



Companies to Watch

Western Shield Label

Western Shield Label, located in Rancho Dominguez, CA, USA, is a company well worth watching. Since a change in ownership in 2001, the company's annual sales figures have jumped from \$3.25 million to \$6.5 million. These figures point to a label company that is clearly making good business decisions.

The origins of Western Shield date to 1970, when a disgruntled label broker decided to buy a press and go into business for himself. During its earlier years, food labels were the primary market for Western Shield's business, along with some labels for various commodities and textiles. In 2001, the investment group Alpine Holdings purchased the company. It was also around this time that Frank Connelly was appointed Western Shield's president, and the company entered a period of terrific growth, which endures today.

Western Shield, in its 17,000 square foot plant, employs 27 people and works two shifts. While maintaining a strong foothold in the food market, the company has found recent success in the health and beauty, beverage and nutraceuticals sectors. "We've branched out by getting into some higher value adds," Connelly says. "We're running a lot more film," Connelly says. We've branched out by getting into some higher value added products, like expanded content labels and some unique coupon constructions."

The company has two Mark Andy presses – an eight color 2200 and a 10 color LP3000 with a screen unit. Two rotary presses, a six and a seven color, round out the arsenal. Post press, the company has five rewinders – three Arpecos and two Mark Andy VSRs. Connelly points to the acquisition of a DuPont Cyrel FAST plate making system two years ago as a beneficial investment. "This system gives us exceptional plate quality with great speed and reliability. In addition, it has allowed us to eliminate approximately \$60,000 in chemistry from our process on an annual basis," he says.

While the company has found success in certain niche markets, Western Shield isn't content to rest on its laurels. "We want to diversify into some other markets. We'd like to do more with beverage and security items in particular," Connelly says. "We're also getting into some interesting small format packaging applications. One timely product we're handling is a single-use pouch for a fuel additive which improves fuel economy."

Speaking of the economy, Connelly discusses the topic and its effect on Western Shield's business. "Maybe we've



Western Shield Label Company

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Founded:	1970
Annual Sales:	\$6.5 million
Employees:	27
Management:	Frank Connelly, president Tom Moyer, VP sales & marketing
Presses:	2 Mark Andy, 2 Roto Press

seen a slowdown in higher end health and beauty products. But food is a really nice market. It doesn't slow down. People need to eat. It's a safe place to be, as long as we take care of our customers."

Western Shield has had success in keeping accounts as well targeting new ones. Connelly says new business has been added by working with brokers and other printers, but credits the marketing arm of the company for a great increase in leads due to search engine optimization.

So Western Shield continues to grow. Connelly says the company plans on adding to its sales force, a sure sign of a healthy business.

Connelly's outlook for the future of the labeling industry includes a good dose of healthy optimism: "I see it as a real healthy industry. Some of the themes I think are going to be digital printing's feasibility, consolidation, and perhaps more corporate ownership."

It's no surprise that Western Shield has been approached, and its interest gauged in being acquired. But Connelly says Western Shield's thinking is the other way, looking to be the buyer. "We are actively looking for the right acquisition opportunity, and our ambition is to acquire something in the next six to 12 months," Connelly says.

— Steve Katz