



Editorial



Dear Market Partner

How does a Swiss company like Schmid Rhyner, which exports over 90% of its products, manage not just to retain its customers but even to increase its share of the market and still remain profitable in these times of turbulence on the currency markets?

First of all we reduce our currency risks with "natural hedging". We endeavour to match our income with our expenses in each currency.

And secondly, we have really boosted our efforts in product innovation in order to support our customers in bringing new trends on the market and thus acquire additional business. For example, we will shortly be introducing a new generation of WESSCO® coatings that are aimed at the food industry.

"Last but not least", even the standards that we set ourselves for quality are very high. By quality we understand consistent product quality with the tightest tolerances: every production batch is inspected in the laboratory before it is approved for despatch. The quality of service is just as important: Schmid Rhyner employs a team of very experienced application engineers, who are there to help our customers all over the world, not only with regard to using our coatings. Our team is highly regarded in the industry as being extremely professional and they will also provide our customers with assistance if they experience difficulties between the printing and coating process and further processing. This service is still at no charge for our customers!

Sincerely

Jakob Rohner

p.s.: For an electronic version of this newsletter, please visit:

www.schmid-rhyner.ch/Publications

US website: www.schmid-rhyner.com/News

Schmid Rhyner goes digital

Digital printing is the generic term for a wealth of digital processes which have different underlying physical principles. Today, digital printing is an important trend in the printing industry, particularly when it comes to the production of small quantities, customised printing and direct mailings. This segment, which is also expanding in terms of formats and speed, will be a useful and necessary addition to offset or a rival for it.

The finishing of digital print products represents a very special challenge from the point of view of technology. With most xerographic processes, silicone oils or waxes are employed as fixatives or as anti-adhesion coating in order to make sure that the toner adheres properly to the substrate and not to the rollers. When coatings are used that have not been designed for digital printing, these fixatives can cause faults like wetting problems, insufficient adhesion and scratch-resistance or a drop in gloss.

Schmid Rhyner is fully prepared for this technology and for the market.

Our development department has taken up this challenge and produced a WESSCO® digital range that is impressive with its ease of processing, good gradation for the most even surfaces and good adhesion. As a result, we are one of the few coatings manufacturers to offer a solution.

Our WESSCO® range for finishing digital print products comprises extra-matt, semi-matt and high-gloss coatings. This means we satisfy a substantial proportion of market needs, for all current digital printing methods. You will receive 2 print samples with this COATING Ticker.

See our digital expertise for yourself!

Our applications engineering experts are at your disposal should you have any further questions.

About the history of digital printing

The foundations for today's digital printing were laid as early as the mid 1930s. Commercial application of this idea into a copying system did not take place however until the early 1950s. As a result of steady and continuous expansion of the systems over the following decades, the first colour copier was introduced on the market in 1990. The development of a totally new generation of machines in the mid 90s was crucial. It now became possible to print out digital data on a colour printer without an intermediate step.

In the course of digitalisation, a new form of printing therefore emerged in addition to conventional methods like letterpress, gravure, lithographic and screen printing: this was digital printing.



1st sample: Full-surface coated, high-gloss



2nd sample: Full-surface coated, semi-matt



Focus on technology and development

As part of growth and improvements to the company structure, Schmid Rhyner has reorganised the technology division and divided it into one division for technology and one division for UV development and new business development. This change in strategy means further specialisation and greater professionalism in the organisation with the aim of serving the market even faster with targeted innovations.

Dr. Dirk Schlatterbeck will head the technology division. This role encompasses the overall management and development of our GALACRYL® line, chemicals development, applications engineering, quality control, as well as regulatory affairs and strategic procurement.

Nebojsa Curcic is in charge of the UV development and new business development division. Read the interview with him below. Both division heads manage a team of experts.



Nebojsa Curcic
Head of UV and new business development



Dr. Dirk Schlatterbeck
Head of technology

In conversation with the UV experts

COATING Ticker (CT) sounded out Nebojsa Curcic.

CT: Mr. Curcic, you are the new head of UV & new business development at Schmid Rhyner. What are your goals?

Before I actually start discussing our goals, it is very important to me to express my utmost respect for the achievements of previous generations who helped make Schmid Rhyner the specialist for UV technology. That deserves great respect!

Our entire team is highly committed to upholding and expanding this market position. This includes our innovative strength, the exceptional commitment to service and the technical expertise of our organisation, not to mention the high standard and consistency of quality that our products demonstrate. Apart from technical innovations, which are developed on an ongoing basis, these form the mainstay of our com-

pany that our customers can depend upon.

CT: And what are the challenges facing your team?

