

WINES & VINES

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In-House or Outsource?

Nova Scotia wineries find flexible printing arrangements adapt with them

by Peter Mitham



Maritime Labels & Packaging of Bedford, Nova Scotia, which uses HP Indigo digital presses, is popular with area wineries looking to improve the quality of their labels. Maritime uses a custom formulated priming solution that enables its digital presses to print on a wide variety of materials.

Working as a winemaker with some of the biggest names in the British Columbia wine industry--as well as overseas--gave Bruce Ewert a firm grounding in the principles of operating a winery. Now, he's applying two decades of experience as he prepares to open the first organic winery in Nova Scotia, on Canada's Atlantic coast.

L'Acadie Vineyards in the Gaspereau Valley near Wolfville, Nova Scotia, is set to open in May with a portfolio built around Nova Scotia's signature grape variety, L'Acadie

HIGHLIGHTS

- Nova Scotia's growing wineries seek options to accommodate small-volume label orders.
- Digital printing can deliver a cost-efficient alternative to printing labels in-house for small wineries.
- Mixing in-house printing with digitally printed labels allows

Blanc. Applying experience he garnered with British Columbia sparkling wine producers Sumac Ridge Estate Winery and Summerhill Pyramid Winery, Ewert will count L'Acadie Brut among his first releases.

customization when needed.

The label on the sparkling wine bottles, sourced from the same supplier the B.C. wineries dealt with, will feature a burst of five stars--stars being a traditional emblem of sparkling wines--springing from the winery's logo.

"Coming out here, we had a really good idea what we wanted to do. We definitely wanted to do it organically, and we wanted to make the wines that suited the *terroir* and the area, and we had a good idea what we wanted to do for labels," Ewert said.

His experience also gave him a good idea of how he wanted his labels printed: digitally.

Digital printing gains foothold

"It's a little bit better to do that when you have small volumes of this and that," Ewert said, noting that L'Acadie's initial release of wines will be in the vicinity of 2,000 cases. "We'll be releasing about nine or 10 different products, so digital is the way to go."

Digital printing technology eliminates the need for plates (which can cost in excess of \$200 each), easing the cost of labeling for Ewert's winery, which, like many others in Nova Scotia's fledgling wine industry, is a small, family-run operation.

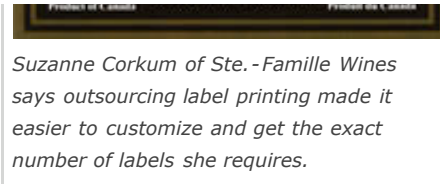
Still, a quality print job is required, as Ewert expects his wines to find a place in restaurants, though he said sales will occur primarily through his on-site retail outlet. He hopes to secure a local printer to produce the labels, deciding against in-house printing to ensure top-quality production.

Making the switch

One of the popular options among local wineries is Maritime Labels and Packaging of Bedford, Nova Scotia, to which Suzanne Corkum of Ste.-Famille Wines, Ltd., in Falmouth, at the mouth of the Annapolis Valley, turned last summer after 15 years of using a Hewlett-Packard 4500 color laser printer to produce her own labels in-house (not to mention brochures and just about



anything else the winery needed printed). The laser printer cost Corkum less than \$4,000 when she bought it in 1992, and it did yeoman's service as Ste.-Famille grew to its current production of more than 5,000 cases per year.



But Ste.-Famille's growth and the maturing of the Nova Scotia wine industry also justified the investment in a professional printer. When the winery opened in 1990, it ordered a run of embossed labels on flat, off-white paper that outstripped the 1,200 cases it had to label.

"We just ordered far too many, and it was because they had minimum numbers that you had to order," she said, laughing at the predicament. "We ordered all these (labels) without really thinking about the number of bottles of wines that we had."

Hot stamping--a process of applying gold or other metallic materials to labels--was considered in the second year, but a base cost three times the price of standard plates made it unsustainable for Corkum's small-lot wines. She solved the problem with a laser printer. "It was always hard for us to find professional labels that didn't cost us a fortune," Corkum said.

It took Corkum two years to locate Maritime Labels and convince herself that it could deliver the results she wanted, but the shift has been worthwhile. Ste.-Famille now gets just as many pressure-sensitive labels as it needs for about 12 cents apiece. Digital technology also allows small changes between print runs to the vintage year, alcohol content of the wines and the like, without having to incur charges for new plates.

Working with a large label printer



Printing for wineries makes up 70% of business at Milpitas, Calif.-based Landmark Labels.

