



The Lightning Flash

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

Issue No. 18
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From the Desk of Steve Smith

Are sales of product labels a reliable economic barometer? While I'm certain that economists might debate that question forever (as they do with everything else) I suspect label sales may actually provide a useful indicator of economic activity.



For example, last November we were somewhat surprised by a sudden and substantial downturn in orders – and I admit we didn't see it coming. Our November revenues dropped by 25% from the preceding month, which was quite an eye-opener – particularly for a company where consistent year-over-year increases of 50% and more had become a way of life. In December we saw a marginal up-tick which was closer to "normal", but the first quarter of 2009 was definitely nothing to write home about.

However, just when we were philosophically accepting that 2009 was likely to be relatively flat, we set an all-time monthly record in April. It came out of the blue and served to remind us that in these difficult economic times, fiscal planning becomes something of a crap-shoot. Hang in there!

Cheers,

Steve

Steve Smith
President

Top 10 Questions About Ordering Labels

Here at Lightning Labels we are the first to admit that ordering custom-printed labels can be challenging. That's why our knowledgeable customer service representatives make a point to answer questions using plain language, not highly technical, industry-specific jargon. And they are only a phone call away!

To give you a heads up on placing your label order, however, we have compiled the most common questions we receive about ordering labels, and provided several links to additional information available on our website, <http://www.lightninglabels.com>. After having reviewed this information, if you still have questions about ordering labels, please do give us a call at 1-888-685-2235; or email us at info@lightninglabels.com. Remember, we're here to help!

#1 - What is the minimum order?

Our minimum order is 100 labels per version (i.e., 100 labels per unique label design). For instance, if a cosmetics company ordered custom labels for lip balm tins in four different flavors, they would need to order at least 100 labels per flavor of lip balm for a total minimum order of 400 labels.

#2 - What do you mean when you say you can 'gang artwork versions'?

To gang multiple versions means to run labels with different designs that are the same size and material together in a single press run. We are able to gang multiple versions of label designs in order to offer you the benefit

of volume purchasing. Running as many labels as possible in a single press run results in cost savings for you, the customer.

You could conceivably have dozens (or even hundreds) of different labels – each for a separate product or variation – and these can all be printed in the same production run. Remember – digital printing means "no plates", so it makes more sense to design separate labels where applicable than to "overprint" variations or add small identifying stickers to your products. Fees for ganging versions are built into our online quoting system at <http://www.lightninglabels.com/quote.asp>.

#3 - What type of file do I need to send?

Our digital presses print directly from Adobe Illustrator EPS files. If you cannot provide your label artwork designs as EPS files, please contact us at 1-888-685-2235. Before sending us your artwork, please review our artwork specifications online at <http://www.lightninglabels.com/artspecs.htm>.

If you anticipate that your order will consist of multiple artwork versions, please feel free to send us your first couple of artwork design files for review. This will allow us to check that you are formatting them properly and eliminate the possibility of you wasting a lot of time designing label artwork that does not meet our specifications. And if you do happen to be headed in the wrong direction, you can rest assured that we will point you in the right one.

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Top 10 Questions About Ordering Labels

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#4 - Can you design my label for me?

Absolutely! We offer in-house label design services at the rate of \$60 per hour. This service is billed in 15-minute increments, with a minimum charge of \$15. Please note that we do not design logos or illustrations.

#5 - What if the size and shape of the label I need is not available?

If you need a special size or shape of label not listed on our website, please give us a call at 1-888-685-2235 and we will provide you with an accurate quote for your custom order. While we have around 900 cutting dies already in stock, we can custom order a die for almost any shape or size of label. Most custom die orders cost \$100 to \$500 per die.

#6 - How long will it take to get my labels?

We ship most orders three business days after final proof approval. While we do not accept rush orders, we offer time-saving options such as PDF proofs and expedited shipping.

#7 - Are there press setup fees?

Because we use state-of-the-art digital printing technology to print all our label orders, we do not use press plates. Other types of printers often charge hefty fees for making press plates, setting up their presses, and mixing inks – tasks not involved in digital printing.

#8 - Does the number of colors used affect the pricing of my label order?

Absolutely not! Whether your label design uses one color -- or 100 colors -- the price will be the same. This is one of the main advantages of having your labels printed by an all-digital printing company such as

Lightning Labels.

#9 - How can I save money?

