

Packaging

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The Magazine for Modern Packaging



Polytype's digitally printed cups at Plastindia 2018

**Plastindia
Review
Part 2**



**Canpac's 4-lane
highway to the future**

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Canpac signs for second KBA 106 UV carton press

Canpac's multipronged expansion – “We are innovating without charging the customer.”

Growth generally means new locations and capacity expansion for a carton manufacturer. In Canpac's current modernization drive, it also means structured investment in new types of packaging and technologies such as gravure and flexo. Naresh Khanna reports.

In its beautiful plant in Bavla, an hour from Ahmedabad city in the direction of Rajkot, Canpac has been able to sustain rapid growth in its brief existence of 7 years as a packaging printer and converter by adding new locations, technologies and packaging verticals. The current wave of modernization and expansion, which started about a year ago with the expansion of its plant in Tirupur in South India with the addition of a 7-color plus coater KBA Rapida 106 UV offset press, is still ongoing and features a much bigger and more diverse project at the mother plant near Ahmedabad.

With the addition of the 7-color plus coater KBA Rapida 106 UV press, the South plant was transformed from a corrugated box supply location to a comprehensive carton supplier. In spite of this freeing up of capacity at the mother plant, its three multi-color Heidelberg presses have reached 90% utilization, which made expansion imperative. And in January of this year, within just seven months of installing the new KBA Rapida, the company signed for another similar highly configured KBA Rapida, this time with even more automation including a QCC inline color matching and defect-detection system. The new press is likely to be shipped and commissioned within the first 120 days of FY 2018-19 and to substantially contribute to the company's annual revenue growth as well as its ambitious but not unrealistic target of reaching Rs. 400 crore in the next three years.

Achievable target for 4 verticals

Canpac's target in terms of turnover represents a slightly more than doubling of its current turnover but what makes it plausible or doable without undue stress, is that it is based on a large expansion program at Ahmedabad, which goes beyond just monocartons and will make the company one of the largest multi-packaging material suppliers in the country from any one site. Flexible packaging and pouches, monocartons, litho-laminated microflute cartons, transport and shipping cartons with flexo print, and paper-based shopping bags will be manufactured and delivered to customers by Canpac's own fleet of 20 trucks.

The company's more than Rs. 150 crore expansion and modernization is already largely executed although several plant areas require rapid completion in order to receive the machines that await installation and are arriving each month. The last phase of the present construction will provide the integrated plant with a working area of 6,00,000 square feet, including designated spaces for future expansion as well as a 7,000 square foot creative module called Bank of Innovation, Research & Development (BIRD), for designing and prototyping packaging ideas, concepts and innovations.



Cartons produced at Canpac's plant in Ahmedabad. Photo PSA



Bobst Rotomec 5002 8-color press fitted with a movable turning bar for duplex printing in any combination of the units. Photo PSA

The overall plan has four main threads, each with their new core and ancillary equipment and production workflow space. New assets in corrugation include a new 5-ply corrugator, a flute laminator, a 6-color flexo-printer-slitter and an automated Sakurai screen-printing machine in addition to the earlier three folder gluers.

The flexible packaging vertical or plant has a Bobst Rotomec 5002 8-color press fitted with a movable turning bar for duplex printing in any combination of the units and an E+L inline inspection system that was installed just three months ago. The accessories already installed for this vertical include a Nordmeccanica solvent-less laminator, Kalpavrux slitter rewriter and inspection machines, and several pouching combination machines.

Canpac's plant within a plant to produce both luxury and plain paper carry bags seems to be one of the most innovative interesting parts of the current modernization project. Machines for the brand new paper carry bag plant include a 7-color reel-fed flexo press and a European manufactured carry bag converting machine. Especially intriguing is Nilesh Todi's idea of producing 5 million paper carry bags a month with paper handles that will compete in price with plastic carry bags apart from having the luxury feel of paper and the cache of being environmentally more benign.

