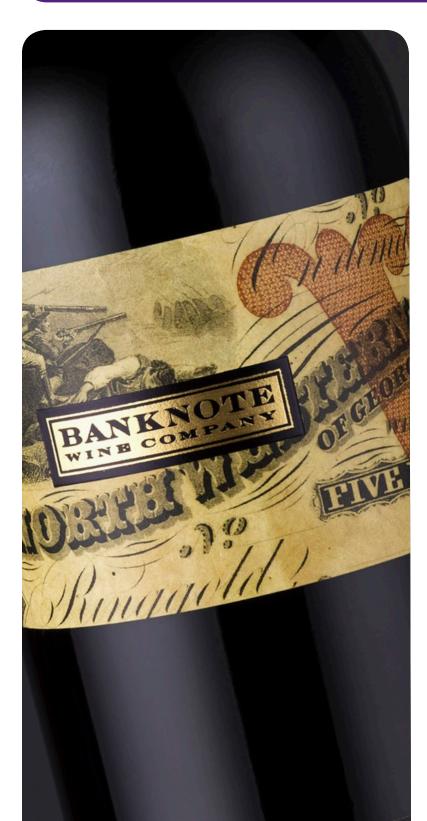
Digital Labels Help Banknote Wine Company Cash In on Shelf Appeal



Brand strategy sees visual impact payoff at the shelf

Banknote Wine Company of Napa Valley, Calif., combines the intricate details of early, visually poetic banknotes with the complex profile of a good wine. A limitedproduction, hand-crafted wine producer, Banknote Wine produces a blend of Zinfandel, Syrah and Cabernet Sauvignon. Distinctive tasting notes include dark berries, vanilla, oak spice, mocha, espresso, tobacco and more.

Although the number of U.S. wine brands is commonly estimated at around 7,000, the wine industry statistical research firm, Gomberg, Fredrikson & Associates, notes that it tracks more than 15,000 wine SKUs in accruing data.

In a marketplace of such fierce competition, Pete Nixon, Banknote Wine proprietor, knew the importance of having a first-rate label when launching his brand, The Vault, a Napa Valley red blend, in 2007.

By means of small-lot bottling, the majority of The Vault wine is shipped and sold to wine shops in New York, New Jersey and Florida, with a small percentage available in approximately 50 restaurants in eight states. The vintage is also available for purchase online.

"I needed an unusual, prominent package design that would complement the distinctive Napa Valley red blend," said Nixon. "It was vital that the labels not only be different from what the competition was doing, but the labels also had to express the quality of the wine itself. I believe anything that sets you apart from the crowd, if done correctly, is an advantage in any retail environment."



Positioned as a premium brand, Nixon wanted a multi-faceted, eye-catching

label that would essentially ensure new consumers would be drawn first to his wine at retail.

A graphic designer by trade, and with 15 years of wine industry experience, Nixon created a line of 12 graphically complex banknote-themed labels for his wine. However, he was unable to settle on just one banknote design, so he elected to go with all 12. As a result, each bottle in a case of The Vault features a different label.

Nixon designed a two-piece prime label. The main banknote on top prominently carries the Banknote Wine Company name, while a strip label at the bottom identifies the brand and bottle serial number. Each banknote design is a reproduction of an actual banknote, and showcases the intricate detail and craftsmanship of the engravings.

Digital Printing Avoids "Breaking the Bank"

Due to the short-run and multiple-piece label concept, and to ensure the fine details of the banknote designs were reproduced to the highest quality, Nixon chose digital offset for printing the labels. He also felt pressure-sensitive labeling material optimized for digital was best for accomplishing his vision.

The Banknote Wine labels are run on an HP Indigo ws4050 press with a line screen of 230 lpi, and printed CMYK with a double hit of black in the solid areas. The labels are embossed and foil stamped with two foils – black and gold. Embossing and foil stamping are run on an Iwasaki off-line finishing press. The Banknote

Wine labels were printed by

Tapp Technologies, Inc., of Napa Valley, Calif., a pressure-sensitive label printer with 18 years of experience in the wine industry. Nixon, a previous Tapp Technologies employee, knew firsthand the level of quality the converter was capable of providing, and knew his label concept would be brought to life and executed to its fullest potential.

BANKOH

Digital printing proved to be the most cost-effective way to produce the Banknote Wine labels. It also helped maximize overall production. If the labels were produced via conventional offset printing, the costs would be elevated due to the high number of printing plates and related film work required, as well as the setup time on press. Additionally, when bottling the wine, it would need to be hand-sorted and boxed, which would have created extra labor costs.

