



Consumer interaction, streamlined manufacturing, strategic investment and a strong business culture is Yerecic Label's recipe for success. Danielle Jerschefske reports

Truly understanding its customers is a core value at Yerecic Label. Communication with the consumer is key and the number one requirement of a label on a package, especially for suppliers in the time-sensitive perishable food market. These suppliers depend on converters to produce a label that will instantly embrace consumers in order to sell product swiftly.

Art Yerecic Sr founded Yerecic Label because he believed in the merit in educating consumers with on-pack labeling. Forty-one years later his son, Art Yerecic, continues this purpose with the support of a strong business culture that no doubt, too, was initiated by Yerecic Sr. Yerecic Label has realized considerable growth in recent years by specializing in the production of interactive labels for perishable foods, consumer packaged goods and grocery retailer foods. The typical customer demands short lead times, speed-to-market and on-time delivery; product expiration is unacceptable.

To meet these requirements, Yerecic Label uses an impressive cellular production model throughout its business. Customer management cells in the office consult clients from the start, leading them competently through cellular label production, final shipment and application. Tight monitor and management of its supply chain support the ability for this streamlined set-up. And the addition of a Mark Andy Performance Series P7 press has given the converter the newest technology to further tighten its belt while increasing quality.

Communicating to consumers

'Nothing in our world happens without testing and then the subsequent results to quantify the claims,' president Art Yerecic says. Yerecic Label regularly participates in research programs and in-store testing to rate shopper responses. It published its first Protein Labeling Study I in 2004, and more recently the Protein Labeling Study II in March 2010. Both assessments were completed in cooperation with the Pork Checkoff and the Beef Checkoff, leading US meat trade associations dedicated to promoting its members' interests and to educating consumers.

In response to the results of these particular studies, Yerecic Label features its premier line of Easy Fresh Cooking (EFC) labels. Research reveals that consumers prefer a picture of a finished dish on their label and cooking directions, making the buyer feel more comfortable preparing fresh meats, fish and poultry.

The Easy Fresh Cooking labels are a triangular shaped, two-ply system that when pulled, reveal a convenience cooking chart that assist the user in food preparation. The labels work on a hinged system with one perforated side allowing the top layer of the label, with the recipe, to be removed, while the cooking details and nutritional information remain on the package. The top layer of this peel back technology has the ability to sit down neatly once it's been pulled, keeping the package clean and 'not tampered with' for every shopper.

Easy Fresh Cooking labels have proven to increase sales by as much as five percent. 'Our label products sell more products,' says Yerecic. 'We've achieved this by working together with our customers to better understand their businesses.' The company has adapted many of these features to

ScaleAPeel labels. These labels are similar in concept to the EFC labels, yet have a thermal facesheet for use in a weighscale printer.

‘Research shows us that consumers are open to messages in the outer aisles from brands that they trust,’ Yerecic explains. ‘They respond well to instant savings on complementary products that make a purchase cost competitive.’ For this the company produces AdImpact! labels that match a perishable perimeter product with a well-known brand found in the packaged goods aisles. ‘The capability to produce this type of label gives clients a compelling reason to buy from us.’

Additionally the converter offers YottaMark’s HarvestMark solution bringing consumers the ability to use 2D barcodes in combination with variable data text, barcodes and human readable code to track a product to its origin.

Start to finish streamlined production

Work cells have been a part of the production process on the shop floor for over a decade. Implemented to increase efficiencies in the label manufacturing process, each of the cells includes a Mark Andy press and a slitter, and the majority includes a KTI turret rewinder. Each cell is manned with three people – a press operator, a helper and a finisher.

Every unit is a self-sufficient production area that includes set-up room, sinks, anilox roll cleaning systems and tools that are needed for each job. All are arranged similarly for ultimate flexibility. ‘We picture the cells like a race crew pit station,’ says Brian Hurst, VP of operations. ‘We attack the press from all sides, get it up and running, then head back to our positions.’ Plates are mounted within the cell and each will soon be equipped with a computer connected to an AVT inspection system. Within about 70 feet, raw material is converted into finished labels on the skid ready to ship.

The cellular concept, or Zone of Responsibility, was introduced to the front end of the business a few years following the execution in manufacturing. Management realized that a bottleneck in operations more often than not stemmed from a hold up in the office. Designs, job details and approvals were simply not keeping up with the shop floor.

The Zone of Responsibility brings together the key account manager, customer service representative and graphic artist to best support customers at the beginning of the ordering process. This structure has greatly improved speed-to-market and has increased on-time shipment of labels. Yerecic says, ‘It’s an extremely lean process all the way through.’

The managing cell links the front and back end of the business. It’s physically located between the two areas and is home to production and pre press leaders which lends to an open flow of communication. Zones are grouped by geography or by product line. Yerecic comments: ‘The key opportunity with this set up is that it enables turn and talk. All of the answers can be found in one room. It is especially supportive for any of our cross-merchandising projects.’

