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[INTRODUCTION]

[0:00:25] DC: It takes the right skills and the right innovation to design and manage meaningful print marketing solutions. Welcome to Podcasts From the Printerverse, where we explore all facets of print and marketing that creates stellar communications and sales opportunities for business success. I'm your host, Deborah Corn, the Intergalactic Ambassador to the printerverse. Thanks for tuning in. Listen long and prosper.

[INTERVIEW]

[0:00:54] DC: Hey, everybody. Welcome to Podcasts From the Printerverse. This is Deborah Corn, your Intergalactic Ambassador. We are at Labelexpo in Brussels. I am speaking to Frank Plechschmidt. Was that good?

[0:01:07] FP: Perfect.

[0:01:08] DC: From LABELISTEN. They are the labelists from Bavaria.

[0:01:12] FP: Yes, we are. Hi, Deborah.

[0:01:15] DC: Hello. Now, just for clarification, Bavaria, Germany, it's different for you?

[0:01:25] FP: Bavaria to Germany. Yeah, they are. But we are not real Bavarians. We are Francs. Franconians. That's also something more specific.

[0:01:38] DC: Okay, because I noticed that specifically, you like Bavaria on your website.

[0:01:42] FP: We have the most breweries per population unit in the world.

[0:01:46] DC: Okay. Well, that's maybe why the Bavarians are always happy.

[0:01:49] FP: But we don't do labels for breweries.

[0:01:51] DC: Really?

[0:01:52] FP: Don't have an idea why. Yeah.

[0:01:54] DC: Okay. Well, I might have an idea why, but we'll get to that.

[0:01:56] FP: We have a few customers.

[0:01:58] DC: Yeah. You have just a few customers. Okay, so let's get into it. You are a unique story. I watched a video that can only be described as a TED Talk that you did. I guess, you went to an HP event. Was that where that was filmed? You mentioned that you just started your business by looking and seeing that there were just people out there who needed small amount of labels and nobody would talk to them. We have that experience in the United States, too. We'll get to that in a second. First, I want to talk about your website, which I loved so much. I did some investigation and we had a little conversation before we started this podcast.

One of the things that I thought was truly incredible was all the assistance you offer to help people, no matter what stage they are in their design, or knowledge of labels and packaging to understand enough to make the correct purchases. You do that through giving them a crash course in design. You help them prepare their files. You help them decide whether they need a label, or a pouch, which is better for them. Then of course, ultimately, you partner with a design agency if somebody really needs help from the beginning. You started as a customer. Is that why you decided to offer all this help to people?

[0:03:33] FP: It seems so, because I started as a graphic guy. I also needed to purchase the labels. I know the pains of the customers they have, and the pain of the purchases together. Sometimes the graphic guys say, also the purchasing people. Yeah, that was intentionally, I

didn't realize what we did after you scanned it and told it to me, I even realized what we do. I even haven't realized it before. Yeah, it seems so that we are helpful to the people, to the customers and we try to do it as easy as possible for every customer. You haven't seen the lock-in area where the customers can order their labels, because it's even more easy.

[0:04:25] DC: What I got from your website was yes. You want to do that? Yes, we can help you. You want to do that? Yes, we can help you. You don't understand that? Yes, we can help you understand that. In such a friendly way that it didn't feel overpowering and it didn't feel like, "We are the label experts. Here are some initials of things you don't understand. We are the experts." Even though you're labelists, the approach is really unique. I think that that is something that is very important, especially for the smaller customers.

Now, I want to turn to talk about your business. The reason I said smaller customers is because you started your business trying to help people if they just wanted to print two labels, that was fine with you.

[0:05:19] FP: The thing where I said, I had orders for labels from 50 to 50,000 and I always need to find the right printing company for the 50 and for the 50,000. What's the pain that the 50 look different than the 50,000? I decided to start printing by myself with a small Epson printing unit, specialized for short runs, 21 in America. How many inches? I don't know. It's a really small unit. Yeah, I had some a lot of digital products, and so, we started printing labels. 500 pieces. 1,000 pieces. Then I realized, okay, I can also do 5,000 pieces with these shitty machines.

