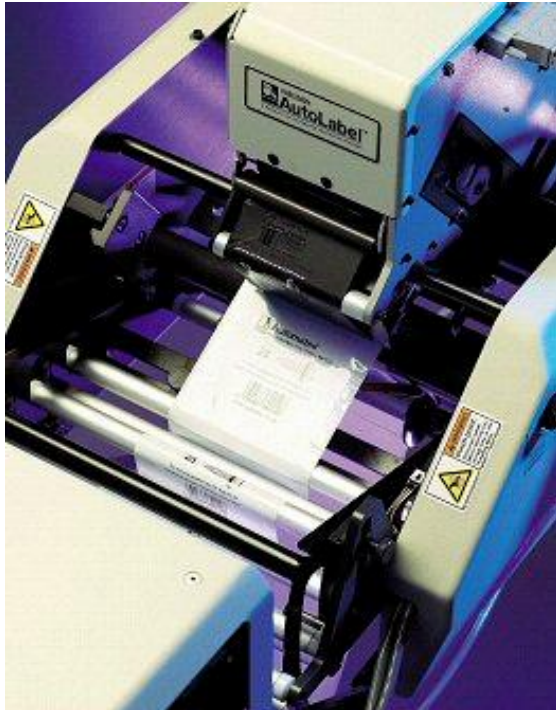


Autobag[®] Helps Tyco Cut Labor and Material Costs by 200% in Just 6 Months



Packaging components was an expensive, laborious and time-consuming business for Tyco Electronics, Raychem, NV, and a manufacturer of telecommunications products based in Kessel-Lo Belgium.

Prior to 1996, the small components they manufactured were manually packaged into bags. The bags, which were made from plain foil, were filled by hand and sealed using a bench top heat sealer. A pre-printed paper label was then stuck onto the bag, again by hand. The company soon realized that they needed to change the way they packaged their goods, as output was increasing and costs rising.

Tyco contacted several suppliers of packaging systems and decided to trial a system from Automated Packaging Systems. After their on-site evaluation, the company decided to install an Autobag Excel[™] bagging system with the Autobag Precision[™] thermal transfer imprinter and experienced immediate benefits.

Firstly, it made life easier for the operators who could concentrate on filling as the bags are presented open - previously they needed to keep one hand free to keep the mouth of the bag open. The new operation resulted in an increased output level, which had an obvious positive effect on the bottom line.

However, the greatest saving came from the ability of the Precision thermal imprinter to print product data directly onto the bag as part of the packaging process. By eliminating the need for pre-printed paper labels, Tyco saved over \$32,000. In the first year the company more than justified its purchase, saving \$81,700 in labor - a total estimated saving of 200 per cent.

Henri Wuyts, Tyco's Manufacturing Engineering Group Manager, said: "This was one of our first continuous cost improvement projects and the Autobag system has proved its worth in just six months, justifying the purchase of further machines. Savings have been ongoing and the company now has four Autobag units in operation."