The fourth thread is perhaps the core of the modernization because it takes Canpac's well-established and recognized capacity for monocartons and litho laminated cartons to a new level with the addition of a fourth multi-color offset packaging press, namely the aforementioned KBA Rapida 106 7-color plus coater combination UV press that is highly configured with four interdeck and one end-of-press UV curing systems and automated camera-based registration system.



Flexible packaging, cartons and corrugated transport cartons for a chocolate brand all produced at Canpac's plant in Ahmedabad



Nordmeccanica solvent-less laminator at Canpac in Ahmedabad. Photo PSA

To be installed in July, this press will also be amongst the first in the country to feature the KBA QCC system for full sheet inline inspection of every sheet and a comfort anilox loader system that can store and bring into operation any of the three anilox rolls that is designed for the particular type of coating application as desired. New accessories in the converting section for monocartons include a Bobst Novacut installed in July of 2017, alongside the extensive and already existing battery of die-cutters and folder gluers.

We asked Canpac's managing director Nilesh Todi what made him purchase his first KBA Rapida 106 for the South plant in spite of running three Heidelberg presses (two 6-color coaters and a 7-color coater) in the main plant and perhaps he was being tactful when he said it was the maximum sheet size of the press. He said, "In the 106 size, the Rapida 106 7-color plus coater UV press was extremely competitive."

As far as the repeat order for the second Rapida 7-color plus coater press within six months to be installed in the Ahmedabad plant, Todi is more emphatic. He has found the Rapida 106 at Canpac's South Plant decidedly more efficient by as much as 30% in operation in comparison to his earlier machines. "Even allowing for the fact that it is a new press, the average throughput in terms of the number of printed sheets after make-readies and stoppages is significantly higher." ■



Printed paper carry bags to be produced on new automated line at Canpac, Ahmedabad. Photo PSA

What makes Nilesh Todi tick?

We recently met Canpac's directors, Nilesh and Preeti Todi for the first time along with some of their senior colleagues and were quite openly surprised by the number of modernization projects that are taking place simultaneously even as the new construction is nearing completion. We kept looking for some kind of techno-economic logic in this complex plan. From our conversations and from what Todi himself says, a fairly convincing logic emerges – the plan is to provide brand owners and packaging buyers a one-stop solution for all their packaging needs (except rigid plastic and labels – at least for now).

Many, if not all, of Todi's calculations are made on how to add value to a sheet – he even sees litho-lamination as an opportunity to add operations and hence value and so he has geared up for this segment in a big way. "We want to offer one stop solutions in an organized and structured way that incorporate quality as a given," he says. It is clear that he does not want to be the lowest bidder in reverse auctions that erode margins; he is nevertheless keen to innovate and add value and shelf impact to his clients' packaging.

He is keen to provide every type of packaging to his customers. Primary packaging such as flexible packaging wrappers and pouches, monocartons, and even the secondary litho-laminated cartons for shipping or shelf-ready display that are needed for confectionery, chocolate and snack brands. Hard boxes for textiles and other products. Shipping cartons for all the products for which he provides primary materials and which he expects will eventually require more of the extra branding that multi-color flexo and screen printing can provide and which he is already equipped for – a set or bouquet of packaging variants across technologies and substrates that are produced in the same plant.



Preeti Todi, director and Nilesh Todi, managing director of Canpac with Aditya Surana of KBA distributor, Indo-Polygraph Machinery. Photo PSA

Lastly, Canpac can supply several types of carry bags for brand owners and retailers. Todi wants to leverage each brand owner and customer with strong client servicing by a team member who will look after the brand in each and every type of packaging. If a customer orders several types of packaging, he will deliver it as a consolidated consignment in one of the twenty trucks that Canpac has just purchased (there are more trucks in the plan). He sees economies of scale in his one stop solutions coming in administration, client servicing, marketing and logistics. This is key to adding value to every sheet printed or converted and remaining competitive and creating the confidence amongst stakeholders of reaching the company's growth objectives without inordinate financial stress. He says that he can innovate and add more value while remaining profitably competitive, "We are innovating without charging the customer." ■