It grew and grew and grew. Then we get the Epson SurePress. It was the next level from getting amateur to professional. Yeah, business developed a program, a system for getting all the orders done, especially small orders. You can order 50 labels in the same quality as the 50,000.

[0:06:34] DC: I mean, in your video, you described, you literally created a process. You programmed a process for people to order a small amount of labels.

[0:06:44] FP: Yeah. If they have their PDF ready, they just upload it. The PDF gets analyzed how large it is. They don't even need to put in the numbers, how large the label should be. Yeah, just do the variables, what kind of material they want, and then it's done. Okay, they need

the quantity they need. Put the quantity in, get the price, press the button, and the job is on the press.

[MESSAGE]

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[INTERVIEW CONTINUED]

[0:08:00] DC: You started off your TED Talk with greetings, fellow waste producers, right? Is waste producers that we wrote that?

[0:08:09] FP: Yeah, fellow waste producers. Because that's what printers are. We just produce waste. The ones who print photo books, they don't produce waste, they produce life.

[0:08:24] DC: Oh, look at that. They get an exception. You're absolutely right. I know that sustainability is very important to you. I really appreciated the way you approached it, because anybody who's not skeptical of somebody in a manufacturing industry, who says we're sustainable and we're green, I feel very sorry for them. Or as we say in America, I have a bridge to sell you too. Why was this so important to you, sustainability? Also, to speak so honestly about it?

[0:09:00] FP: Because everybody needs to hear the truth and don't need any greenwashing slogans. They also should talk green, if they are not thinking, and the real philosophy isn't green. I don't know. I just found it's a business without knowing that it was a sustainable way because I always produce just the amount that customers needed with my machinery. After the 10 years of printing, or eight years of printing, I realized, "Hey, okay. We do it the right way."

Then we started printing with the HP presses. Then I realized, okay, that it's even more better than the conventional presses. We don't need any tools. We don't throw, but the ink cans. We throw them away and some blankets and soon. There are still waste. But yeah.

Sustainable was always on my mind. Then I realized, okay, labels are not the solution for being sustainable. We put labels on cans. The cans are get thrown away. You buy another can with another label, and so on, and so on. There is another solution, the flexible packaging stuff. My intention for my customers, because they're all in the dietary supplement industry, I think I have 70% in the dietary supplement, to release a cool can out of ceramics, or glass, or whatever, a jar. Then they buy a label for it. But for refilling it, they should take pouches of flexible packaging and just throw the flexible packaging away. Because you spend 8 grams, instead of 80 grams of plastic you throw away.

[0:10:51] DC: On your website and in your presentation, you speak about something that is not – I've never really heard before, because most of the time, we're told, or were thought to believe that paper is the more sustainable method here. You made a very compelling argument that plastic does have a role. Can you talk about that, please?

[0:11:25] FP: Yeah, even me. When I heard it the first time, I thought, "No, this plastic shit. No. No plastic," is really the biggest problem as it is. Yes, if you don't use it correct. Yeah, you take it from another perspective. Because paper, if you use paper for flexible packaging, or putting something in, it won't work, you always need some coatings or some paper-plastic combinations, and so you already have plastic again. All the compostable doesn't work. I can speak for the German market. I don't know what about the Americas. Compostable is not compostable, because it gets sorted out on the composting facilities and they throw it away and it gets burned again. It doesn't make sense to produce compostable. Plastic, in Germany we can get it into the recycling circle. We have a circular economy, a circular philosophy.

[0:12:25] DC: Yes. Have you seen the packaging now they're making from cornstarch?

[0:12:32] FP: We also had some – water-soluble solutions. Then you always have the color. If you put it into the water and it dissolves, what about the color pigments? Then you have the microplastic again.

[0:12:46] DC: Even with hemp, I think we're going to see a movement there, bamboo. We're going to see –

[0:12:51] FP: I hope there will be solutions some time, but it's a moment -

[0:12:52] DC: I mean, there's a moment to help everybody out there, yeah?

[0:12:55] FP: We need to use the solutions we have now. We are experimenting a lot. We do a lot of R&D and check scanning the market for new solutions. On the other side, we are really small in this market. We are, I don't know, a drop in the –

[0:13:11] DC: You might think that sir, but your philosophy, the beliefs that I feel about your company, the way that you want to present your brand and help your customers present theirs, is a very earth-friendly way, without sacrificing exactly what you said, color, quantity, quality.

