

Full picture with **EFI Radius**

At the beginning of this year the Embe Press printing house completed the implementation of MIS/ERP EFI Radius software. The main driver of the investment was the ability to capture and use all departments production data in real time, allowing further process optimization. The members of the Management Board of Embe Press Sp. z o.o. – Katarzyna Żuławska and Hubert Warda – share their experience from the implementation and operation of the software.

Industry leaders producing labels, folding cartons, flexible packaging, plastic extrusion and other printed materials rely on the EFI Radius Enterprise Resource Planning software to facilitate the collection and integration of company-wide information for more profitable business management. It is a scalable solution that effectively manages business processes for multiple locations, different currencies, languages and products for a complete range of packaging materials and manufacturing processes making it highly flexible. The software supports business processes, from customer contact to financial receivables. EFI Radius also has additional functionality, specific to the packaging industry that enables, among other tasks, the

handling of variable production capacities in multi-element production with the complete capture of all relevant production data. This allows the system to provide precise job costing. Additionally there is a module for management of production tools as well as the capability to accurately plan resources and materials based on projected demand. Particularly noteworthy is the production module, which enables automatic production planning and reading of “live” data from the production machinery through advanced shop floor data collection.

THE VALUE OF SYNERGY

Another user of EFI Radius solution in Poland is Embe Press Printing House based in Lublin, Poland – a company specializing in manufacturing labels with flexographic technology. It was established over 30 years ago and until the beginning of last year, when it was taken over by the private equity fund Innova Capital, it remained in the hands of its founders – Sławomir Bezdek and Marian Mamczarz. Currently, the fund holds a majority stake in the company. The ambition of the new owner is to consolidate label-stock manufacturers in Poland and build a strong capital group with international reach. Currently, the capital group operates under the name PLIC S.A. (Prime Label Investment Company S. A.) and in addition to the printing house in Lublin it is the owner of Chemes printing house located in Sady near Poznań. The Group's managers have many years of experience in international organizations belonging to some of the world's leading printing companies.

However, the transaction of taking over the majority stake has not changed the character of the printing house. *„We still operate under our own brand and serve the same portfolio of customers with the*

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standards and ethos of a family business to which we and our customers are accustomed – says **Hubert Warda, Commercial Director and Board Member of Embe Press Sp. z o.o.** – We are characterized by the flexibility of our approach to the client and his needs, especially in terms of order execution and to a large extent it determines our competitive advantage. Acquisition by a fund and functioning within a group of printing houses does not only mean a new management board, but also a synergies and the benefits which we feel, for example, when purchasing materials or optimizing production processes. It is also a broad know-how which comes not only from our over 30 years of experience, but also from the exchange of competences and sharing of best practices within the group. For our customers, we are more of a partner than a supplier. Due to the amount of materials processed and our operational efficiency, we are also competitively priced. Our other advantages are our innovative technology and experienced employees, which are appreciated by our customers for the quality of our service.

CONTINUAL INVESTMENT HELPING DELIVER THE STRATEGY

In the last two years Embe Press Printing House has been investing a lot – a new printing line and a die-cutting machine for aluminum lids has been purchased. Currently, there are 8 flexographic printing lines operating in the Lublin printing house (seven are narrow-web UV flexo from suppliers such as Bobst and Omet and one 880 mm-width in solvent technology from Soma). Last year a new production hall was opened and thanks to which, the business now operates in two locations.

We are a leader in the production of wrap-around labels for the beverage and food industry in Poland, our position in this market segment is also quite strong in Central and Eastern European region. The production of wrap-arounds accounts for approximately 60 percent of our sales – informs Hubert Warda. – Our customer portfolio includes blue chip companies, i. e. companies listed on global stock exchanges, as well as large companies from the German beverage industry and we would also like to strengthen our position in this sector in the coming years. We are growing with them and they are a trading lever for us, providing an excellent reference. We want to diversify our customer portfolio and we also work for many medium-sized companies. The total share of our export business is about 30 percent, while exports to the German market account for 20 percent of the total production of Embe Press Printing House. The second most important market for us is the meat industry; where we are a key supplier of self-adhesive labels for the largest Polish companies producing meat and cold cuts – adds Hubert Warda. – The self-adhesive labels segment accounts for 25-30 percent of our sales. Other products include shrink-sleeves, aluminum lids and PET lids.

