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UPM Raflatac committed to the Asia Pacific region

Welcome to the first edition of Raflatac Express, Asia Pacific. UPM Raflatac is a globally leading producer of paper and film self-adhesive label materials. Over the past decade we've invested heavily in the Asia Pacific, developing manufacturing sites in China, Malaysia and Australia, backed by support from an extensive sales network and supply terminals throughout the region.

Our infrastructure ensures that we have the capacity to provide maximum support to our customers in the supply and development of quality self-adhesive products. We're also able to assist our customers in their projects and product development with brand owners.

We focus on delivering value. In today's extremely tough business environment the challenge to remain viable is constant but still achievable. In the Asia Pacific region, we're accelerating the development of products aligned to market segments with high growth, such as home care and personal care and the food and beverage industries.

We're developing filmic products that will improve productivity throughout the value chain; we're producing label materials that will help minimise waste, and we're developing filmic materials that enhance the performance and appearance of brand owners' products.

We hope you enjoy this issue of Raflatac Express and welcome your feedback. Our objective is to keep you informed about our product development and all that we offer throughout the Asia Pacific.

Greg Hanlon

Marketing and Business Development Director
UPM Raflatac Asia Pacific





UPM Raflatac invests in service and quality

While UPM Raflatac is European in origin, today the company has a worldwide presence with operations on all continents. Confidence in the future of the Asia Pacific market remains on a high level, and UPM Raflatac's commitment to the region continues to grow.

UPM Raflatac has made significant investments to ensure that each of the production facilities in China, Malaysia and Australia produces a high-quality range of filmic products relevant to the Asia Pacific market.

"We're using the latest adhesive and silicon coating technology, and we've upgraded our slitting capacity to ensure efficient production and delivery," says **Greg Hanlon**, Marketing and Business Development Director for UPM Raflatac Asia Pacific.

"We've identified the development of filmic products as a major objective, and recent operational investments enable us to meet our customers' needs more closely, including the increasing demand for customised, end-use specific products. In addition to widening our product range and service offer, our state-of-the-art manufacturing network assists us in the delivery of improved bottom-line benefits at all levels in the label supply chain," Hanlon says.

UPM Raflatac has also invested in people throughout its Asia Pacific organisation. "As a global company we have access to some of the most skilled personnel in our industry, and we're taking advantage of cross-operational education and communication throughout the group," says Hanlon. Globally exchanging specialised resources is a common practice at UPM Raflatac due to the enormous benefits of sharing best practices across the organisation worldwide.

In addition to sales teams and support staff, UPM Raflatac places a high value on the role of Product Managers and Technical Service personnel, who provide support for customers throughout the labelling chain.

"Innovation is critical to our success as a leading supplier of self-adhesive films, and we now have a Business Development team operating across the Asia Pacific," says Hanlon. "This team includes people from sales & marketing, research & development, customer service, IT and product sourcing. Each shares their knowledge to identify and produce for our customers the best possible products and services."

Efficiency for home care and personal care labelling

The home care and personal care market has been severely affected by the global financial crisis, yet consumer demand continues to grow. Brand owners are now facing the combined challenge of coping with consumers' weakened purchasing power and controlling their own internal costs, while competing for market share.

"Without sacrificing functionality, current packaging trends are focusing on efficiency and differentiation," says **Ted Qian**, Marketing and Key Account Manager, China and North Asia. "Brand owners are driving demand for labelling materials that can meet these requirements."

Making efficiency gains in regard to costs, stocking, printing and dispensing calls for labelling materials

suitable for multiple applications – materials like Raflex Plus. UPM Raflatac has developed this thin and squeezable film as a truly all-in-one solution that covers virtually all home care and personal care labelling applications. The global availability of Raflex Plus also makes it a cost-efficient option for global branding.

"This thin and clear material enables fast and efficient labelling, with less downtime due to a longer roll length, good printability on the topcoat and fast dispensing from a PET liner," says Qian.

Smaller brands may find the key to differentiation in special eye-catching materials like PP Silver, which offers impressive looks and good converting speed compared to silver ink or foil stamping. A high-gloss, top-coated surface on PP Silver provides good compatibility with various inks and printing techniques, while the option for a PET liner enables higher speed applications.

Achieving the no-label look with Raflex Plus

PE or PP? This question reflects a choice between label properties that are optimal for conversion or end-use, but rarely both. UPM Raflatac resolved the issue by combining the most desirable properties of PE and PP in a 56-micron polyolefin-based film called Raflex Plus.

Raflex Plus Clear exhibits the clarity and gloss of a clear PP film and is especially suitable for achieving the 'no-label look'. Raflex Plus also offers good conformability and flexibility very close to that of PE, which allows labelling on curved and multi-dimensional surfaces. The topcoat provides exceptional printability with a range of techniques using UV, solvent and water-based inks.

A balanced orientation and high tensile strength in the machine direction enable a high speed, more efficient conversion. The thin face material also provides a better yield per roll in addition to fewer roll changes during conversion, which in turn results in less production waste and reduces the impact on the environment.

