

PROFILE

NAME: Epson America Warehouse LOCATION: Plainfield, Ind. WEBSITE: <u>https://epson.com/usa</u>

CHALLENGE

Increase labeling efficiency within a distribution environment while continuing to meet detailed compliance requirements. Upgrade from antiquated thermal label printing to a color solution with labels that will not bleed or fade.

SOLUTION

Future-proof labeling capabilities with ColorWorks[®] C6000-Series industrial color label printers to augment operational efficiency, reduce the chance of fines due to unscannable labels and streamline labeling processes.

Out with the Old, in with the Color

Epson Distribution Center Upgrades from Thermal to Color Labeling with ColorWorks On-Demand Industrial Printers

Epson's distribution facility in the Indianapolis suburb of Plainfield, Ind. houses its warehousing and distribution operations, a repair depot and sales of parts and accessories. The 750,000-square-foot facility with 200 dock doors sees a tremendous amount of movement, day in and day out. Over 25 million pieces and nearly two million orders are shipped out of the facility every year, each requiring a label to be printed for outbound shipping.

"Our goal is to provide Epson customers and retailers with the best service possible and deliver orders that perfectly meet the specific requirements, on-time," Mauricio Villaveces, director, Distribution Operations at Epson America, Inc. "Making sure that customer requirements are met is paramount. We never want to say 'no' to a customer when they introduce a new requirement."

For decades, the Epson facility had been using thermal transfer printers for labeling operations, which Villaveces noted had plenty of opportunities for improvement due to the lack of color capability and frequent jams, resulting in downtime. Oftentimes, packages needed to be visually marked for sorting or processing, and because the thermal printers we were using could not print color, it required secondary steps to apply color or manually mark the package. The operations team also found it difficult to change thermal ribbons because it required getting the ribbon completely smooth across the roller. Plus, they complained about the rising prices of thermal labels and ribbons.

"Epson trusts and relies on its own technology. Most recent testament includes modernizing our headquarters in California with business inkjet MFPs and projection solutions," said Rand Rozar, vice president, Service and Logistics, Epson America, Inc.

"Frequently, we hear customers speaking about incorporating color label requirements. Now we're prepared."

– MAURICIO VILLAVECES, DIRECTOR, DISTRIBUTION OPERATIONS, EPSON AMERICA, INC.



"When we looked at upgrading our labeling operations in Plainfield, the ColorWorks C6000-Series made sense as it was engineered for this exact application and environment. With ColorWorks, Epson is able to compete and lead in this type of logistics environment, printing labels with much higher resolution and image quality than the previous thermal labels."

Tough Technology for Demanding Requirements and Harsh Environments

Most distribution centers are not climate controlled, and labels created with legacy label printing solutions can be severely affected by moisture, heat and freezing temperatures, with the tendency to fade over time when a product is stored. Tough, heavy-duty technology is essential since environments like these are naturally rough on technology.

The industrial-strength ColorWorks C6000-Series inkjet label printers are engineered for these types of demanding applications and environments.

"We work with a number of big-box retailers that have demanding labeling requirements," said Villaveces. "So much is at stake every day when Epson ships to these customers. Labels that are not compliant or do not meet customer requirements can result in shipping delays, penalties and fines, and this can negatively affect customer relationships in terms of credibility and dependability, too."

Villaveces explained that entire pallets or truckloads can be rejected for seemingly minor discrepancies. And nothing is trivial. Even the exact placement of an individual label is important – especially with mixed products in a pallet.

Per compliance requirements, each label printed must be readable and scannable for 24 months, meaning it must not smudge, bleed or fade. Case and pallet labels must incorporate the purchase order number, SKU number, vendor model number, master carton quantity, and these labels cannot be even slightly misaligned when printed. In some cases, even 'mixed product' and 'do not break down' labels are required. These requirements represent a miniscule fraction of the total labeling requirements outlined by retailers.

"With thermal transfer labels, on one too many occasions, a label on a pallet that has been stored will not scan because the barcode or QR code has faded, or because the image quality of the print was sub-par," said Villaveces. "When this happens, we have to manually enter the information. In a fast-moving environment with a tremendous amount of activity, we cannot afford to take the time for this extra step. Plus, if retailers are not able to successfully scan a label on their end, fines will result."

Hardware and Software to Solve Woes

Though thermal transfer label printers are often commonplace in distribution centers, a one-size-fits-all solution is antiquated for such demanding environments.

The facility has a variety of labeling stations – from UCC-128 labeling to small pack billing, e-commerce, system devices, microdevices, and more – and each has unique labeling requirements. Each requirement varies by customer and labeling area and in some cases, can change on a weekly basis requiring some level of custom configuration.

For over 20 years, the facility has leveraged Loftware to design labels for its ERP applications. The facility also leverages software from partners, TEKLYNX and BarTender by Seagull Scientific. "Loftware has been integral in developing label configuration to meet any customer requirement. Starting the process to overhaul the previous labeling operations has been simple because of the synergies with hardware and software," said Villaveces.

Converting each of the major labeling stations to ColorWorks area by area, Villaveces and his team are replacing all existing thermal printers with over 70 <u>ColorWorks C6000</u> color inkjet label printers.

"The ColorWorks C6000P models have a peel-and-present feature which eliminates the manual step of peeling the label from the liner. While it might seem trivial, it actually makes a significant impact on streamlining and speeding up labeling when you're printing and applying millions of labels every month," said Villaveces.



Opening New Doors with Color

"Frequently, we hear customers speaking about incorporating color label requirements," said Villaveces. "Now, we're prepared for color requirements that retailers might ask of us."

The transition to CW-C6000P printers and integrating color capabilities, when complete, will help augment operational efficiency, reduce the chance of fines due to unscannable labels and simplify labeling processes in the distribution center.

"We, like any distribution center, focus on cost per piece, piece per hour and speed for service," said Villaveces. "We have to pay close attention to certain aspects of operations, such as the precise placement of labels and requirements of the like, so it's important that we don't have to worry about labeling needing our intervention. The label creation and printing processes can take care of itself so we can focus on getting the product correctly shipped out and make sure it arrives to customers just as they require."

"With ColorWorks, Epson is able to compete and lead in this type of logistics environment, printing labels with much higher resolution and image quality than the previous thermal labels."

– RAND ROZAR, VICE PRESIDENT, SERVICE AND LOGISTICS, EPSON AMERICA, INC.

Individuals were not compensated for this article.



EPSON and ColorWorks are registered trademarks and EPSON Exceed Your Vision is a registered logomark of Seiko Epson Corporation. All other product and brand names are trademarks and/or registered trademarks of their respective companies. Epson disclaims any and all rights in these marks. Copyright 2022 Epson America, Inc.