We not only provide our customers with printing services but also with comprehensive support and technological advancement in their product development – adds **Katarzyna Żuławska, Financial Director and Member of the Management Board of Embe Press**



Hubert Warda: An important goal that we set ourselves when planning the implementation of the MIS/ERP system was to be able to read data from the machines that will validate our KPIs (Key Performance Indicators)

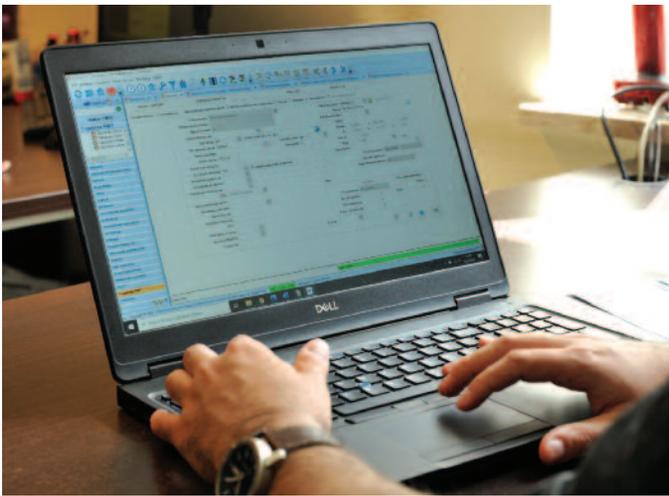
Sp. z o.o. – We help to improve their production process along their technological lines. We are an important partner for them in implementing their sustainable development strategy, providing mono-material packaging solutions.

Embe Press Printing House primarily specializes in serving the food segment, although it also works for the automotive industry and household chemistry. Highly converted cosmetics labels are the domain of their sister company Chemes. „The idea of PLIC is the complementary of service offerings – notes Hubert Warda. – It is very desirable and appreciated by large customers who expect us to meet various requirements and secure the supply of both wrap-arounds and self-adhesive labels, including digitally printed labels. It is therefore possible that a digital printing house will soon appear within the group. Our owners want us to be adept and stand broadly on the label market and ensure our platform has many legs.

DATA IS THE KEY TO BUSINESS INTELLIGENCE

We breakdown and analyze our production in fine detail – after completing each order we not only check material costs, but we also look at the job in its entirety and account for the entire production process in the calculation – Hubert Warda reveals. – We want the data to be as accurate as possible, so we can prepare a reliable offer for the customer. We are also aware of the fact that our production process can be optimized further, but it is difficult to do without a tool that will show the real data. An important goal that we set ourselves

when planning the implementation of the MIS/ERP system was to be able to read data from the machines that will validate our KPIs (Key Performance Indicators). According to the Kaizen philosophy, which we have implemented in our company, to control, optimize and improve performance, we must have a tool, showing us the real objective effect of our effort. This is what we missing; without an MIS/ERP system it is difficult to optimize production processes. I think that the possibility of capturing and using this data from all departments was the main driver of our investment in world-class MIS/ERP software. We tested different software from different suppliers, but the one offered by EFI proved to be the most complete and most suitable for our company profile.



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A big benefit of using the EFI Radius software is the transition from working in multiple Excel files to working in one system – adds Katarzyna Źuławska. – Not only were these files large and their loading and updating were often time-consuming, but let's not fool ourselves: when a person moves data from one place to another, there is a high risk of error. The fact that all processes are now accessible from a single program is not only a great convenience, but also allows for significant time savings for our staff. Naturally, there is still an element of learning for employees, but everyone can already see how much improvement the MIS/ERP software has provided. A good example is the warehouse – nowadays, products are received and released by scanning codes; previously, we had to deal with a large number of paper documents, printed by one person and put into an Excel file by

another. After almost half a year of working with Radius, employees feel comfortable with its operation and see the benefits associated with shortening the time of handling documentation. The challenge is still to connect our finances with data from Radius – here we still have to wait to see the benefits. However, the operational part is already fully functional.

EFI SUPPORT STREAMLINED OUR IMPLEMENTATION

The EFI Radius software has already allowed us to optimize production – controlling production times and efficiency and correlating results with technology and costs – explains Hubert Warda. – These were the main reasons to invest in this type of solution. We really appreciate reading data “live” from the machines; we thought we had all the other processes under control with our internal software – from customer service, through purchasing, to accounting. However, we were lacking data that would reliably show the work of our printers in real time. We were already thinking about MIS/ERP software 5 years ago, but we didn't feel ready to implement it until 2018. The decision was made very quickly and the implementation took place in a record time of 9 months – the standard implementation time for this type of software is 12 months. The whole implementation team and the courage of our financial director Katarzyna Źuławska, who made the decision to switch to the new system without any transition period, are the heroes. The whole operation was successful, with only minor frustrations related to the need to get familiar with the new tool, interface, etc. Almost six months have passed since the full implementation, the software is used in practically all areas of our business – from customer service, through warehouse and substrates management, production planning and management, to invoicing and delivery status. I make no secret of the fact that as a management board we were afraid that the introduction of the new solution to the organization, which is arranged in its own way, would be a big challenge and may cause business upsets, loss of efficiency and even a decrease in turnover. However, our fears proved to be unfounded.

