

# Success Story

Innovation and Product Development

Great Lakes Label

## Adding Value Through Innovation

Great Lakes Label LLC was established by John A. Cook “Tony” in 2002. Tony’s business vision is to provide extraordinary value to customers by offering complete turnkey solutions for label and label application requirements. Great Lakes Label currently focuses on four defined business sectors; distribution, bottling, industrial, and horticulture.

**Great Lakes Label**  
Complete Labeling Solutions

### The Problem

With the label industry maturing, Great Lakes Label faced increasing price pressures, and began efforts to differentiate its business from its competitors to compete on value not price. Tony also began thinking how he could use the processes from applying labels on auto parts into other industries. He began looking at different industries to diversify his business where there were similar challenges for product identification and efficiencies.

The idea to completely change the market for horticulture labelling intrigued Tony, but was there a large enough market for the equipment to gain the return on the investment required to make the prototypes and grow his company for the upcoming decade? Were there significant customer needs driving change in the market to spur continued growth? Could his new system provide enough cost savings for customers to change their current operations?

What Tony found was the horticulture market was facing growing pressures from the Big Box retailers for bar coding and more precise label placement on plant containers to accommodate new point of purchase selling that was now revolutionizing garden centers. Requirements were changing from just one UPC for 30 different products, to an individual UPC for each container size, type and color, in many cases changing the needs from 200 bar codes in the past to over 4,000 with the new requirements. The new point of purchase systems were providing the garden centers with more accurate and real-time information on the plants customers were demanding. These systems were changing the industry to a Just-In Time ordering system as retailers began adjusting shipment orders to reflect their customer needs.

Meeting these new demands meant growers were purchasing more pre-labeled containers with a wider range of specific customer bar codes during the plant propagate process. But often, pots had to be relabeled to meet customer order changes. The new label coding requirements were adding to the complexity of labeling plants, causing bottlenecks in the labeling process; increasing labor for re-labeling; and increasing inventory costs to stock a larger range of pre-labeled containers. These challenges were pushing the need for an on-demand print and apply labeling process to speed shipping efficiencies, instead of the labor intensive hand-labeling process.

### The Solution

Label gator was the perfect answer to address these challenges. Now growers can precisely label pots with individual, customer specific labels as needed and react quickly to order changes. Productivity and delivery speed significantly increased and labor cost decreased by automating the labeling process, and the cost of container inventories significantly reduced by purchasing blank pots instead of having them pre-labeled.

The Label Gator product is revolutionizing how greenhouse growers process their product from propagation to shipping with labeling efficiencies. To keep its leadership position, several new products and services are also planned over the next few years to meet additional needs for the horticulture market. Currently, Great Lakes Label is experiencing 300% growth in its Label Gator business.

Great Lakes Label chose MMTC because of its past history in successfully commercializing products, and strengths in developing marketing strategies for product launch. Understanding the market and creating customer solutions were key factors to ensure a fast ROI for Great Lakes Label's new Label Gator product line. Using a customized program and on-site facilitation, executives at Great Lakes Label were able to create a strategic plan for the company and a specific Label Gator business plan for future growth of the company.

Through the MMTC Business Growth & Development program, company also identified specific customer needs; conducted a competitive analysis; assessed intellectual property challenges; determined market sizes; developed strategies to manage the product's life cycle with a product roadmap; created pricing strategies; developed a new communications plan; and identified new sales processes. The program helped the company to zero in on a core plan that differentiated Great Lakes Label from the rest of the industry and launched a breakthrough innovation into a new market.

MMTC assisted Great Lakes Label to have confidence in moving ahead with a large effort that both introduced a new product for the company and gained entry into a new market. Through the program, the company learned new skills and strategies that can now be used for future new product and service developments. As a result of the Business Growth & Innovation program, Great Lakes label is now able to identify new market needs and develop solutions to ensure strong, steady growth for the company's future.

### **Results**

As a result of the new opportunities and continued growth of Great Lakes Label and Label Gator, the company has already added 5 new employees and has increased payroll 15%. Great Lakes Label has also invested over \$750,000 in capital improvements to support the company's growth.

With the introduction of the Label Gator, Great Lake Label has increased its customer base by 15% and projects future growth of 18%/year. In addition to the increase in customer growth, the company has also seen an 8% increase in overall gross margin, creating a stronger, healthier Great Lakes Label company.

