



Nick Benkovich
Senior Director
Portfolio Product
Management
EFI



25 - 27 September • Chicago

LABELXPO
AMERICAS 2018

www.labelexpo-americas.com

Costing, accounting and financial management

- What is it and how does ERP/MIS help?



25 - 27 September • Chicago

**LABELXPO
AMERICAS 2018**

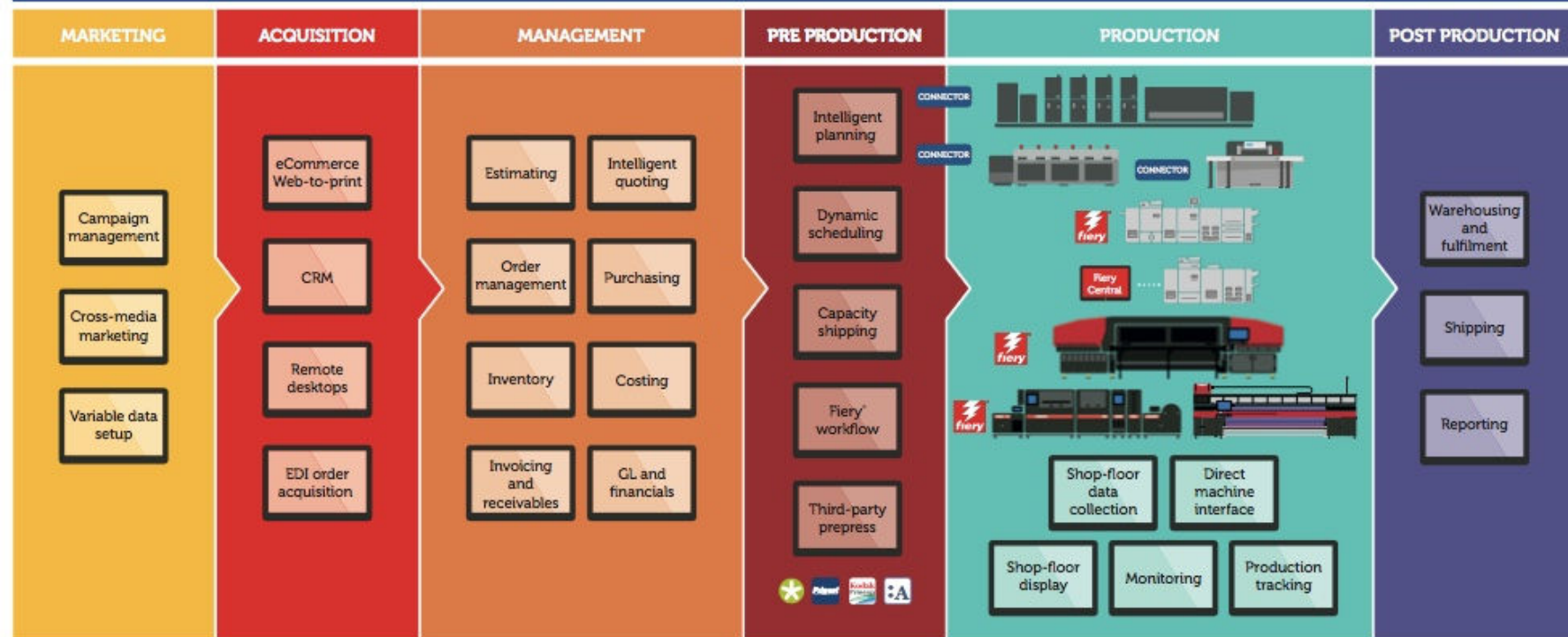
www.labelexpo-americas.com

The Ecosystem



