Salem Label Company, Inc.

The Beginnings: England's loss was Salem's gain, when, in 1862, Josiah Mitchell immigrated to the United States, settled in Salem, and began the process of printing and gumming paper to make a self-adhesive label, one which would adhere to a surface when moistened. This process was not being done at this time in America, so Salem became the home of the first gummed labels manufactured in the United States. The initial application for the label was to identify products in the big glass jars in apothecary shops.

At the end of the Civil War, in 1865, Union veteran Captain Thomas J. Walton came to Salem, and, in partnership with A. K. Tatem, purchased the young company from Mitchell. The business grew, both in labels and commercial printing, to the point where Walton sold the label side of the business to Tatem, and kept the commercial side as the Thomas J. Walton Steam Printing Co. Tatem built his new company (A. K. Tatem Label Co.) into a thriving business, which was purchased later by the Brush-Moore newspaper chain. It became the pet project of Salemite Louis H. Brush of the Brush-Moore group, who understood the growing demand for the gummed label and turned the business from local to national, with a catalog business of stock gummed labels. As well, the custom printed label business grew with customers such as Adams Express, H. J. Heinz, The Ames Tool Co. and Winchester Repeating Arms. By now known as Salem Label, the company was a part of the Salem News operations, and remained that way until purchased in 1950 by Henry J. Anderson.

Growth: Anderson was aware of the availability of Salem Label, as he and his wife Mary spent time in Salem visiting her parents, Mary B. and Brooke Anderson, son of Salem's Dr. James Anderson. Henry had been a sales and marketing manager for Marathon Corporation of Neenah, WI, a major supplier of packaging for the food industry. It was his knowledge of that business, plus the printing processes necessary for manufacturing coupled with his sales and managerial abilities that put Salem Label on the national map as a power in the industry. Soon after the purchase he moved the operation from E. State St. to a newly-built plant located at 838 S. Lundy Ave. In the early '50s, he was one of the first to recognize the possibilities of flexographic printing for labels, and installed presses which led to a rapid growth of the business in food and beverage labeling. With a strong base of food business from meatpackers, supermarkets and beverage, Anderson grew the business by adding other printing processes. Starting with only letterpress in 1950, by the mid-60s he had added flexography, rotogravure, offset lithography and silk screen printing departments to the company, creating a "one-stop shopping" opportunity for Salem Label's rapidly growing customer base. Three major products at that time were the resealable bread-end label for sliced bread packages, cut & stack paper labels for the new 2-liter soft drink plastic bottle and the pressure sensitive header label, which folded over sliced meat packages, allowing them to be hung and rack displayed for greater visibility. And all dies and punches for this innovative product were built in the Salem Label machine shop. The norm today, started by Salem in the '60s.

In the middle '70s, Henry became Chairman of the Board and his son Brooke Anderson II took over as President and continued the growth pattern through the '90s. His job was to create value-added products to the company line. Retail sales had changed from direct and personal customer/sales clerk contact to the big box store concept, where the package sold the product. Higher quality packaging became a necessity, with the use of much photography. In order to meet that demand, Salem Label developed a strong four-color process printing program in both the offset and flexographic departments. This program led to new product lines, such as carton labels for the housewares industry, spiral labels for composite can packaging and AEROWRAP©, an inventory reduction product which lead to an exponential growth at Salem Label, requiring the construction of a new 20,000 square-foot flexo production facility in the Salem Industrial Park, which operated 24/7 365 except for paid holidays.

The customer list grew to include Benjamin Moore Paint, Anchor Hocking Glass, Hills Bros. Coffee, Ross Labs Ensure, Gerber, Hormel Spam, S. C. Johnson Wax Glade, Nestle, Faultless Starch and Coors Brewing.

In order to better handle all its business, the company divisionalized in 1988 with the intent to separate small and large volume manufacturing in order to better serve both groups. The Packaging Products Div. (PPD) operated the wide web flexo and offset litho departments, while the Industrial Products Div. (IPD), ran narrow web flexo, silk screen and MetalPhoto equipment, concentrating on industrial nameplates and permanent markings; examples of the permanent markings would include Sears shop vacs, Lincoln Electric welders, and even GE diesel locomotives. This division was organized and run by company COO Erika Anderson, and operated out of a plant on Perry Street in Salem, until the new plant was built in the Industrial Park. They then moved back to the original plant on S. Lundy Ave. Their customer base included Lincoln Electric, Emerson Electric, GE, Westinghouse, J. M. Smucker and Hill-Rom hospital beds.