The decision to contract with a larger label manufacturer like Algoma, Wis.-

based WS Packaging, which operates more than 200 presses in 18 locations, or Landmark Label Manufacturing, Inc., whose Milpitas, Calif., plant derives 70% of its business from wineries, boils down to budget, scale and speed.

A production of 5,000 750ml cases, for example, would require a total of 120,000 labels (a front label and back label for each of the 60,000 bottles), plus a little bit of overage to replace the few that inevitably get chewed up in the labeling machine, according to Pete Offermann, CEO of Landmark Label.

He estimates that such an order would cost 2 to 5 cents per label, or about \$4,800, assuming the labels are either offset or flexographically printed and not particularly complicated with embossing or foil. (Flexographic printing employs printing plates made of polymers rather than the metal plates used in offset printing).

"The printer wants to be meticulous, but that's hard to do under pressure," said Landmark's Offermann, adding that the date on which the winery has contracted a mobile bottler to show up often dictates the schedule.

While fancy die-cuts, raised lettering and rare color combinations with tricky registrations tend to drive up the price, it's the extended-hours press check that can halt printing altogether. (Registration refers to the juncture of two colors.)

According to Tom Deegan, regional sales manager of WS Packaging, when the presses are stopped, a winery may lose its place in line for a couple of weeks, particularly during the high season from early spring through crush. For that reason, WS Packaging won't go to press with a label unless the art has been approved by the Alcohol and Tobacco Tax and Trade Bureau (TTB). Once approval is obtained, the winery should plan on four to six weeks' lead-time. Deegan's team uses a preflight inspection period to make adjustments that could derail the printing process once it has begun.

Suzanne Gannon

Importance of image

Having a professional printer also has allowed varnishing of the labels to reduce scuffing and other damage, boosting overall aesthetic appeal of the labels and improving their adhesive quality. Corkum also went with the printer's advice regarding paper, a versatile metallic stock that allows a decent approximation of hot-stamping.

"It's not a hot-stamped gold, but it's pretty close," she said of the gold border on her labels. "It certainly makes it easier for us to have a more professional-looking label."

The appearance of the label is especially important in making a good first impression on buyers, Corkum said. "You either have to have a professional-looking package, or they may discount it," she said. "It doesn't matter what the quality of the wine is, it's the packaging that attracts (buyers) to the bottle in the first place."

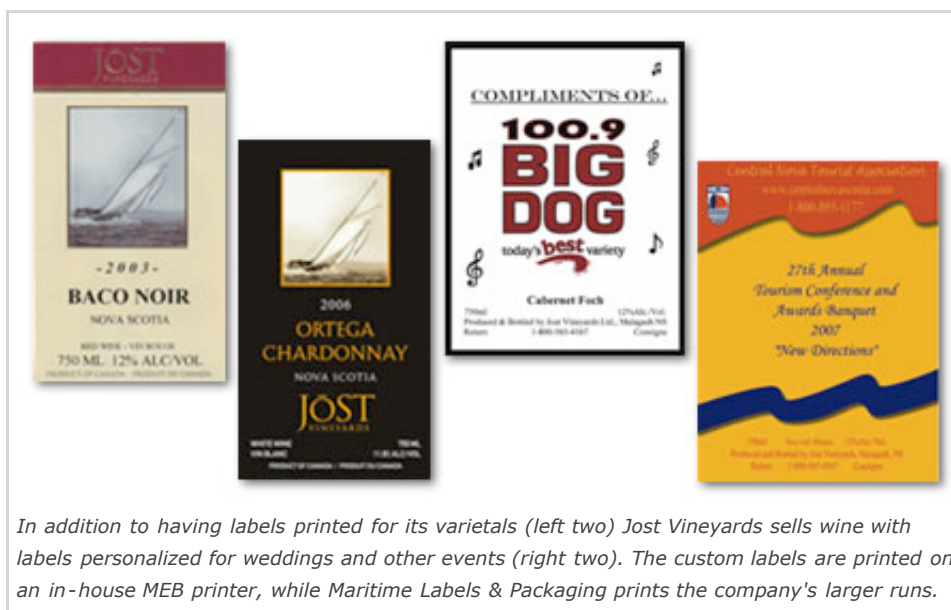
Customizing labels for small lots

Digital printing long ago won out over other methods at Nova Scotia's largest winery, Jost Vineyards, Ltd., in Malagash. In-house printing remains an important tool when it comes to customizing labels for specific customers.