The superior qualities of Raflex Plus make it a superb face material for personal care labelling. Raflex Plus is now available globally, which provides brand owners the opportunity to standardize a wide range of products with a single label material while also accelerating the time to market.

The no-label look is in high demand because it endows a product with a level of sophistication rarely achieved with opaque labels.



Raflex Plus is ideal for the no-label look, conformable and squeezable for the most challenging applications.

Stunning beverage labels with PP Silver

Continued rapid growth in the energy drinks and alcopops beverage segments has continually challenged label designers and converters to offer brand owners labels with increasing shelf appeal and processing capabilities.



To meet his demand, UPM Raflatac's local technical and R&D teams have focused on the development of a range of PP Silver facestocks combined with a PET liner.

Partnership with leading New Zealand label converter Jenkins Group saw the introduction of UPM Raflatac's PP Silver to a new range of V Energy drinks. "Delivering critical on-press requirements in addition to fast dispensing speeds were the key drivers for our success. Over several months, improvements were made to our processes to achieve this goal," says **Matthew Van Eck**, Technical and Product Development Manager, Oceania.

As PP Silver is sometimes easily scratched, procedures during lamination and finishing were examined and modified to ensure that the material is shipped safely and defect-free to the customer. Roll lengths exceeding 3000 metres are required to give customers the best possible output on-press in this competitive market.

"These stunning labels can now be seen on bottles across New Zealand, and we're looking forward to the opportunity of providing this product to all our customers in the Asia Pacific," says Van Eck.

Recyclable materials for wine labelling at Foster's

As one of the world's biggest producers of premium wines and beverages, Foster's Group is now a front-runner in taking wine labelling closer to a sustainable level.

In 2008, Foster's was one of the first major beverage producers in Australia to move to a siliconised PET liner as a component of their self-adhesive labelling materials. A new high-speed wine bottling line installed in 2005 had made it obvious that the glassine liner previously in use was causing too many web breaks, driving up costs from excess downtime and more waste back to the fillers. Following good experiences from using PET liners on high-speed beverage lines, Foster's sought to implement the same upgrade in their wine labelling.

Compared to the glassine liner, the new PET liner yields higher dispensing efficiency thanks to a reduction in web breaks and downtime. "Even though the material might be a little more expensive, it has saved us money by having less downtime from filling to application. The label price is well justified by the ratio of volume versus cost," says **Wolf Viergever**, Label Procurement Manager at Foster's Group.

One important advantage is that the PET is recyclable and, used with selected face materials,



UPM Raflatac's PET liner has been used to label some of Foster's top wine brands, including Penfolds (featuring the Rafwine Banksia face) and Eagle Hawk (with the Castgloss face).

the entire label material and its waste becomes 100% recyclable. "Glassine can't be recycled in Australia, but there are companies looking for PET waste. We now sell the waste from PET liners to companies that collect and recycle it," says Viergever.

Since Foster's switched to the new PET liner, other beverage suppliers have followed suit with many local producers acknowledging the advantages. "Our PET liner is the result of persistent development work in collaboration with Foster's," says **Sean Suter**, National Sales Manager at UPM Raflatac Australia.

Trials and fine-tuning were completed by early 2008. In addition to the new liner, UPM Raflatac has also developed several other products with Foster's Group during five years of fruitful partnership.

"We're focusing on developing materials that are especially suitable for high-speed applications in beverage labelling. We're in very little doubt that demand for PET materials will continue growing," Suter concludes.

ISO 14001 certification for environmental performance in China

UPM Raflatac's factory in Changshu, China, gained certification to ISO 14001:2004, the international standard for Environmental Management Systems, in October 2008. This represents a significant advancement in UPM Raflatac's global project to have one ISO 14001 certificate for all UPM Raflatac factories.

The factories in Malaysia and Australia are already part of UPM Raflatac's global ISO 9001:2000 certificate and are now working towards certification to ISO 14001. 14001 certification for Malaysia and Australia is planned for the first half of 2010. Using the same systems globally, the benefits and experience from other sites can be built on to make systems sustainable for the long-term future.

UPM Raflatac has one set of environmental rules which are referenced globally to ensure worldwide compliance in all aspects of legislation as well in the implementation of continual improvements in order to reduce the impact of these measures on the environment. Efficiency in UPM Raflatac's factories has supported a reduction in waste from the manufacturing process, enabling the company to set and meet waste reduction targets. In 2009 the target is to reduce the energy used in manufacturing for every m² in factories in the Asia Pacific.

"ISO 14001 certification is a very public way of demonstrating the company's commitment to the environment and continual improvement in our environmental performance. UPM Raflatac is an industry leader in environmental issues, as demonstrated by the innovative waste solution created in the UPM ProFi project," comments Environment and Quality Systems Manager **Lesley Crookes**.

UPM Raflatac has been a pioneer of greener technology since its earliest beginnings, introducing water-based adhesives in the 1970s, long before environmental issues became a regular issue in the industry.

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For more information on our products, contact your nearest UPM Raflatac representative. Visit www.upmraflatac.com for contact details.