[MESSAGE]

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[INTERVIEW CONTINUED]

[0:14:11] DC: That brings me to the company photos that you have on your website, which I really enjoyed. Even Emil, your dog has a profile there. You are the only one standing in front of a piece of equipment, and that is the HP Indigo. HP has been a very important part of your journey based upon your electric trip to Spain.

[0:14:34] FP: Yeah, 2,000 kilometers.

[0:14:37] DC: Yes. Can you please share that story?

[0:14:39] FP: The whole story?

[0:14:40] DC: Yeah, why not?

[0:14:41] FP: It takes time.

[0:14:43] DC: You decide how much you want to share.

[0:14:45] FP: Okay, that's the short way. I always wanted to have an HP Indigo, but I cannot afford it. If you start a business, the first invest was 40,000 euros, and it was really sleepless nights. Then if you go through the label expo and see machines for one million, or quarters of millions even, it's somewhere out of range. I always liked the quality, because I'm a conventional – I'm coming out of an offset printing company, and I always liked the rest of the spots, the dots.

[0:15:21] DC: Yeah, and you're a graphic artist, so you can see the difference. Yes.

[0:15:25] FP: Yeah. I always liked the quality. I don't dislike UV. I dislike ink. There's a fragrance modulated rest. I just wanted the conventional. That's just possible with HP, though. That was my first thing. I wanted this press. Next thing was, okay, I travelled to Barcelona. I travelled to south of Spain and back on the way, I stopped in Barcelona at the demo center, and then they showed me the press. We already had the medium press, so that was some kind of fast, but we printed 2 meters per minute. Then I saw the press printing 30 minutes, 30 meters per minute. That was the first "wow."

Then the second "wow" was it didn't stop for changing jobs. Every rotation was different, and every label could have been different. That was when I said, "Okay. I can do a lot with these machines. I can automate the whole process, and it doesn't stop running." Then I already had lots of ink. I spent a lot of money for ink. Instead of buying ink, I could finance the HP. It was so much ink that with the lower amount I needed for the difference between the ink costs and the click costs were the financing of the machine. It was a no-brainer to finally get an HP after five years of being in the business. It was fast, but yeah, it worked out.

Now it grew even faster because I really – I'm using the machine as the way they are thought. We have jobs with one meter. Then there are the job information files, so prints some QR codes and so on. Then the next job is coming, the next job is coming, the next job is coming. it doesn't matter if the job is one meter, or 50 meters, or 5,000 meters. It's all the same.

[0:17:23] DC: How does that provide an advantage for your customers?

[0:17:26] FP: They don't pay for any upsetting costs. We have a really small, I think 40 euros is the cheapest label you can order. Or you can order one label for 15 euros. It's an original label. You don't need a proof. You just order a label. Even with a pouch. You can order one pouch for 150. Okay. It's a little bit more expensive, but it's more tricky.

[0:17:53] DC: Digital printing is faster, so you were able to help your customers get their jobs done faster, too, yeah or no?

[0:18:00] FP: Not really, because we've been fast and we don't have the volume. The problem was that the Indigo, when it was installed, it was finished with a daily business at 9 am.

[0:18:13] DC: In your video, you're like, "Now our problem was that it was going so fast, we needed" –

[0:18:17] FP: I had a machine. What do I print with this thing?

[0:18:20] DC: Exactly, right.

[0:18:22] FP: The last 22 hours of the day.

[0:18:26] DC: I mean, one of the things that they're talking about in this booth during the Labelexpo is growth. Now you had 23 hours of the day, or your work was done in one to help more people out in the world. How did you start marketing to everybody? You didn't.

[0:18:45] FP: The crazy thing, I didn't do any marketing, or sales before the pouch business started. It was just mouse propaganda from one supplier to the next. From one supplier to the

customers, the customers as a supplier, so it was a ping-pong effect. Yeah, we just delivered what they needed in a fast way, flexible, and to a fair price.

[0:19:07] DC: Yeah. I mean, one of the things that you provide consulting on is converting labels to pouches. For a myriad of reasons that you said in the beginning, you don't have to – they're all the recycling of the bottles and the glue and all the finishing. Is it difficult to have those conversations? Because some of those customers might have supply chains set up already for the other items that they needed, the process?

