



## The Key Benefits of a Modern Label Management System

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### Introduction

In the past, companies depended entirely on label or forms design software to manage their entire labeling process. These 'legacy' approaches often required manual printing and a labor-intensive quality assurance process; leading to a variety of direct and indirect costs and preventing companies from capitalizing on market opportunities.

To avoid such issues, companies are choosing to digitally transform their labeling by implementing a modern label management system. This system replaces manual labor and other time-consuming, error-prone activities with reliable, future-proof technology, resulting in a boost in efficiency and a dramatic reduction in mistakes.

In addition to reducing direct and indirect costs, digitizing your labeling process can also help you unleash the hidden potential in your business by getting products to market faster and increasing sales.

### In this eBook, you will learn how our label management system:

- Reduces your time-to-market and overall IT costs
- Helps you improve your quality assurance process
- Improves overall operational efficiency
- Increases scalability and consistency across
  locations and throughout the supply chain
- And much more...

### Visible and Hidden Costs

Costs associated with a legacy system aren't always obvious

#### **Direct Costs**

The visible costs of the labeling process are those that are obvious and predictable, such as printers, software and consumables. However, direct costs also include the cost of the labor involved in producing labels. Legacy approaches place label design and maintenance in the IT department, which involves using costly resources to process label change requests and update label templates. And the total



cost of labeling is actually much higher. In addition to these direct costs, there are a number of hidden costs lying beneath the surface that can impact your company's bottom line.

#### **Indirect Costs**

The indirect costs of legacy approaches to labeling involve the costs related to quality assurance activities. Whether it's errors resulting in product quarantine, rework, scrappage, recalls and fines, or the costs related to manual quality control processes, indirect costs take a toll on your business. In fact, they're often substantially bigger than the direct costs. Digitally transforming your labeling eliminates manual data entry, drastically reducing the likelihood of errors, and digitizes the entire quality assurance process. This can save companies thousands or even millions of dollars per year.

#### **Opportunity Costs**

Legacy systems do not allow companies to respond rapidly to new market requirements or new business opportunities. Instilling agility and accuracy into all stages of the labeling process results in faster time-to-market and increased sales. By capitalizing on previously missed opportunities, you can make the biggest impact on your company's bottom line.



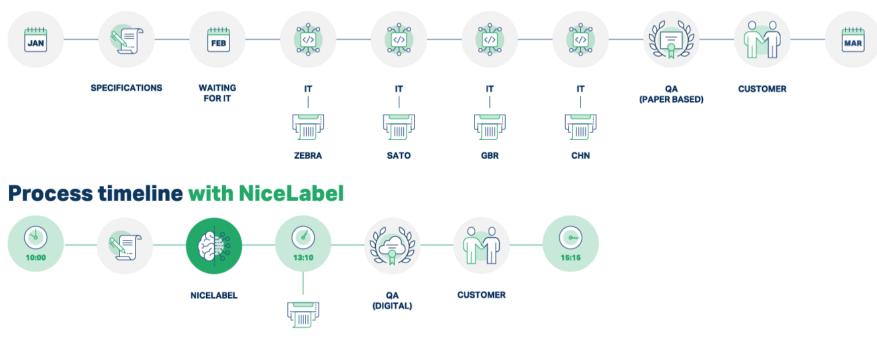
### of NiceLabel customers experienced savings after implementing our label management system



## Reduce IT costs

Reduce your IT costs and increase your agility by empowering business users to design labels

One of the major problems with using hard-coded label templates or forms design software is that these legacy approaches require a significant investment in IT resources. This over-dependence on the IT department makes implementing label change requests a time-consuming process and can cause major delays in each stage of your operation.



#### **Process timeline without NiceLabel**

### Pre-digital transformation, companies typically used one or more of the following methods for designing labels:

- Software designed for creating forms or reports that also features basic barcode objects. This approach requires IT assistance, and doesn't support the native features of label printers, resulting in limited operation and poor printing performance.
- Hard-coding label templates scripted in the label printer's command language. While this method often delivers a faster printing speed, it requires programming label templates in a specified printer language; meaning that if a company has different brands or models of printers, the same templates have to be programmed multiple times in order to work with all of them.

