


September 2010

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Quality and Innovation

Karla Fichter (left), CEO, and Kirsten Werner, President, capitalize on Diamond Packaging's long tradition of quality, innovation, and passion to compete successfully in highly competitive markets.

Diamond Shines

Diamond Packaging leverages a long tradition of quality and innovation to be successful in the packaging arena.

Diamonds are a girl's best friend—so says the song by that title. Karla Fichter and Kirsten Werner might twist that saying around somewhat and say, Diamond Packaging is a consumer products company's best friend. Fichter, CEO, and Werner, president, are co-owners of Rochester, N.Y.-based Diamond Packaging, and are proud of the fact that their company is a WBENC-Certified Women's Business Enterprise. And, there are many additional reasons for the pride they have in the company.

Diamond Packaging was founded in 1911 as a supplier of folding carton packaging materials for the garment and bakery industries. The company has remained faithful to its roots in folding cartons and, today, manufactures paperboard and plastic packaging and provides contract packaging services for Fortune 500 companies around the world. Fichter and Werner have been actively involved in the business since the late 1980s and became co-owners of the company in 2004. They later acquired the other 50 percent of the business, becoming sole owners of Diamond Packaging. The company experienced much success during this time period, growing from 23 employees in 1978 to more than 230 today. And if the owners' vision comes to fruition, the future will continue to be bright. "Our transition to a women-owned business brings new opportunities to carry the best of Diamond's traditions forward into the future: quality, innovation, and passion," states Fichter.

Packaging innovation on a global scale

Diamond's primary markets include prestige and mass market personal care products (cosmetics and skin care, fragrance, hair care), healthcare, pharmaceutical, nutraceutical, food, and confectionery products, reports Fichter. These are highly competitive markets that—to have any chance of success—require a company to stand out from the crowd.

To compete successfully, says Werner, "The company continues to invest in the latest technologies and employs skilled people driven by a strong entrepreneurial spirit. Diamond differentiates itself from the competition through innovative design, technical expertise, Diamond's greenbox sustainability initiative, and by providing fast and flexible service and delivery."

In addition, the company is a founding member of the Global Packaging Alliance® (GPA), which provides Diamond with global reach and service capability, she notes. GPA is an international organization of independent packaging producers, with members located in Australia, Brazil, China, Germany, Russia, Mexico, India, and South Africa. "As part of the Global Packaging Alliance, Diamond and its alliance members offer packaging solutions to companies operating on an international scale. Customers receive responsive, localized service, award-winning creative designs, identical product specifications, and consistent brand recognition, resulting in unparalleled worldwide packaging support."



Diamond Packaging provided packaging materials for P&G's Gillette Fusion® ProGlide™ shaving system.

One particular trend that is global in scale is sustainability, and Diamond Packaging has been out in front of this important effort for some time. The company's greenbox initiative emphasizes its commitment to incorporate designs, materials, and methods that are innovative and sustainable. As part of this initiative, Diamond earned Forest Stewardship Council (FSC) Chain-of-Custody certification from the Rainforest Alliance's SmartWood program in 2009.

"This certification reflects a growing trend in the paper and printing industry of companies making more environmentally and socially responsible supply chain decisions," states Werner. "We now offer several FSC-certified paperboards, including Clearwater Paper Candesce®, KapStone Kraftpak®, Strathcona Strathcote, Envi by Monadnock™, and Mohawk Renewal."

To enhance and protect its wide range of printed materials, the company incorporates a variety of standard and specialty coatings. These include UV (matte and gloss), aqueous, emboss, glass, glitter, grip (rubberized), Iridion®, pearlescent, textured (reticulated), scented, and soft touch.

Dennis Bacchetta, director of marketing, reports that the company recently launched a new extension of its sustainability efforts. "As a natural evolution of Diamond's greenbox initiative, we are applying our tradition of innovation to green packaging design. Our new Green Chic™ packaging delivers 'Beauty without Compromise' by capturing the essence of luxury brands while communicating an environmentally-friendly image and awareness," he says.

As part of this effort, the company has applied new converting processes. "We recently introduced two more sustainable, inline converting methods—MiraFoil® environmentally-friendly metallic coating and Cast and Cure holographic effects," says Bacchetta. "Both techniques deliver impact in the retail environment while yielding potential cost savings and resulting in less material and energy usage compared to an off-line decorating process."