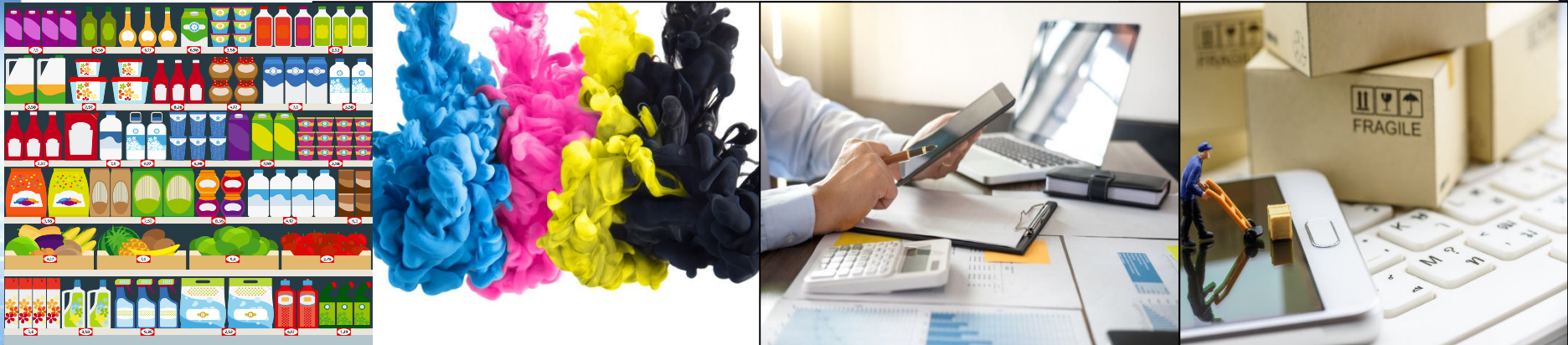
Automated – Scalable – End to End Solutions

EFI™ JOURNEY OF A JOB



Costing

Labor – Shipping Costs - Substrates



Overhead – Ink – Adhesives



25 - 27 September • Chicago

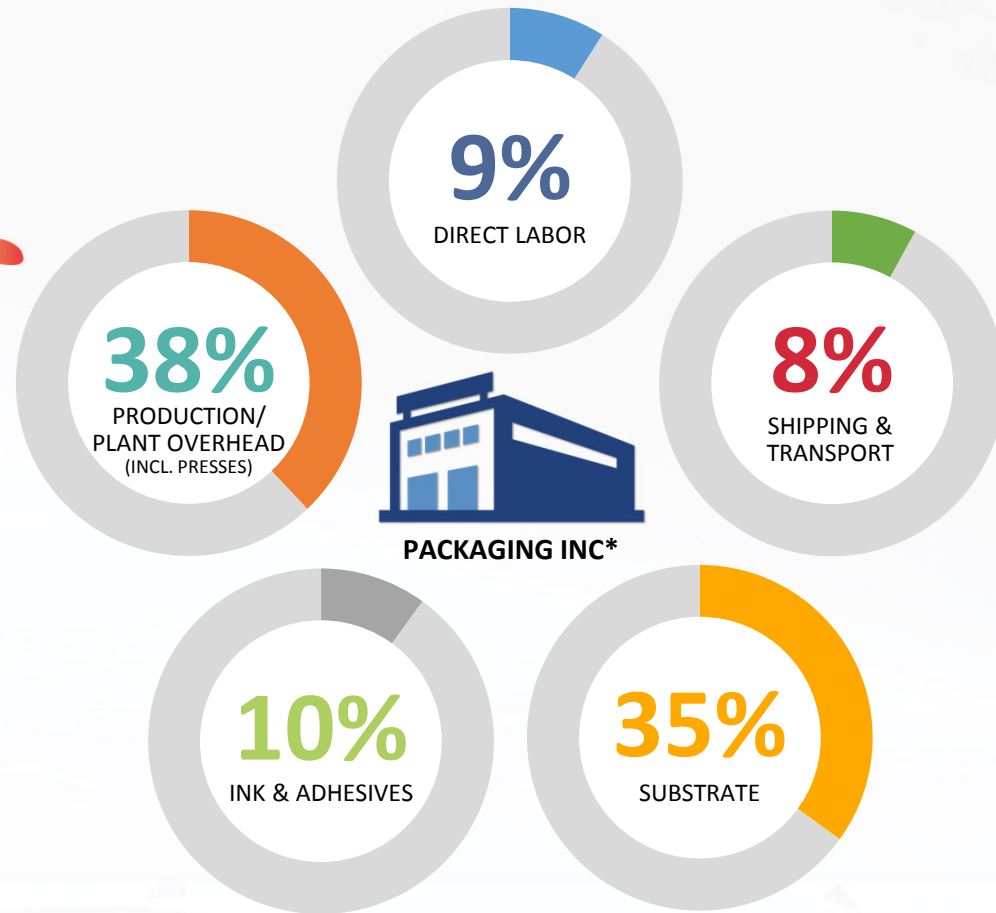
**LABELEXPO
AMERICAS 2018**

www.labelexpo-americas.com

The Challenge



The cost base is being continually challenged by an evolving landscape.



