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Primary marking using shrink label

1. introduction

One-way packaging on the market in Denmark, must be labelled with the Danish deposit mark. The deposit mark ensures, one-way packaging is easily recognized for everyone and also part of the technical component, which enables deposit payouts at all levels. It is the importer or the producer, who is responsible for labeling their products.

Deposit labeling can be handled through either primary marking, which is by printing the deposit mark directly integrated in the original label, or through secondary marking, where a sticky self-adhesive deposit mark, purchased through Dansk Retursystem, is applied to packaging. For general guidance on the 2 types of label marking, refer to the manuals found on our <u>website</u>

This manual is specifically for primary markings applied through the method of shrinking the labels onto the packaging using steam treatment.

2. General info about deposit mark for shrink labels

The deposit mark, used in both primary- and secondary marking, is a licensed trademark®, owned by Dansk Retursystem A/S. Importers and producers are given permission to use the deposit mark (trademark license) on the packaging registered as one-way packaging with Dansk Retursystem A/S, with the intent to be distributed on the Danish market.

Certain requirements and obligations apply when using our trademark – the deposit mark. More can be read about these requirements and obligations in our general manual for primary marking of one-way packaging, found on our <u>website</u>. As an importer, you are also responsible for making sure your foreign producer is familiar with the scope of Dansk Retursystem trademark licensing.

In the <u>manual</u> for Primary marking for one-way packaging you can read about the different kind of labeling categories for primary marking. Use of print files, requirements for barcode, deposit mark placement, colors, size and more. As with all the marking types, it is important to be aware of the following when using shrink labels.

- Deposit mark and barcode should not be placed on top of grooved/corrugated surfaces on the packaging, as this compromises its readability.
- Deposit mark and barcode should not be placed where the label is glued or assembled, as this may cause a change in the measurements.
- Deposit mark and barcode should be placed on the packaging's widest surface, as this improves its readability.

Depending on the packaging's shape, certain recommendations for the placement height of the deposit mark in relation to the packaging's bottom. Contact "Afdeling Udbydere" (department of providers) on +45 43 32 32 32 for guidance for your specific packaging.



It is especially challenging for shrink labeling to comply with the requirements of the Statutory order on deposit and returns. As the shrink process is done through steam treatment, the measurements for the barcode and deposit mark can change when applied, even if the layouts original measurements are correct. The barcode measurements are minimum requirements, but the deposit mark is specific and without room for variation. As such, there is a specified procedure for registration of packaging with shrink labels.

3. Registration for one-way packaging with shrink labels

The conditions described on our <u>website</u>, as a pdf-file free to download. By principle it's the same for packaging with a label applied through shrink and packaging with a paper label. The same conditions apply for both: they must be registered through registration Portal; we must see a layout that fulfills the requirements in our Statutory order on deposit and return and we must receive 5 samples of the packaging. The difference, however, is that we can't assess a shrink label, until after the process is complete, as measurements can change during the shrinking process. This means that only after we have received a finished packaging, with its shrink label fully applied, we can assess the labeling regarding the Statutory order on deposit and return, its readability and approve the packaging. For this reason, shrink labels have another process for registration.

Below are the 3 steps in the registration process for products with shrink labels, step-by-step walkthrough.

Step 1: Forwarding reference layouts

- a. When you register your packaging in our <u>Portal</u>: You will upload the layout as a pdf-file.
- b. The dimensions of the label must be specified in the registration request.
- c. The layout must be sent in a size of 1:1. The actual size after the shrinking process.
- d. Label material must be listed.
- e. Colors must be listed on the artwork.

It is essential, that your uploaded layout will fulfill the requirements of the Statutory order on deposit and return AFTER shrinking. Your forwarded layout will become your reference to how your finished produced packaging will look, with the correct measurements.

When you have forwarded your layout to us, you will receive a response with a reference layout and be informed on whether you must adjust it. If it does not fulfill the requirements, and an adjusting is needed, you will have to upload a new layout.

Step 2: Forwarding trial packaging

When we have assessed that your layout fulfills the Statutory order on deposit and return requirements, we will ask you to send 5 finished examples of your products packaging, with layout fully applied through shrink. For this reason, we recommend not to produce a full batch of products before the packaging has passed the Statutory order on deposit and return requirements and has been registered. We recommend this, because there is a risk that your packaging and layout does not fulfill the Statutory order on deposit and return requirements. Meaning a whole batch of products would risk, having to be re-labeled.

When we receive your 5 examples, which will be used as reference to rest of this products production, we will test the shrink labels readability on the received packaging. There are several factors affecting the readability of the marking, including print quality, placement, bottle form, shape and more. From this point, we assess whether the readability of the packaging is optimal and if we are technically capable of handling the packaging in our reverse vending machines to a standard, that ensures consumers receive their deposit payouts, when returning the packaging.



In the event, that the packaging with finished shrink labeling, doesn't fulfill the Statutory order on deposit and return requirements and thereby doesn't ensure consumer's deposit payouts, you will receive a response, stating that which can improve. After this, you will be asked to send 5 new finished product packaging for test and control.

Step 3: Registering product

When both the layout and the packaging with finished shrink labels, fulfill the Statutory order on deposit and return requirements and we have received your application for registration through our portal, together with any other potential information we might request, we will begin registration of the product. Be aware, that your product is only considered registered when the product appears as registered in your Portal (Vores Produkter).

When the product is registered, you must ensure that your continued production continually still fulfills your 5 reference products in relation to same quality and size comparison, as the layout or label, that Dansk Retursystem A/S assessed to fulfill the Statutory order on deposit and return requirements. Furthermore, the rest of your production must be in accordance with your 5 forwarded and approved products with finished shrink labeling.

If there are any changes, you must contact Dansk Retursystem department "Afdeling Udbydere" (department of providers), so we can assess whether the registration can continue, you will need a new registration, or you can receive a temporary relabeling. If we become aware that your production, is not in accordance with your 5 reference products, we will contact you, so the registration process can be renewed. We do this, to ensure that consumers are ensured their deposit returns when return packaging in the reverse vending machines.

4. Opportunity for dispensation for one-way packaging with shrink labeling

The statutory order on deposit and return requirements for the barcode measurements are minimum requirements, but the deposit mark is specific and without room for variation. We therefore understand the challenges of making the correct shrink label, as there are multiple factors affecting the manufacturing process of the shrink label. The steam and- or attachment process can result in changes the label and make it difficult to stay inside the size requirements.

Therefore, we know that it is practically difficult to precisely hit the deposited markers, so we have a practice of granting dispensation if the measurements deviate marginally. However, this assumes that the remaining part of the production fulfills requirements. In this case, we demand that the next production of this packaging is improved. If the packing is not readable in our machines, a relabeling is also an option.

A dispensation is a specific assessment of the conditions surrounding the specific packaging, which is important to ensure the necessary readability of packaging in the reverse vending machines, so consumers receive their deposit return when returning packaging.

If your packaging is assigned a dispensation, it will also entail some conditions, which you must fulfill. These can include a time limited for the how long the products are allowed on the market and conditions for the improvement for the labeling of next production.

5. Need help?

You can read more about primary marking on our <u>website</u> and are welcome to contact us: Telephone +45 43 32 32 32

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