Jost shifted to pressure-sensitive, digitally printed labels by Maritime Labels about five years ago, said Jost production manager Kendall Millard. On average, digital printing has reduced the cost of printing labels from about \$100 per thousand labels (fronts and backs) to \$43. Jost's standard print runs are between 300 and 4,000 labels.

"A lot of our small batches--varietals that change every year--there's always a bit of a change. They're all done digitally now," he said. "It keeps the printing plate costs down."

But a Sato 612E thermal transfer printer costing about \$4,000 also is available in-house for the printing of custom labels on digitally printed templates that allow Jost to provide personalized labels to restaurants and customers seeking wines for special occasions.



In addition to having labels printed for its varietals (left two) Jost Vineyards sells wine with labels personalized for weddings and other events (right two). The custom labels are printed on an in-house MEB printer, while Maritime Labels & Packaging prints the company's larger runs.

"Basically, anything that can be e-mailed in now can be put on a label," Millard said.

The thermal transfer process doesn't provide the quality Jost needs for its standard production, currently in excess of 50,000 cases per year, but it is adequate for custom runs.

The digitally printed labels also serve the needs of the company's production facility, which went through one upgrade five years ago and will see further improvements within the next couple of years to improve the efficiency and speed of bottling operations. The current labeler is an MEB system out of Italy that cost about \$36,000.

Seeing results

Millard said improvements in the technology behind Jost's labels have boosted the winery's image in the marketplace. Jost's wines are primarily sold in Nova Scotia, with some sales in New Brunswick and a smaller amount in the western provinces of Alberta and Manitoba.

Some of Jost's wines have seen sales increase by as much as 30% in recent years, said Tim Dauphinee, principal of Halifax wine agency Churchill Dauphinee, which represents the Jost portfolio in Atlantic Canada.

The improvements in the design and production of local wineries' labels are finally reflecting the quality of what's being produced, Dauphinee said, noting that wineries in Atlantic Canada have learned lessons from the larger, international players, which are helping them capitalize on the growing interest in local wines.

"Right now at Jost, and when I look across the country--20 Bees from Ontario for instance, and Mission Hill out of the Okanagan--all of them are certainly world-class in my view," Dauphinee said, casting a glance at labels on some of the bottles in his office. "I think we've been probably taking some lessons. We're taking the labels very seriously and the production of such. I have seen a big difference, and I don't see the gap I would have seen (at) one time."

The phen omenon is one the Winery Association of Nova Scotia (WANS) hopes to foster with a seminar it's organizing this summer on packaging. WANS marketing director Sean Buckland noted that local wineries are producing increasingly sophisticated packaging.

"Names like Leon Millot and Marechal Foch, they don't roll off the tongue," he said, citing two grape varieties that are mainstays of the Nova Scotia industry. "The wineries are starting to use their labels and marketing and packaging to make it easier for the consumer to remember the wines."

Bulk bottle buying reduces waste



Bruce Ewert of L'Acadie Vineyards is able to cut down on packaging by storing wine bottles in cages rather than in cartons.

The bottles Nova Scotia winemaker Bruce Ewert is using for the inaugural release of L'Acadie Vineyards' L'Acadie Brut may be the same type used by his colleagues elsewhere in the country, but he's putting an environmental twist on them.

While some other wineries in the region enjoy the convenience of prepackaged bottles, reducing handling costs, Ewert wants to reduce packaging and is buying his bottles in bulk rather than in cartons, and he's using the cages in which he ages and riddles his sparkling wines for storage.

Since the bottles are primarily destined for display and sale at the on-site wine shop, Ewert said avoiding cartons was a step that made sense from three points of view: storage, merchandising and environment.

"We'll have to have cartons made up for anything we ship out," he said. "(But) we're not buying bottles in cases and just throwing them out."

The decision also reflects studies Ewert cites by Emma Point, a graduate student at Nova Scotia's Dalhousie University, who is preparing an analysis of the wine industry's environmental impacts and the energy embodied in producing and consuming a bottle of wine.

"Traditionally, the bottle has the most energy impact that goes into a bottle of wine on the table," Ewert said. "We can't really do anything about that--we're not making our own bottles--but we're trying to reduce the amount of packaging that we have through the boxes and so on."

L'Acadie Vineyards, which has organic certification through OCPRO of Lindsay, Ontario, incorporates a number of sustainable elements into its winery building, which is poised to receive organic certification this spring. It boasts geothermal heating, and Ewert made a point of avoiding plastic in construction of the winery building. Instead, metal and wood, as well as concrete, are the primary materials.

P.M.

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