PACKAGING INC*

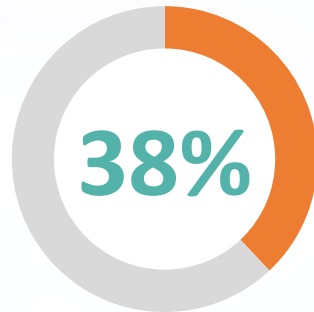
* Costs based on industry averages of a flexible packaging company with some assumptions made *



25 - 27 September • Chicago
**LABELXPO
AMERICAS 2018**
www.labelexpo-americas.com

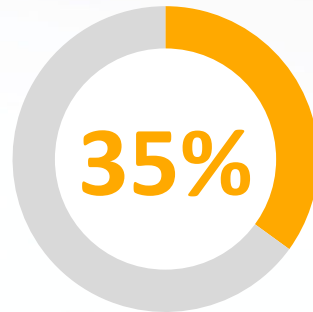
Changing consumer needs 'squeeze' the cost in the supply chain

PRODUCTION/ PLANT OVERHEAD



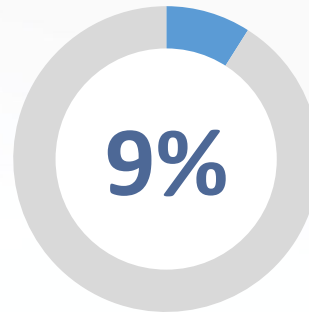
- SKU Proliferation
- Increased administration
- Unpredictable forecasting
- Lower machine efficiencies
- New technology stretches skills and capabilities
- Quality & compliance requirements

SUBSTRATE



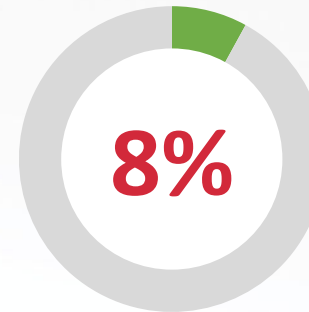
- Supplier consolidation
- Reduced buying power
- Increased competition
- Campaign driven volume demands
- Oil driven economies
- Changing consumer preferences

DIRECT LABOR



- Shorter production runs
- More change overs
- Labor cost pressures

SHIPPING & TRANSPORT



- Track and trace in the supply chain
- Quality & compliance governance
- Multiple SKU shipments

INK & ADHESIVES



- Shorter production runs
- More colors for more sku's
- Consumer driven Innovation
- Changing consumer preferences.
- Smaller purchasing lots



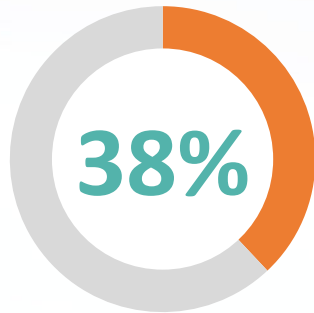
25 - 27 September • Chicago

**LABELXPO
AMERICAS 2018**

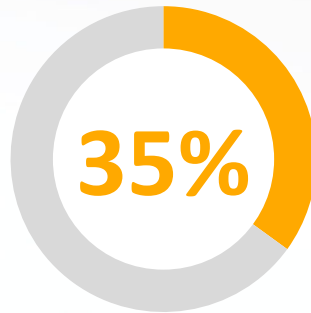
www.labelexpo-americas.com

Remaining profitable becomes a tougher challenge...