"When Pete approached us with his label vision and goal of producing the finest digital labels to support his brand strategy, we suggested he use Avery Dennison Fasson-brand digital pressure-sensitive label papers," said Travis Pollard, digital business manager for Tapp Technologies.

Widely used in the wine industry, Fasson[®] Estate Label[®] #8, a bright white, uncoated vellum material optimized for digital performance, was recommended for The Vault labels. The vellum facestock combines a rough, porous surface, with a rich textile feel. In addition, a permanent emulsion acrylic adhesive, S100R, made by Fasson, was specified.







The label material was paired with Fasson's poly-coated natural kraft liner. The liner has excellent durability when embossing and foil stamping, and is rated for dispensing speeds of up to 200 bottles per minute.

"By matching the right substrate material to the printing technology, we were able to maximize the inherent strengths of both the material and the printing method," Pollard said. "It offers the best opportunity for bringing a label design to fruition."

"Digitally optimized products, such as Fasson[®] Estate Label[®] #8, also help improve label converters' workflow and bottom line," said David Collins, Market Manager, Global Digital Products – North America Wine & Spirits for Avery Dennison. "Not only do pre-optimized products open up additional press capacity, but they can eliminate the additional time and costs associated with in-house coating."

"Purchasing pre-optimized material saves product time, in that we don't have to topcoat the material before we print," Pollard said. "The coating process is typically done on a finishing press, which is used to die-cut and print labels. However, by buying preoptimized material, we can continue to use our finishing press to convert labels and free up production capacity. There are no uncertainties about the possibility of having to rework a job.

"Digital offset printing is the only way to print multiple labels because of the ability to sequentially image on the same roll," Nixon said. "In addition, each bottle of Banknote Wine is individually numbered. The entire process allows a case of wine to be automatically packed on-line with 12 different label images."

"Avery Dennison worked closely with us on the Banknote Wine project to ensure their Fasson label product performed as it was designed to," Pollard said. "Technical support was always a phone call away if we needed it, which reassured us that we were providing Banknote Wine with the best customer care and end product."

"The HP Indigo ws4050 press eliminates having a timeconsuming pre-press process," Pollard said. "No films, plates or chemistry are needed. That allows great flexibility in managing our production schedule, and the ever changing needs of the wine industry." "In the case of Banknote Wine, with a limited production run of approximately 18,000 bottles of wine annually, equaling 1,500 cases, digital printing was ideal," Pollard said. "It allows for shorter runs with less overall material costs. And to set up a run of labels, on average, consumes less than 100 feet of stock, whereas traditional methods may run through as much as 1,000 feet of stock."

A Smooth Finish

While the printing process was relatively seamless, the Banknote Wine labels have some design elements that required special finishing techniques. To apply the black foil on top of the gold foil required printing finesse – trapping one foil with the other to compensate for any registration problems. In addition, it was crucial that Tapp Technologies keep the colors of each of the 12 labels consistent with the previous vintage.

"The digital printing process does an admirable job of capturing consistent label quality and color by producing smooth and consistent screen gradations," Pollard said.

Since launching The Vault in 2007, Nixon has sold out each year before the release of the next vintage.

- "Creating 12 different labels for just one wine, each with its own design, helps distinguish the Banknote brand on the shelf. The multiple label concept has never been done before to this extent that I'm aware of," Nixon said. The intricate details and engravings on the different labels make the brand memorable and more likely to grab consumers' attention. Also, by numbering each bottle, consumers are informed of the overall case production of the bottling run.
- "So far, I have only received positive feedback. I have the greatest customers who email just to let me know how much they love the wine and the labels."

While Nixon sees the contents and the label together, Pollard's vision is keenly fixed on the package.

- "The label is ultimately what will sell the wine," Pollard said.
- "Having a wine label that's unique and printed with fine quality differentiates the brand in the marketplace. And that ultimately drives the growth of the brand."

About Avery Dennison

Avery Dennison is a recognized industry leader that develops innovative identification and decorative solutions for businesses and consumers worldwide. The Company's products include pressure-sensitive labeling materials; graphics imaging media; retail apparel ticketing and branding systems; RFID inlays and tags; office products; specialty tapes; and a variety of specialized labels for automotive, industrial and durable goods applications. A FORTUNE 500 Company with sales of \$6 billion in 2009, Avery Dennison is based in Pasadena, California and has employees in over 60 countries. For more information, visit www.averydennison.com.

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