

Setting a Blistering Pace

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Rohrer's latest pressroom equipment acquisition was installed at its Buford, GA, plant: a new eight-over-two color, 41" Komori LSX8402RP sheetfed offset perfecter equipped with fully automatic plate changers, an in-line coater and extended delivery.

THERE HAS always been a bit of a sibling rivalry syndrome when it comes to commercial printing and package printing. The former eyes the latter with jealous envy, as a possible ancillary target in order to scare up growth possibilities. The package printing people scoff in response, frustrated and feeling a bit disrespected at how lightly the manufacturing aspect of their trade is regarded.

The world of package printing, much like its commercial counterpart, is largely fragmented. Consolidation is a fact of life for both genres, and each has its cluster of roll-up kingpins that have enjoyed varying degrees of success. Newcomers to the M&A arena, how-

ever, are difficult to find on either side of the printing aisle.

For a company that's phonetically pronounced "roar," the good folks at Wadsworth, OH-based Rohrer Corp. have spent much of their 38-year existence excelling, yet purposely not making a whole lot of noise in the process.

That is all about to change.

The kings of thermoform plastic and face-seal/heat-seal blister cards have thrown their hats into the M&A ring with great zest. Even after 38 consecutive years without suffering a year-over-year sales loss, Rohrer Corp. is seeking growth through acquisition, not just of the organic variety. Following the switch of majority ownership from John and David Rohrer to a private equity group in late 2009, the company began to

embark on negotiations with various package printing companies.

No Sinking Ships Wanted

However, don't misunderstand the intentions of Rohrer Corp. According to Scot Adkins, company president and CEO, the optimal candidates need to bring strength to the table.

"We're currently involved in conversations with a couple of compa-

nies," he reveals. "We're looking for viable acquisition opportunities, not turnaround-type businesses that are failing. The best candidates are well-run companies with products and customers that either complement what we do or that can add to—from a process standpoint—a type of packaging/end market in which we aren't currently involved. We're sort of in mid-process of looking for companies that are interested in becoming a part of Rohrer."

What Rohrer has been able to accomplish leads one to believe that its plans for future growth—Ad-

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president and CEO

kins would love to see sales reach \$150 million within the next five years—are in earnest. The 2010 campaign was extremely successful for blister packaging, and the success played a large role in helping Rohrer attain \$73 million in sales.

Now the company, which has manufacturing facilities in Buford, GA, and Huntley, IL, (along with a second plant in Wadsworth, OH, for manufacturing ink) is seeking to expand its holdings with an acquisition or two, which would certainly bolster its employee roster of nearly 400 workers.

The production sweet spot for Rohrer is the production of face-seal blister cards. Skin packaging, clamshell insert sleeves and folding cartons, to a lesser extent, are also manufactured, though



A printed sheet coming off the Komori LSX8402RP press is inspected for color by a worker.

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Rohrer Corp.*(Continued from page 20)*

Adkins doesn't consider Rohrer a folding carton company.

A vast majority of what Rohrer produces is high-visibility, retail consumer packaging, with the exception of food and pharmaceuticals. From tooth brushes to eye liner and spark plugs, many of the biggest consumer product manufacturers on the Fortune 1000

enclose their goods for big-box retailers like Walmart, Target and Best Buy in packaging manufactured by Rohrer.

"We're in a niche field in packaging," states Rob van Gilse, vice president of sales and marketing. "Typically, our customer base is trying to visually display some portion of the product to the consumer. They need the consumer to recognize it, see it and buy it without anyone's help."

Time to Restock

What were the driving forces behind the 8 percent revenue increase for Rohrer in 2010? Adkins notes that 2009 was a "soft" year across most segments, including blister packaging, causing many customers to curtail their inventories and ordering. When more prosperous times were felt last year, clients needed to replenish their inventories and restock shelves.

"Throughout the recession, Rohrer has continued to develop new packaging and sign up new customers," Adkins says. "Our multi-plant platform, along with capacity and technology, also allowed us to navigate what became a very difficult year in terms of supply. Because so many clients wanted products so quickly, the board market tightened up, making it difficult to receive materials on a timely basis.