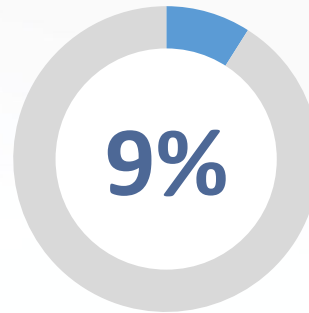
PRODUCTION/
PLANT
OVERHEAD



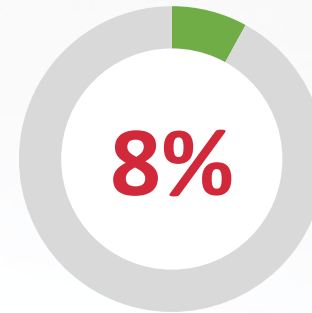
SUBSTRATE



DIRECT LABOR



SHIPPING &
TRANSPORT



INK &
ADHESIVES



PROFIT = REVENUE - COST

TO INCREASE
PROFIT

INCREASE
REVENUE

OR DECREASE
COST



25 - 27 September • Chicago

**LABELXPO
AMERICAS 2018**

www.labelexpo-americas.com

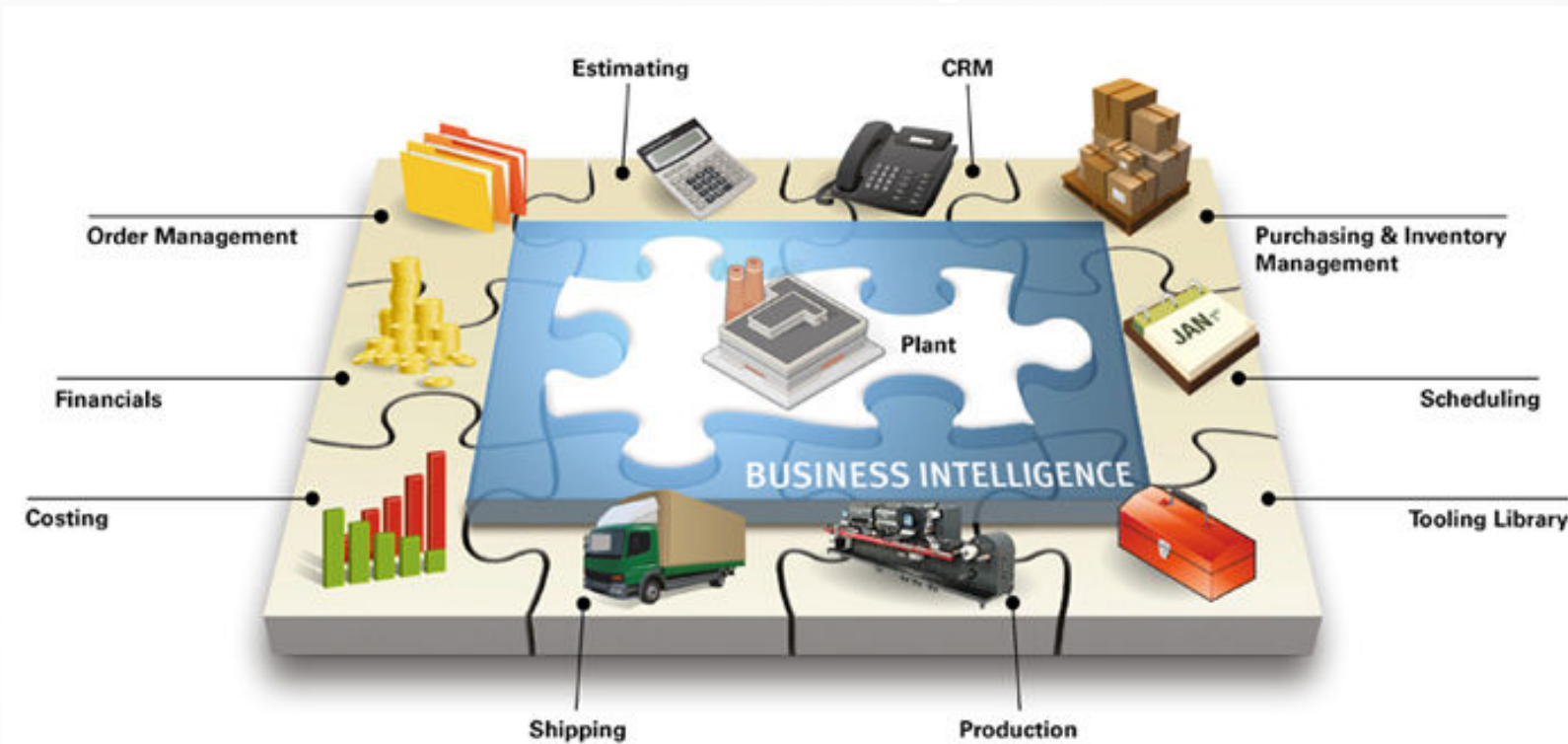
Understanding Production Costs

	Offset Print	Flexo Print	Digital
One-off costs	Inexpensive	Expensive	Zero (artwork file)
Lead Time to Print	Short	Medium	Instantaneous
Image Resolution	Sharp image	Unsharp image	Sharp image (DPI dependant)
Flexibility	High	Medium	Very High
Printing speed	Medium	High	Low
Advantages	Nearly similar print quality to gravure printing Very short lead time to print	Easy to handle Wide range of materials are printable	Very low set up costs Extremely fast turnaround Perfect for short run multiple sku work
Disadvantages	Low range of materials are printable Bright high gloss metallic finishes are not possible in offset.	For high quality printing a smooth surface of the substrate is needed. Lower print quality than gravure / offset printing	Limited use at high run lengths Limited application in flexible packaging but well utilised in labels.