There are several ways you can save money when ordering custom labels without sacrificing quality. For a comprehensive list of ways to save money on custom labels, please read the article *Save Money When Buying Labels* in the Fall 2008 edition of the *Lightning Flash*; or read the article online at <http://www.lightninglabels.com/Newsletter/Fall2008.pdf>. In the meantime, here are a few tips to get you started:

- Consider standardizing the sizes of your labels. This will allow us to print more of your labels in the same press run, and we will pass the cost savings on to you! Also order a label size that works with our in-house dies instead of ordering a custom size that requires a die to be special-ordered. We stock around 900 label dies in-house, including ones of unusual shapes and sizes.

- Carefully check your artwork files before you send them to us. Because fees for artwork revisions can add up quickly, it is a good idea for you to make sure all text is worded exactly the way you want it to be printed and is spelled correctly before you send us your artwork files. You should also proof your design files for color, resolution, artwork placement, and compliance with our artwork specifications. You can review our artwork specifications on our website at <http://www.lightninglabels.com/artspec.htm>.

- Order as many labels as you anticipate needing in the near future at the same time, as opposed to placing several smaller orders. Because your cost per unit decreases as your order size increases, this can save you a lot of money in the long run.

#10 - What materials should I order for my labels?

When deciding what materi-

als you should order for your labels, there are several factors to consider, including:

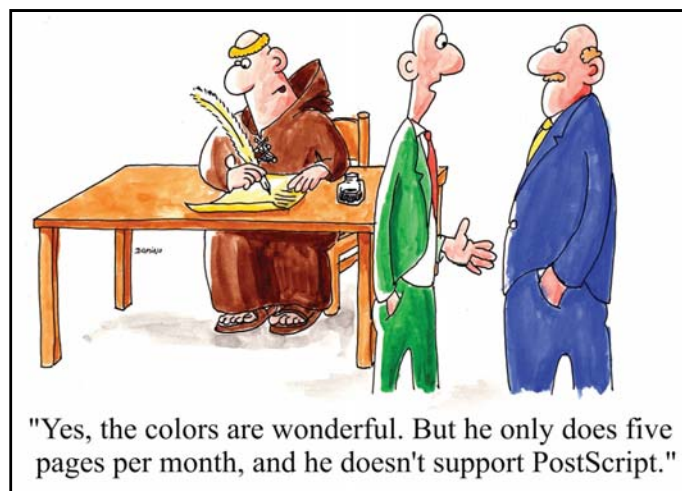
- The type of container the labels will be affixed to.
- How durable the labels need to be.
- Your budget.
- Whether the labels will be applied by hand or a machine.

We recommend ordering a free sample pack from us. This will allow you to see the differences between the various materials we offer for yourself and determine the best combination for your products. To order a free sample pack, fill out a simple form on our website at <http://www.lightninglabels.com/sampack.asp>; or give us a call at 1-888-685-2235.

These are only the most common questions we are routinely asked about ordering custom labels. We understand you may have many more, and that's okay. If so, you may be interested in knowing that Lightning Labels President Steve Smith has written an excellent guide to ordering custom labels. It is available as a free download from our website at <http://www.lightninglabels.com/white-paper.pdf>.

And of course, our knowledgeable customer service representatives are only a phone call away at 1-888-685-2235.

~ Christy Correll



Customer Focus

Jennifer Wiechmann Reminiscent By Jennifer Sioux Falls, SD

Jennifer Wiechmann loves being creative. She has always loved to toil away making crafts for herself and for friends as gifts. Then a few years ago she decided to try her hand at making candles.



Not only did she enjoy doing it, but her friends loved them as well and asked her if they could buy the candles. Jennifer sensed an opportunity for a business and Reminiscent by Jennifer was born.

That was in December 2005. Jennifer had a clear vision for her company. She wanted to create unique handcrafted candles that could not be found anywhere else. She didn't want to become a mass producer of candles that you might find in a big depart-

ment store. So her candles are different, with such fun names as Happy Hour, Road Trip, First Kiss and Rainy Days, each with a special scent designed to evoke fun memories as people reminisce about happy times in their past.

While her company has grown over the last three and a half years, it remains a part time business for Jennifer and she is happy to keep it that way. She wants to keep her candles unique and special, something that you can only find at local art shows and specialty boutiques. She works in an insurance office four days a week, with the candle making providing her with a creative outlet and, of course, some additional income.

