image. You only notice the pixels when you magnify the image. If you magnify the image enough, as I did with the M here, you lose the sharp lines and details.

Creating a vector image takes a completely different approach. Vector images are based on a mathematical formula that defines curves and lines, enabling you to scale an image much larger or smaller without losing anything in image quality. As you can see, the M that I created in Illustrator lost nothing when it was magnified by 1000%, so for this reason vector-based images are always best when working with text.

Illustrator creates images as vector files, unlike Photoshop. Feel free to create any graphical elements in Photoshop, but import the design into Illustrator when you are ready to add text. There is a noticeable difference in print quality between text created in Illustrator versus Photoshop. A rule of thumb is to not create text smaller than 14 point in Photoshop; Illustrator will give you a distinctly better result.

~ Peter Renton

## A Touch of Humor

### The Speeding Motorist

A police officer in a small town stopped a motorist who was speeding down Main Street.

"But officer," the man began, "I can explain."

"Just be quiet," snapped the officer. "I'm going to let you cool your heels in jail until the chief gets back..."

"But officer, please listen to me. I just wanted to say..."

"And I said to keep quiet! You're going to jail!"

A few hours later the police officer checked in on his prisoner and said, "Lucky for you that the chief is at his daughter's wedding. He'll be in a good mood when he gets back."

"Don't count on it," answered the fellow in the cell. "I'm the groom."

*"To give anything less than your best is to sacrifice the Gift."*

~ Steve "Pre" Prefontaine