The label business is both dynamic and competitive, and Salem Label did well by re-inventing itself to meet marketplace demands. But, a very special round of applause must be given to the wonderful men and women of the Company, whose skill, patience, dedication and ability to grow with the times made the difference.

MERGER: In 1998, the family made the decision to merge Salem Label with a Pennsylvania-based printing firm, Seneca Industries, Inc. Henry passed away in 2002 and Brooke II retired from Seneca-Salem in 2003 as VP Sales, Western US. Seneca-Salem was acquired by WS Packaging in 2007, which closed the Salem plant in 2009 and eliminated the Salem Label name after 147 years of continuous operation in Salem. The heritage lives on, however, as the company now known as the "old" Salem Label created the Salem Label/ Menegos Scholarship Fund at the Salem Foundation, which awards annual scholarships to deserving Salem students.

SALEM
THE QUALITY NAME IN LABELS

UPC Symbol Specifications

Solidified in Salem

Today it is virtually impossible to buy a retail product that does not have a scannable symbol on its tag, box, wrapper or label. The most widely used such symbol is a bar code known as the Universal Product Code (UPC) as requested by America's supermarket industry and refined by IBM. The idea began in 1948, when a supermarket executive pleaded with a member of Philadelphia's Drexel Institute of Technology, PA, to undertake research to develop "something" which would capture product information automatically at the checkout counter. Drexel declined the offer.

This conversation was overhead by a student, Bernard Silver, who then related it to one of his instructors, Norman J. Woodland, and both men went to work on creating a simple symbol, that – when optically scanned – would translate into a number that a computer could read and identify as a specific product. Unfortunately, Silver died at an early age, but Woodland went on to design and patent just such a symbol.

Fast forward to 1966 when – at a grocery industry meeting attended by RCA - the request for such a symbol was repeated again. RCA smelled opportunity and went to work on the project, working directly with Kroger in Cincinnati, OH in 1972 after its 1971 presentation of its bar code at a grocery industry meeting. Their testing lasted 18 months.

However, an employee of IBM also attended that 1971 meeting and realized the potential of a huge market; this he reported back to headquarters. Another IBM employee in marketing remembered that they had a colleague by the name of Norman J. Woodland! He was immediately transferred to an IBM facility in N. Carolina, where he played a significant role in the development of what we know today as the Universal Product Code (UPC). Ultimately, the UPC symbol would not only ring up the selling price, but deduct that item from store inventory.

The original scanning equipment was bulky, expensive and slow. But, a company by the name of Computer Identics had been working on the very idea of building a fast, accurate and inexpensive scanner for reading bar codes. Their product worked – the scanning hardware was now available.

RCA faced a problem that had not at first realized: the width of a bar, either black or white, represents a number. Alteration to width will lead to an incorrect decoding, or scanner failure. Therefore, printing processes must be taken into account. At that period in time, there were five major processes for packaging and label printing: rotogravure, offset lithography, flexography, letterpress and silk screen.

In all cases, the same physical process happens; ink must be transferred from the cylinder, plate or screen to the substrate (paper, foil, film). During that transfer process, image gain takes place, however slight. And it does vary between processes. Also, printing a circle often created even more gain. This is extremely critical to the success of bar code scanning, and was a built-in issue for RCA.

At that time Salem Label Company, Inc., of Salem, OH, was one of the few companies in America that offered all five of these printing processes under one roof, and IBM took advantage of that fact, issuing Salem Label orders for test printing of their symbol design by all five types of printing. The initial request was dated February 22, 1972. The success of those original requests led to a total job order dated February 20, 1973. The IBM design consisted of parallel black and white bars, always printed around cylinders, not across them, which greatly reduced the chance of image gain.

Remember this: while the white was not printed, it was a bar. Therefore, if the black bar which was printed grew in width, not only was it now out of specification, but so was the white bar, which became narrower.

The power behind the project was the U. S. supermarket industry's *ad hoc* committee on a uniform grocery product code. There were fourteen companies which submitted bar code proposals; the winner was to be selected by members of the UPC Symbol Selection Committee.

The IBM proposal was accepted and announced by that Committee on April 3, 1973, the same day IBM engineers were in the Salem Label plant working on print tests. A celebration ensued.

At 8:01 AM on June 26, 1974, the very first UPC-coded package – a 10-pack of Wrigley's Juicy Fruit gum – was scanned at a Marsh Supermarket in Troy, OH, and, as they say, the rest is history!