The needs and demands of the market are subject to significantly quicker change than was the case a few years ago. The resulting diversity of products and the demand for specific solutions in smaller batches will continue as a trend. This requires a high level of flexibility and creativity from all those concerned.

CT: And what factors are you counting on to achieve success?

One of the crucial factors in Schmid Rhyner's success is the production method and process engineering, which we are constantly developing and adapting for new products. As we manufacture our oligom-

ers ourselves, we retain control of the entire manufacturing process. We are therefore able to keep specifications to very tight tolerances and adapt the properties of the end product to our customers' requirements right in the initial stages of manufacture. This method of production guarantees us extremely consistent quality.

«One of the crucial Rhyner's success method and proce»

CT: It is stated again and again that the contact and collaboration with customers is important in development. Do you agree with this? Do you have any particular expectations?

I fully agree with this. It is vital in development that we are familiar with the processes on site. In development it is important to take factors in the process into account that we don't have in the laboratory. You can only achieve that "outside" in discussions with customers and understand it "live", when you are at the printing press. Specific projects can only be completed successfully in close cooperation with our partners. Even for this reason alone, it is important for the developers to maintain personal contact with the customer. In a nutshell: quality + service + partnership = sustainability.

CT: The printing industry is currently under great pressure with rising costs. UV coating systems today are more expensive in comparison with other coating systems. Can this higher price still be justified from an economic standpoint?

If only the costs for materials were compared, this would certainly be the case.

However this calculation doesn't go far enough. We need to compare the costs over the entire value chain, commencing with the expenses for energy and transport, manufacturing and further processing. Emissions also need to be

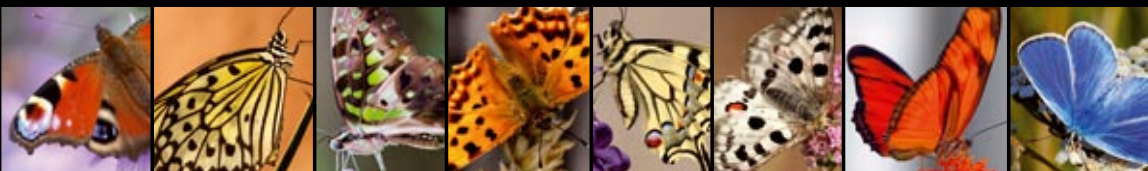
taken into account, and ultimately the superior-quality end product.

In the end, the added value that can be achieved for the end product is the crucial factor in economic efficiency.

«Print finishing is more than just competing for gloss points.»

CT in a discussion with Nebojsa Curcic





SWISS BRILLIANCE IN COATING

CT: But aren't almost equally high levels of gloss achieved with other coating systems?

Print finishing has long since ceased to be defined "just" by the level of gloss. 80 measured

«factors in Schmid is the production ss engineering.»

gloss points "with other coating systems" do not have nearly the brilliance and presence of a UV

coating in visual terms, with a comparable level of gloss. What appeals to the consumer on an emotional level is the appearance of the packaging and not the results of measurements.

Print finishing is more than just a competition for gloss points. Nonetheless, we are a match for anyone when it comes to the gloss levels for our WESSCO® UV coatings. For instance, in our product portfolio we have a WESSCO® line that was developed specially for porous substrates. These coatings remain on the surface without being absorbed into the substrate, and this helps us to achieve, among other advantages, 10-15 more gloss points than with "standard UV coatings", or even WESSCO® UV high-gloss coatings, with a gloss level significantly higher than 90 gloss points.

What we are currently observing on the market is an increasing demand for haptic effects or matt/gloss combinations, as a finish. Where structural applications are concerned, no other technology offers a level of finishing, in the true sense of the word, that is comparable to the level achieved with UV technology or EB technology.

CT: In your view, what are the key technical advantages of UV coatings compared with conventional coating systems?

UV technology forms the basis for low-emission coatings and reduction or avoidance of VOC.

I see another advantage in the high economic efficiency thanks to short curing times, high production speed, low energy costs, low application quantities, single component products and the fact that the material is fully recoverable.

Creation of layers that are chemically and me-

chanically resistant, further processing without delay, quality control, stackability, customising and benefits related to a superior degree of finishing.

CT: Which way is technical development heading?

Compared with conventional technologies, UV technology is still very young.

Radiation curing has become well-established in various industries; today's market,

and that of the future, are therefore unimaginable without it.

The requirement for coating systems without VOC or low in VOC will be at a premium in future too. Low-migration, low-odour and "clean" products will be given high priority in the printing and packaging industry.

CT: What trends do you foresee in the finishing of packaging for foodstuffs?

