

**New York State  
Environmental Investment Program  
Capital Project Summary  
Graphic Controls LLC**

**Project Background**

Graphic Controls LLC is a privately held specialty printing and converting company located in Buffalo, NY. The company made a name for itself, and now has over 50 years experience, by producing high quality precision charts and marking systems for recording instruments, which includes items like paper tapes for heart monitors and earthquake detectors. The product line now includes gaming tickets, point-of-sale papers, and ink jet fluids. More detailed information on Graphic Controls can be found at its website: [www.graphiccontrols.com](http://www.graphiccontrols.com).

Graphic Controls faces strong global competition and needs to continually reduce operating costs to remain competitive. A recent internal evaluation showed that the manufacturing operation incurs excessive waste due to master roll changes and custom order setups. Since raw material costs account for a large portion of total product costs, significant gains could be made by reducing process waste.

**Project Description**

To reduce printing process waste and increase efficiency Graphic Controls determined it would install three separate pieces of equipment: 1) an automatic master roll change unit for gaming ticket production 2) a state-of-the-art short run printing press for its circular-chart production, and 3) an automatic master roll change unit for point-of-sale receipt production. The old equipment incurred excessive material waste and operator handling each

time the master paper roll was changed. The automatic roll change units allow the machines to run continuously, improving efficiency and reducing current roll change waste by 50%. On the other hand, the circular-chart market is shifting away from long stock runs to short-run made-to-order products. This market trend toward shorter runs resulted in more frequent printing plate changes causing higher setup waste and greater machine downtime overall. The new sheet fed press, designed for short runs, will reduce setup waste significantly and increase overall production efficiency.

**Project Results**

The equipment installed for gaming ticket production and circular chart production are performing very well and are exceeding the performance targets, while the point-of-sale equipment is not yet fully functional due to numerous issues with the equipment manufacturer. However, the overall project has reduced raw material waste by 245 tons (exceeding the 106 ton target) achieving annual savings of \$723,262, and annual labor savings of \$111,446. Additionally, as a result of this project, Graphic Controls is now able to bid more competitively on gaming ticket projects, resulting in an increase of sales of \$4.1 million over the last year. The total annual economic benefit of this project is \$4.9 million, greatly exceeding the \$1.9 million performance target.

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**Contractor:** Erie County IDA  
**County:** Erie  
**ESD Region:** Western Region  
**ESD Contact:** 518/292-5340

**NYS EIP Investment:** \$221,548  
**Contractor Match:** \$278,151  
**Total:** \$499,699  
**Completion Date:** January, 2007