According to Bacchetta, MiraFoil specialty coating delivers "foil on demand at print speed" and is an economical alternative to foil stamping

that can be applied in-line. "We apply MiraFoil in an initial flexo dispersion coater on our new state-of-the-art Heidelberg Speedmaster XL 105 offset printing press prior to printing up to eight colors and two additional specialty coatings—all in a single pass," he says.

Cast and Cure is another cost-effective, inline process that produces high-gloss, holographic finishes through the use of UV coatings and specialty film. Bacchetta explains the process: "The Cast and Cure process utilizes a specialty film with a micro-embossed holographic pattern. Once the UV coating is applied, the film is laid over the top of the sheet. With the film still applied, the sheet runs through the UV dryer and is cured. The film is rewound, leaving the holographic effect on the sheet. Because there is no actual transfer of a foil or material onto the substrate, the film can be reused several times before new film is needed."

In one notable application, Diamond worked closely with P&G to implement the combination of MiraFoil and Cast and Cure for a recent launch of P&G's premium Gillette Fusion® ProGlide™ shaving system. Bacchetta noted the benefits for their customer/supplier relationship. "Since we don't go to an off-line stamping process, less energy is used to produce the desired effect," he says. "It uses less material than an off-line stamping process and can be applied overall or in spot areas. Also, there's no film or laminate left on the sheets. It's truly a win-win for everyone."

The right stuff

Over the years, Diamond Packaging has invested in a range of offset printing technology that allows it to serve its customers with an array of dynamic packaging materials. Its arsenal includes a Komori Lithrone press, a manroland ROLAND 700 Series press, two Heidelberg Speedmaster CD 102 presses, and a Heidelberg Speedmaster XL 105.

"Diamond utilizes full inter-station UV sheetfed offset presses and we do offer flexo printing in conjunc-

tion with offset printing by employing multiple flexo coating units on two of our Heidelberg presses," says Dave Rydell, VP of technical development.

The most recent acquisition was the Speedmaster XL 105. "Our new Heidelberg Speedmaster XL 105 offset printing press represents the state-of-the-art in package printing technology," says Rydell. "It offers the latest in coating capabilities, including a flexo coating unit upfront and a dual flexo coating unit on the end to apply UV, aqueous, or specialty coatings. We can apply MiraFoil (or any other flexo ink) in the initial flexo dispersion coater prior to printing up to eight colors and two additional specialty coatings—all in one pass."

Financing such a significant investment is always a bold move, especially in the recent economic downturn. However, keeping up with the latest technologies is ingrained in Diamond Packaging's culture. "Packaging is a very capital intensive business," says Fichter. "Our customers are continually demanding new technology, faster turnaround, increased service, and greater flexibility and capability. Investing in new technology is a long-standing tradition at Diamond and allows us to satisfy the demands of our customers and grow organically."

According to CFO Keith Robinson, Diamond received financing support in the amount of \$2,000,000 from the Small Business Administration's 504 program and \$700,000 from the Empire State Development Corporation (ESDC). This support from state and federal agencies was very important for the company's decision to make the acquisition. "This investment would not have been possible without the support of the SBA and NYS/ESDC," he says.

Fichter has high expectations for what this press can provide for Diamond's customers. "The installation of this new Heidelberg Speedmaster XL 105 offset press represents a unique opportunity for Diamond to provide an unprecedented combination of cost innovation and sustainability to our valued clients.



This veritable ‘green machine’ can deliver state-of-the-art packaging faster, cleaner, and better than before. It also increases capacity at our box plant. The acquisition of this press puts us in the enviable position to brand up-scale or luxury packaging that is also environmentally friendly—a key tool for our Green Chic™ packaging initiative.”

Positioned for the future

Diamond Packaging faced its share of challenges during the recent recession, but remained strong. “We hit our budget in an extremely difficult financial environment,” says Werner, “and we took steps to keep our costs down.”

Like other well-managed compa-

nies, however, Diamond also viewed the recession in the context of the opportunities it presented. “Despite the economy, Diamond continued to invest and focus on our core competencies,” she says. “We saw the recession as an opportunity to invest in our future, as interest rates were low and equipment manufacturers were



Diamond Packaging specializes in offset printing for the personal care markets.

more aggressive in their pricing.”

As the company continues to move forward in a still-difficult economic climate, Fichter intends to keep the company focused on the competitive environment. “Competition is ever present in our markets,” she notes. “We will continue to stay abreast of technology

in order to provide our customers the latest in package design and decorative impact (e.g., coatings, foil, printing on plastic), and help our customers enhance their brand identity through innovative capabilities.” ■

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