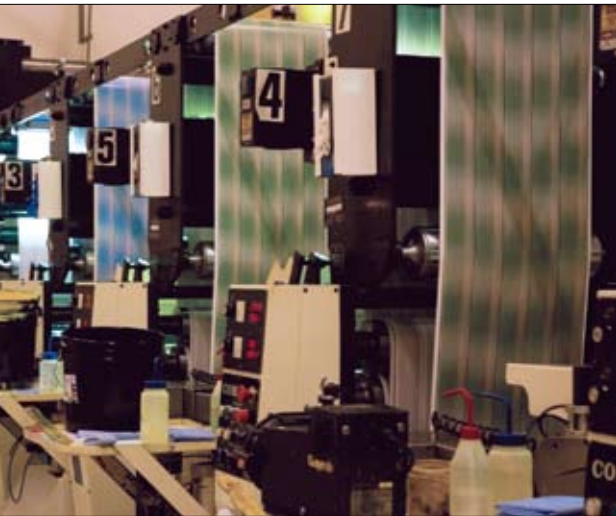
"The strength of Rohrer, from our three plants, excellent credit and buying ability, really helped us grow and take advantage of the opportunities that existed in 2010."

Helping to make the most of the opportunities, particularly going forward, is a new eight-over-two color, 41" Komori LSX8402RP sheetfed offset press equipped with fully automatic plate changers, an in-line coater and extended delivery. The press, which arrived last September at the Georgia facility and was printing by early November, joins a fleet of Komoris that include three six-over-one color sheetfed presses and an eight-over-one model.

The LSX8402RP is known as a "non-perfecting perfecter." It prints on both sides of the sheet without flipping the stock. The ink on



Shown is an overview shot of the pressroom at Rohrer's Wadsworth, OH, facility.



Pictured above, from the top: A 10-color Comco flexographic press; thermoformed blisters on a Sencorp thermoformer that will then be heat-sealed onto Rohrer's printed blister cards; and a closeup shot of a Signature folder/gluer in action.

the bottom of the substrate is UV cured before the top units print. In not flipping the sheet, Rohrer can avoid marking the stock. In fact, it's able to print both sides of heavy board, thus eliminating the need for a gripper margin on the tail, providing stock savings.

Adkins, an RIT graduate with a commercial printing background, is a huge fan of the non-flipping capability. "As a press ages, the perfectors tend to suffer the most," he explains. "The non-flip aspect of the LSX makes for cleaner sheet travel and less maintenance, which relates to better productivity and reliability over time. For us, it's a pretty important feature."

On the finishing side, the company recently placed an order for a new Bobst 106 diecutting and

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—ROB VAN GILSE
vice president,
sales and marketing

blanking unit, which will increase Rohrer's fleet to seven Bobst diecutters. Adkins notes that the newer versions are "twice as fast, with many automated features for quicker makereadies, reducing the amount of setup and teardown times."

One of the interesting aspects of Rohrer's client base is that it runs the gamut from mega manufacturers (Proctor & Gamble, 3M, etc.) down to the smallest of concerns. van Gilse notes that his company's primary objectives for either end of the spectrum—landing on the shelves of retail environments—are the same, with scale being the most significant difference. Rohrer

bends over backwards for the large and small.

"We offer combination programs where we'll run customer share space on a die or shared space on a sheet as it goes through press," he remarks. "Retailers have reduced the amount of turnaround time they give to their vendors. Whether you're a 3M or a bait fish company supplying lures, they all have little time to deliver new projects or repeat orders for retail."

Value-Added Offerings

Rohrer is constantly looking for an edge, according to van Gilse. It signed a license agreement to run MeadWestvaco's Natralock paperboard, a tear-resistant alternative to clamshell packaging that helps reduce in-store theft. Rohrer has also focused on several finishing processes—from metallized inks to foils and pearled coatings—that capture the consumer's eye during what Proctor & Gamble calls "the moment of truth," that three-second window of opportunity in a purchasing decision.

As to the company's future, Adkins anticipates expanding some or all of Rohrer's three facilities over the course of this year to accommodate an increased need for production space. In the end, it's all about improving the customer experience. "That includes understanding our internal systems, to applying lean manufacturing principles, to simplifying and taking wasted time out of transactions," Adkins says.

"It's really about understanding and taking care of the needs of your customers," he concludes. "That's why we're strong in a weak economy; that's why Rohrer has grown to twice the size of our nearest competitor in terms of our printing business. We work very hard to react to issues when they come up, and we build strong customer relationships through the ways we deal with some of those problems or issues.

"To be successful, you must be able to offer quality, price and everything else that goes with it." **PI**