I made the comment to Jennifer that for a part time business she had some beautifully designed labels. The credit for these goes to her husband, Scott, who works as an associate Creative Director at a local advertising agency. He produced the designs for all the labels, as well as the photography and design of the web site www.ReminiscentByJennifer.com. This gives Jennifer a huge advantage against other part time businesses that could not afford to spend the money to have their labels professionally designed.

With such beautiful designs, Jennifer decided right off the bat that she wanted to have

her labels professionally printed rather than printing them herself at home. After reviewing our sample pack with the different label material options available, she decided on the Estate #9 material for all of her candle labels. This is a cream colored textured material that is popular in the wine industry because it gives an "old world" feel to products. In her words, Jennifer is "in love with the Estate #9 material."

We are proud to be the only label supplier that Jennifer has used since starting her company back in 2005. When I asked her what she likes most about Lightning Labels she said the fast delivery times. She said we always seem to exceed her expectations and get the labels out the door fast. She also loves the service she gets as well as the quality of the printing.

While Jennifer has no plans for Reminiscent by Jennifer to become a full time business any time soon, she still wants to grow. She is focusing on selling more of her candles locally in South Dakota and is doing a marketing campaign soon targeting all the small boutique and gift shops in the region. Whatever happens you get the feeling Jennifer is thoroughly enjoying the ride of being a creative entrepreneur.

~ Peter Renton

Lightning Labels News

Natureflex Material Withdrawn

Unfortunately, due to some quality issues we have had to withdraw the Natureflex material that we introduced earlier this year. At the same time, we have reinstated the EarthFirst PLA material so you still have an environmentally friendly label material choice. We have notified the manufacturers of Natureflex about the problems and we hope they will get resolved soon. If and when these quality issues do get resolved, we will be happy to consider offering Natureflex again.

LL Part of PackagingLaunch.com

PackagingLaunch.com is the brainchild of JoAnn Hines, also known as the Packaging Diva. The idea here is that any company can submit their new or existing packaging and have people critique it. Part of the appeal with this project is that JoAnn has assembled a group of packaging experts who will also be offering their opinions. Lightning Labels is delighted to have been invited as the labels expert. So if you are thinking about doing a packaging makeover, check out PackagingLaunch.com.

LL Software Upgrades

We are in the process of upgrading our internal software systems here. This major undertaking will be a multi-year project designed to streamline all of our internal systems. We are in the process of implementing the first step now. The very observant among you will notice some small changes but we will attempt to make these upgrades as seamless as possible. The whole idea of these changes is to make our operation more efficient so we can process orders more quickly and easily.



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Learning About Labels

What are QR Codes and Why are They Used?



the QR code (usually it is encoded with a website address) and direct you to the website in your phone's browser.

Why are QR codes becoming popular? It allows a company to interact with customers right at the point of sale. There is only so much you can say on a product label. Include one of these codes on your labels and you can send your customers to a web site where they can learn more about your product. In the wine industry, they are being used by European wineries to send people to a website where they can read reviews and ratings on each wine.

Obviously we are still at the beginning of the adoption of QR codes. But as more people get used to seeing them and using them, their acceptance will spread quickly. However, they are still somewhat of a novelty today with few products carrying them. It took the venerable UPC bar code a decade or more to gain traction; QR codes will become widespread much more quickly. The fact is, all the technology is in place right now, so you will likely start seeing these funny looking squares more and more.

~ Peter Renton

A Touch of Humor

The Story of Chicken Little

One day a first grade teacher was reading the story of Chicken Little to her class. She came to the part of the story where Chicken Little tried to warn the farmer after an acorn falls on her head.

She read, "... and so Chicken Little went up to the farmer and said, 'The sky is falling, the sky is falling!'"

The teacher paused, then put a question to the class, "And what do you think that farmer said?"

One little girl in the back raised her hand and said,

"I think he said: 'Holy Mackerel! A talking chicken!'"

The teacher was unable to teach for the next 10 minutes.

A QR code is a two-dimensional bar code. What this means is that instead of vertical lines that appear in normal bar codes, there are a series of black and white squares and dots. The photo above is part of a wine label that uses both kinds of bar codes. You can see a regular UPC bar code on the left and a QR code on the right.

QR codes (QR stands for Quick Response) were initially created in Japan to track parts in vehicle manufacturing. Today they have become more popular in mobile phone applications. The idea is this: You take a photo of the QR code with your cell phone camera. Software on your phone will then translate

"If you live to the age of a hundred you have it made because very few people die past the age of a hundred." ~ George Burns