Fear was great, so a big applause to both the EFI and our project team – admits Katarzyna Źuławska. – Implementation of MIS/ERP software is always a huge challenge and stress, which causes great anxiety in employees. In February we threw ourselves into deep water and replaced one system with another literally overnight. During the weekend we stopped the company and after the weekend we returned to normal production. It turned out that each process went smoothly and without interruption. Mobilization of the team was a key issue, and with it the awareness of the inevitability of the implementation and the determination of the management board to carry it out, as well as watching over regular meetings with the implementation team. People must be aware that this system is also for them, that they will work on it later, and that there is no way to step back. Such a temptation could arise if the implementation was carried out in parallel to the continuing use of the existing software. We had trivial problems such as incorrect document printing, but when it came to

production planning, on-time delivery to the customer or operational processes inside the company, there was no disruption. We consider this to be a huge success of the hand off process from EFI as part of the project implementation. After six months of working with EFI Radius, our employees admit that the system is a great improvement in their daily work – they have already gotten used to the software, feel comfortable with its operation and see the benefits associated with shortening documentation handling.

INSTANT RESULTS WITH MORE TO COME

It is important for the production staff to learn how to operate the program properly – to enter the appropriate messages, what, for example, is the reason of the slowdown in production – whether it is a break or hard downtime – stresses Hubert Warda. – We can already see that they can do it, and we can finally compare the two systems we have used so far, and we see some discrepancies between the previous „paper” one and EFI Radius. It is also important that we receive data in real time – in the “excel” version we received data on product profitability or machine performance 2-3 weeks after the end of the month. At that time, it was difficult to react and change anything. Having this data on hand enables us to react ad hoc and make improvements, the results of which are here and now. We are now seeing an increase in production speed – we see measurable benefits, but also room for further improvements. The EFI Radius system translates into higher quality and lower price of the final product and this is a measurable benefit also for our customers.

If we want the program to work across our organization, that is from beginning to end, not avoiding nooks and crannies such as the ink kitchen or prepress, then a lot of information must first be entered into the system. Either we do it well and the system will work perfectly or you better let it go. I advocate making full use of the software we have and spending more time on it to have a full picture. There is more data to enter than before, but we can learn more from it. It also turned out that it was the production and warehouse departments that benefited the most from the automation.

A RICH HERITAGE OF EXPERIENCE BUILT INTO RADIUS

The EFI Radius system has been built over many years and many organizations, so it is a kind of a sum of many experiences. There are elements that are not applicable in our printing house, which we understand – it is dedicated not specifically to Embe Press, but to packaging and label printers, which are different organizations and whose different needs must be taken into account in it – says Hubert Ward. – We realize that all MIS software is built and developed by many organizations that use it, which is an additional advantage. We're counting on our EFI partners to take our needs into account if we have features that are missing in the software.

The printing market is currently moving towards Industry 4.0 in its broadest sense, i. e. automation and robotization, so we want to add to the current EFI Radius package the Market Direct Pack Central



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module that will enable automation of communication with our customers, i.e. the possibility for our customers to place orders that come directly into our system and have confirmations sent out automatically – Katarzyna Żuławska reveals. – With this added functionality we will be able to give customers a preview of their current stock and eventually look at automating replenishment in the system. The second topic we are thinking about is putting additional sensors to the machines to minimize the operator's interference, so the status of the machine (downtime, set-up and running) come directly from the machine.

There is still a lot of work ahead of us, it is necessary to build up the reporting and to convince the recipients of the data that they are reliable and objective – concludes Hubert Warda. – Our role now is to convince all our employees that thanks to the data that this system provides us with, we can build a development strategy and the program will help us to make the right decisions. This habit is second nature after all; the attachment to what used to be is very strong, so the change was our greatest challenge. People have worked in the old system for 10-20 years, so mentally they needed time to get used to the new one, to make sure that it is “theirs”, that it works. AN