25 - 27 September • Chicago
LABELXPO
AMERICAS 2018
www.labelexpo-americas.com

Automation is key!



25 - 27 September • Chicago

**LABELXPO
AMERICAS 2018**

www.labelexpo-americas.com

Automation: Integrated to Costing and Financials

- Value of inventory should move through the process and automatically post to the correct ledger
- When consumed on a job, it should also update the job costing with the value, quantity



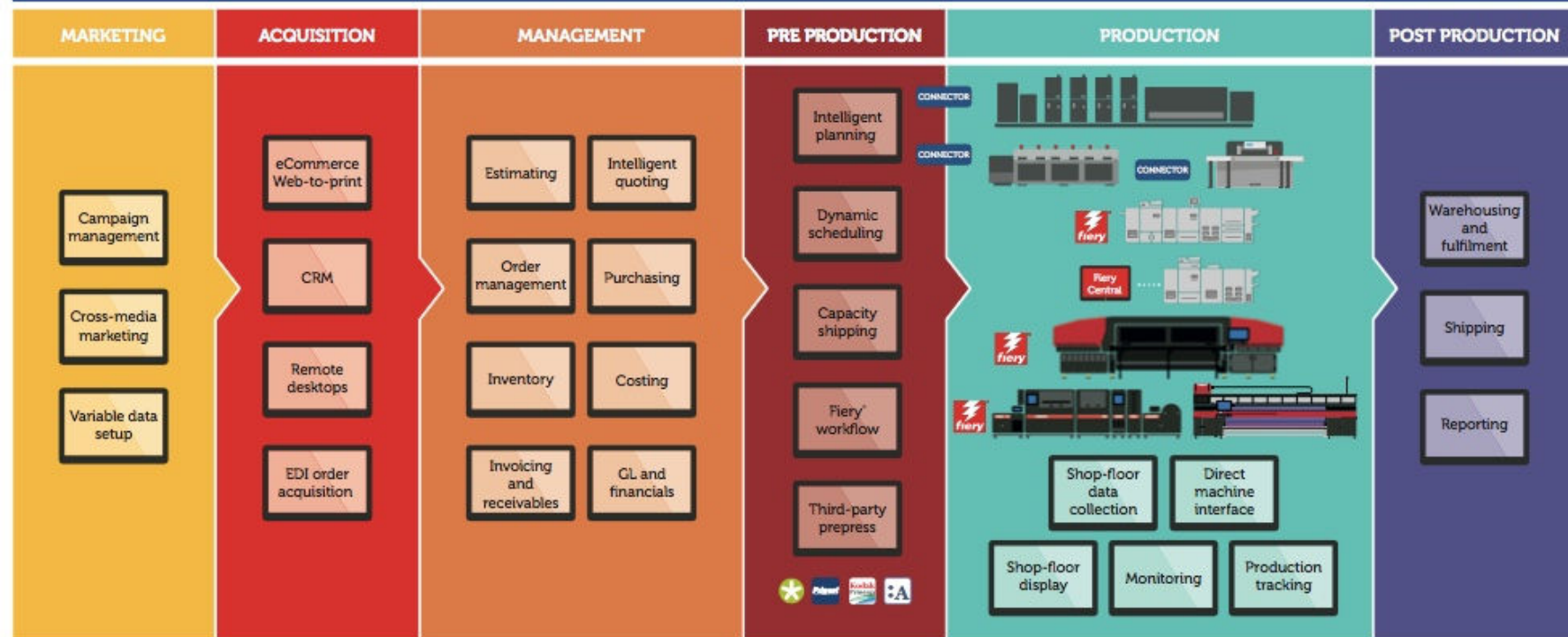
25 - 27 September • Chicago
**LABELEXPO
AMERICAS 2018**
www.labelexpo-americas.com

The Ecosystem



Automated – Scalable – End to End Solutions

EFI™ JOURNEY OF A JOB





Thanks! Questions?

Nick.benkovich@efi.com
Efi.com



25 - 27 September • Chicago

**LABELXPO
AMERICAS 2018**

www.labelexpo-americas.com