Cellular configuration equally complements the company’s strategic and conceptual selling method that immerses the sales team into the industry that it serves. Yerecic says, ‘If the teams know our customer’s business, then they’re better equipped to service their needs.’ A part of this selling method is educating the customer on the value that research-based, shopper approved Yerecic labels can bring to their brand. The converter’s R&D leader works closely with the sales department to support their consultative efforts. Testing label endurance, application systems and new materials is all part of customer service.

Supply chain management

'We are in an economy where we have to deliver value,' explains VP of purchasing and administration, Linda Ciuca, who oversees the company's annual bids for raw materials. Yerecic Label partners with its vendors through the bidding process where only the best are invited to partake. Ciuca insists that delivery be timely: 'If it's not then we cannot meet our customer's demands.'

'The most highly desirable supplier is one who is familiar with the company's ordering pattern and performs extremely well on both the service and technical side. Service is never given up for price.' For this year's bid, Ciuca worked with her purchasing manager to establish truckload deliveries to reduce cost and the company's impact on the environment.

Ciuca and Hurst work closely together as the directors of purchasing and production. The pair oversee a KanBan card system that serves as a semi-automated ordering process for raw stock material. Cards are attached to each roll of material once it's checked into the plant. When the press team loads the new roll onto the unwinder, the card is removed and dropped into the designated KanBan card box. Every morning, the purchasing manager picks up the cards at each press and places orders accordingly.

A similar card system has been adapted for plate cylinder organization. When operators select the cylinders needed for their job, they insert press cell cards into the empty units which notify their colleagues of where the missing cylinders are located. Hurst says, 'It's a simple way to ensure the right cylinders for the press are ready and available when it's time to changeover.'

Improvement initiative and investment

Yerecic Label gains strength from its annual Improvement Initiative Process. The process is a system to create a list of opportunity-based, explicit initiatives. The board of officers develops this list, sets monetary goals, establishes dates and communicates the purpose to the company. Each year the process is reviewed and employed corporate wide.

Management assumes the work within their respective areas and empowers each associate to assist in defining the Yerecic Label purpose. For example, reorganizing the cylinder rack with its new effective design was an initiative given to the second shift manager under the goal of lean improvement. All associates have five targets that they focus on daily. Success is the ultimate responsibility of the executive team.

This Improvement Initiative Process and capital investment are directly related. Often times, new capital equipment is required to achieve the goals set for improvement. Yerecic travels *en masse* to many seminars and tradeshow so his team is able to conduct an effective post-evaluation together. He says that Labelexpo is an important place for the decision making process. 'We take 10-12 decision makers to the event because all of the equipment suppliers bring depth in staff, allowing us to enhance our analysis. It's the one place where everybody showcases their best and brightest.' Yerecic Label's 2008 Labelexpo attendees included three third generation Yerecics – Art C, Mike and Josh.

After a thorough investigation of the latest press technology offered by the world's leading manufacturers, Yerecic Label was one of the first converters in North America to install the Mark Andy Performance Series P7 flexographic press launched at Labelexpo Europe in 2009. The company purchased a 12-color, 17" P7 and is extremely pleased.

The P7 is capable of running up to 750 ft/min and features a newly designed, fully servo driven multi-axis print head with auto registration control. 'We bought the press because it's helping us do what we already do better,' Yerecic explains. 'We're using it to produce more of what we specialize in not to break into a new market.' The open architecture of the P7 suits the company's needs very well, giving

it premium flexibility, and shorter web paths that increase uptime and reduce waste. Mark Andy's dependable service played a role in the company's decision, as did the ability to print on unsupported films.

'We've already seen a glimpse of the results that we intend to consistently achieve,' says Yerecic. 'Eventually we expect to have throughput that is 2.5 to 3 times what our 10" presses are currently achieving.'

First shift, lead P7 press operator Josh Yerecic says, 'The printing that comes off this press is beautiful; the color really jumps out at you. And the ability to easily access the web is outstanding.' All printing plates are manufactured in-house using analog equipment. Management is keeping its eye on the digital technology, but will refrain from investment for the time being since the current machinery works effectively.

Quality, training and environmental stewardship

'Do It Right the First Time' is the constant message delivered by the quality assurance department. The company's long-term goal for quality is to have zero defects, reducing the number by half regularly until the goal is achieved. It has created its own Ten Commandments of Quality, focusing on the cost of quality. Hurst says, 'We've found that quality is hard to quantify. But, when it's put into a lost dollars amount it becomes easier to analyze.'

Training is conducted in-house using both a handbook and on-the-job training conducted by the training manager. The company's HR manager has developed an effective eleven tier system where employees obtain certifications for their achievements. Based on a developed set of best practices, the system works well for retention because associates can see what actions must be taken for promotion. The Yerecic leadership team is actively involved in TLMI and has recently applied for TLMI's Project LIFE certification.

Outlook

Educated, focused, communicative and team are all ingredients that come to mind when recalling the Yerecic Label recipe. The company will always work along side its customers to better understand their evolving needs, and will remain active participants in consumer-focused studies. Its rooted purpose will long endure as a valued tradition.

This article was published in issue 2 of Labels & Labeling

[Click here](#) for more stories about Yerecic Label on L&L.com.