 Standalone label design software. Though the easiest to design with, it often still requires IT involvement in order to complete even simple tasks. Lack of integration with other business systems can mean that the entire process, including printing, often occurs totally independent of other essential business functions.

Due to decentralized systems and business changes such as mergers and acquisitions, many companies ended up with a fragmented mix of the above approaches.

#### Consequences

- Heavy dependence on IT for label design, resulting in consistently high costs and long delays for label change requests.
- Hundreds or thousands of label design variations; often with very small differences between them, making template management and organization unnecessarily complex and increasing the risk of errors.

- Lack of standardization means no support from the IT department, resulting in high ongoing maintenance and support costs.
- Manual data entry and mislabeling errors, as a result of printing directly from the label designer, leading to product quarantine, reworking, shipping delays or recalls, to name a few.
- Inability to respond with the agility required to be successful in a digital era.

### Empower Users to Design Without IT

Our label management system, with its fully integrated label designer, enables you to move label design out of the IT department. It includes:



An intuitive, "familiar" interface designed for 'business users'

Data processing functions for serialization, expiry date and check digit algorithms, text concatenation



Database connection wizard to help seamlessly import label data Universal printer compatibility to minimize label template variations and ensure consistency



## Improve quality assurance

Improve the quality assurance process while decreasing cost with a document management system What are some of the biggest problems faced by businesses in designing & managing their labels with a decentralized, desktop-based legacy system?

- Requires IT resources to design label templates
- Many inconsistent or label variations in multiple locations
- No built-in secure role based access control (RBAC)
- No central data repository; all labels and data must be shared manually
- Inefficient and time-consuming review and approval process

#### **Resulting in:**

- Overdependence on IT resources, resulting in delays and higher costs
- Unauthorized label changes
- Extra labor costs for the quality assurance process or for meeting regulatory requirements
- No centralized control or visibility into users, documents, devices, history and events

# Standardize & Centralize to Eliminate Risks

By implementing our label management system, you can digitize the quality assurance process and achieve the following:



Centralized and secure database storage with role based access to indexed label information, allowing for full search of all objects and data.



Modern browser-based user interface that does not require you to install desktop applications on every workstation.



Automatic document version control that includes built-in approval workflows and email alerts for the label review process.

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With NiceLabel, we made a significant improvement in the quality and management of our processes. We continue to reduce the number of label templates as we roll out changes to our other factories.

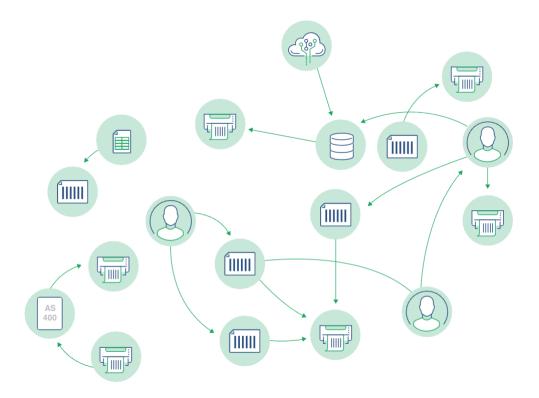
Anton Skof IT Department Manager Krka

## End-to-end operational efficiency

Eliminate manual data entry to reduce errors with an integration system The key to data accuracy and process efficiency lies in the level of integration with the master label data. Pre-transformation, companies often had varying levels of integration with databases or business systems.

#### **No Integration**

This is the costliest approach as it requires that users create label variations for each SKU, often by manually entering data, or worse still, by modifying label designs directly. Aside from being intrinsically inefficient, this process is highly prone to error.



A disconnected environment like the one above demonstrates the inefficiencies that occur when data isn't centrally accessible.

#### **Excel or Access Connectivity**

Connecting labels to a simple database is a substantial improvement. However, by printing from a designer application, the process is still relatively high risk because it requires increased operator training and additional quality control steps. Higher skilled personnel are also necessary to manage this type of printing instead of the software empowering the operators on the shop floor.

#### Embedded Template Printing within an MES, ERP, etc.

This method delivers a semi-centralized and standardized type of approach with an increased degree of efficiency and accuracy. However, owing to the complexity of such a process, a substantial and ongoing involvement of IT personnel is required in order to create and manage all label formats. The IT team is required to create hardcoded label templates scripted in the label printer's command language for every model of printer.