[0:19:33] FP: Yeah. Then I realized that there were no supply chains for the new pouches. That was the biggest pain in the beginning. Because I thought, okay, I have so many customers with dietary supplements, with the cans. It's a no-brainer for them to change to pouches, but it didn't work out.

[0:19:50] DC: It didn't.

[0:19:52] FP: No. I had two customers switching to pouches, and all the other customers are new. Really new customers. We started sales and marketing, and that was really a tricky, tricky two years. Now the fun fact is that now all my old customers are thinking about switching to pouches. It took some time.

[0:20:13] DC: Sometimes they have to come to it themselves and then come back and say, "All right. You are right, Frank. We're ready now." Then they also, I mean, yes, they could be printing labels digitally if they're doing other things, but the pouches opens up a whole new world to them. Everyone could be unique, correct? Do they find that once they've made – if they've come to their own decision about it, are they then like, "Wow, I didn't even know I could do all of this stuff"?

[0:20:45] FP: Yeah, I think so. Yeah. Because they are growing with pouches now. You can see it. Yeah.

[MESSAGE]

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[INTERVIEW CONTINUED]

[0:21:30] DC: I really do think of you as a visionary. Where do you think this goes next?

[0:21:37] FP: There are some things that should happen, especially I put another point into my thinking, and I realized it on the way here to the show. I did another keynote yesterday and I did some preparations and I did some calculations. How much waste is produced from our raw material we use for the label printing? I just speak for the label printing. Label printing to the label? You throw away the matrix outside of every label and the liner. Linerless labels is another thing, but linerless labels are really just for a big brand.

You throw away around about 70% of the raw material and the rest is the label. You have just the 30% of the raw material is the label. Therefore, you need to rethink every label, it doesn't make sense. I think for wine, it's not a matter, for bottles or whatever. But if you put a label on flexible packaging, that's a crime. Because everybody who prints these labels can also print the film directly and doesn't have any waste.

[0:22:55] DC: You are extremely interesting person, sir. It was a pleasure speaking with you. Everything you need to connect with Frank, his website, is your video, I didn't see your video on your website. Did you post it there?

[0:23:08] FP: I think they had some issues with the editors.

[0:23:11] DC: Okay. Well, I think there's one floating around, so hopefully -

[0:23:16] FP: Yeah. I have it now. Yeah. The thing is the camera wasn't set up in the beginning. Yeah, they had some struggle, but now they got it.

[0:23:28] DC: Yeah. I mean, the video I saw last time was perfect.

[0:23:29] FP: Finally, six months later.

[0:23:31] DC: Well, you know, technology, right? Everything you need to connect with Frank and his company, the LABELISTEN, where the labelists work, will be in the show –

[0:23:43] FP: It's international, though. No. What is it? In Espanol, [0:23:48]. Italy, Labilisti. For all the Americas, the labelists.

[0:23:56] DC: Okay, why don't you say labelists?

[0:23:57] FP: We are the labelists.

[0:24:00] DC: You tried to do an American accent. I heard that. Everything will be in the show notes and hopefully, your video will be up because it is an incredible story that everybody should listen to. Thank you so much for your time. Danke shern. Look, I speak German for you. Until next time –

[0:24:14] FP: Danke shern Deborah.

[0:24:17] DC: Until next time, everybody, print long and prosper. [END OF INTERVIEW]

[0:24:24] DC: Thanks for listening to Podcasts From the Printerverse. Please subscribe, click some stars, and leave us a review. Connect with us through printmediacentr.com. We'd love to hear your feedback on our shows and topics that are of interest for future broadcasts. Until next time, thanks for joining us. Print long and prosper.

[END]

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LABELISTEN: https://labelisten.com/

HP: https://www.hp.com/

HP Indigo Digital Presses: https://www.hp.com/us-en/industrial-printers/indigo-digital-

presses.html

Labelexpo Europe 2023: <u>https://www.labelexpo-europe.com/</u>

HP INDIGO Talks - Frank Plechschmidt: <u>https://www.youtube.com/watch?v=qp742ek_IR8</u>

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