Priority must be given to consumer protection. Our families, our children and we are all end consumers. We must all be aware of our duty to them and the responsibility we have within the supply chain and live up to this.

Moreover I would venture to say that there is no technology in existence for manufacturing

«Priority must be given to consumer protection. Our families, our children: we are all end consumers.»

food packaging that is not critical. When we consider conventional technologies that have

been in use in the food packaging industry for decades, then it is well-known that primary aromatic amines in the case of laminating adhesives for flexible packaging, or BADGE (Bisphenol A diglycidyl ether) in the case of interior coatings for tinned foods, or plasticisers and monomers in packaging foils, have been an abiding topic of discussion for years, or take the current talks being held about printing inks containing mineral oil. Every technology is subject to very specific regulations. This should be taken into account. Packaging manufacturers who maintain a close dialogue with suppliers and have transparent processes will be in a position to produce food packaging successfully using any technology.

This also applies to UV technology, which has

been the focus of some publicity in recent years. Even if incidents from the more recent past have been unfortunate for the market and for UV technology, they have also had a "positive" effect in some respect. The industry has become more sensitive, and communication about potential risks has increased and is more open.

Today we can happily observe that food packaging is again increasingly being finished using UV coatings on account of the advantages, but now more professionally and consistently using LM systems. This is a very vital difference.

CT: And what other irons do you have in the fire?

Schmid Rhyner will shortly be launching a new generation of WESSCO® LM UV coatings on the market. These UV coatings will stand up well to the most critical of analytical tests. These are UV coatings that are based on definitive new developments.

CT: We thank you for the conversation.

Advantages of UV-cured coatings in the opinion of Nebojsa Curcic

- great economic efficiency thanks to shorter curing times
- high production speed
- low energy costs
- low application quantities
- material is fully recoverable
- single component products
- formation of chemically and mechanically resistant layers
- further processing is possible immediately
- stringent quality control
- greater stackability
- faster customisation
- advantages related to the high level of finishing



Environmental concept

For over 35 years we have specialised in manufacturing recyclable products without solvents using methods that respect the environment and save energy. Responsibility towards the environment and future generations is a priority for us, as are sustainable management practices. This is why we have laid out our environmental philosophy in the Schmid Rhyner environmental concept.

Acting consistently throughout the entire value chain is crucial for ecologically correct company management in a chemical company, in addition to the awareness of each and every member of staff.

In our new "Environmental concept" brochure we inform our customers and the general public about our attitude towards the environment.



The Schmid Rhyner environmental concept is based on seven elements:



In detail this means:

- **Raw materials:** use of selected raw materials, avoidance of VOC
- **energy:** making optimum use of energy throughout the value chain
- **quality:** consistent, reproducible quality reduces rejects and waste
- **certificates:** environmental certification of products
- **recycling:** ensuring that products can be recycled
- **safety:** non-hazardous products
- **innovation:** development of products that save energy and resources

Awareness of environmental issues will keep gaining in importance for us in future too. We'll keep at it.

Energy certificate



Since May 2011 we have met 5% of our energy requirements with biogas and are thus cutting CO2 emissions by 17.8 tons.

EU-Ecolabel certificate



The "flower" logo stands for a unique system of certification that is intended to make it easier for European consumers to find eco-friendly products and services. Those awarded the Ecolabel meet the EU's stringent requirements for the environment over the entire life cycle of a product, from the raw material to production, and from distribution to disposal.

You can order the environment brochure and other documentation from us without charge. Send your email to: info@schmid-rhyner.ch

Interpack 2011



As one of the market leaders for UV coatings, water-based coatings and laminating adhesives, the packaging industry is a very significant market for us, in addition to print. The goal is to establish ourselves more firmly on the packaging market than before. This is why we also exhibited at INTERPACK, the world's biggest trade fair for packaging, and we were very satisfied! It was interesting for us to forge new ties with customers from the foils and tin printing sectors.

Tradeshows

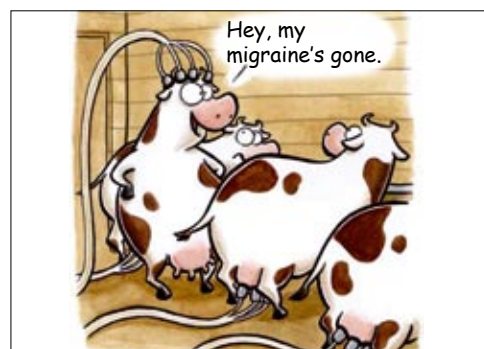
Graph Expo

11th-14th September 2011
McCormick Place South, Chicago USA
Visit us at **BOOTH 3039**

Drupa 2012

3rd-16th May 2012, Düsseldorf GER

Humor



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