#### Consequences

- Users create multiple label variations that are almost impossible to manage and change.
- Mislabeling of products, resulting in product quarantine, rework, scrappage or recall.
- Extra labor costs for quality control staff to intercept errors.
- Extra labor and quality control costs for manual printing as a separate process, versus enabling print operators to print labels on-demand at the location where the label is needed.
- Hidden inefficiencies in the label process that cost time and money.
- Lack of a single source of truth for labeling information.

All legacy approaches to integration incur significant hidden costs, whether they are direct (labor), indirect (quality) or in the form of missed opportunities, such as in your overall time to market.

### Integrate to Improve Accuracy & Efficiency

The main goal of any integration is to ensure accuracy and efficiency by interfacing with the master data. Our label management system enables you to achieve the highest level of integration quickly at much lower cost than with legacy approaches.

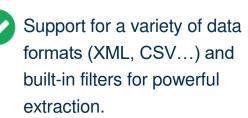
#### NiceLabel's integration system includes:



Pre-built integrations to leading business applications for rapid deployment.



Ability to return label preview image to host application.



Next generation 64-bit print server that meets performance and scaling needs by consuming minimal system resources. Intuitive business rules builder, replacing the need for coding business logic.

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NiceLabel helped us achieve new levels of operational efficiency while improving label accuracy.

Quality Assurance Manager, LiNA Medical

### Increase consistency and scalability

Deploy standardized labeling with a web printing system

Pre-transformation, companies printed labels in a desktop environment from locally installed software. In order to extend label printing capabilities to other areas of the company, IT had to touch every workstation to install and activate the labeling software. Templates had to be installed locally or shared on a network drive. The more users and locations, the bigger the challenge became.

#### Unlocked templates a risk

One of the major risks associated with this legacy approach to label printing is that all print operators had access to the original label templates. Anyone could inadvertently make changes to the template, resulting in errors and mislabeling.

#### **Consequences**

- IT-heavy deployment process, driving up costs in time and resources
- Expensive change management process
- Lack of security and access control
- Risk of unauthorized changes to label templates
- Resource-heavy, time-intensive process to train new operators

#### The bottomline

- The cost of deploying label printing pre-transformation was high and lacked the agility necessary for companies to adapt to changing market conditions.
- The result was a slow time-to-market and missed market opportunities.

### Instant Deployment for Faster Time-to-Market

Post-digital transformation, companies can instantly deploy a standardized label printing process across departments, factories and locations. Operators print from a dedicated, streamlined application that requires little training. The new process reduces IT costs because there is no need to deploy printing applications for each workstation at every printing site. Should the company need to extend label printing to external suppliers, they can deploy a standardized printing process and ensure consistent labels regardless of printer. The result is a faster time-to-market because goods can be received more quickly.

# Our label management system makes this possible through:



### A simple printerinterface allowing for:

- Streamlined and controlled data entry to reduce error
- Support for touch screens and icons for minimal training
- Easy adjustment of printer settings
- Live label and print job preview



#### Web-based access to enable:

- Instant deployment, reducing IT costs
- Extending standardized labeling to suppliers and contract manufacturers
- Label and application updates to be rolled out across all locations instantly
- Built-in role based access



### A built-in application builder, where you can:

- Build streamlined interfaces for print operators, complete with specific instructions for label creation and printing
- Specify which areas of labels can be edited
- Tailor label printing to internal processes while maintaining label consistency

### Conclusion

Transform your labeling to turn hidden costs into visible savings

The costs of legacy approaches to labeling are greater than most companies think. Manual and labor-heavy processes are costly in terms of time and resources. They are prone to error, which can lead to product reworking, quarantine and recalls. And they are costly in terms of missed opportunities when companies cannot react quickly enough to changing market conditions and trends.

To compete in today's challenging marketplace, companies must transform their labeling.

By digitizing labeling, companies can eliminate human error, increase productivity and improve quality control.

Transforming labeling creates a leaner, more efficient operation, capable of responding rapidly to changing market conditions. This new-found agility enables companies to get products to market faster, meaning increased sales. Isn't it time you found out how your business could benefit by transforming your labeling?

### Learn More

If you're ready to transform your labeling, <u>contact us</u> for a free labeling consultation.



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Learn more about NiceLabel's label management system today!