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# Financial Benefits, Logistics and Implementation Considerations for Reusable Packaging

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# Financial Benefits of Reusables

Benefits (hard and soft/shipper and receiver)

- Lower cost per trip
- Cube efficiencies
- Damage reduction
- Stocking labor reduction
- Solid waste reduction
- Fewer workers' comp claims
- Reduced sanitation requirements
- Reduced facility damage



# Financial Benefits of Reusables

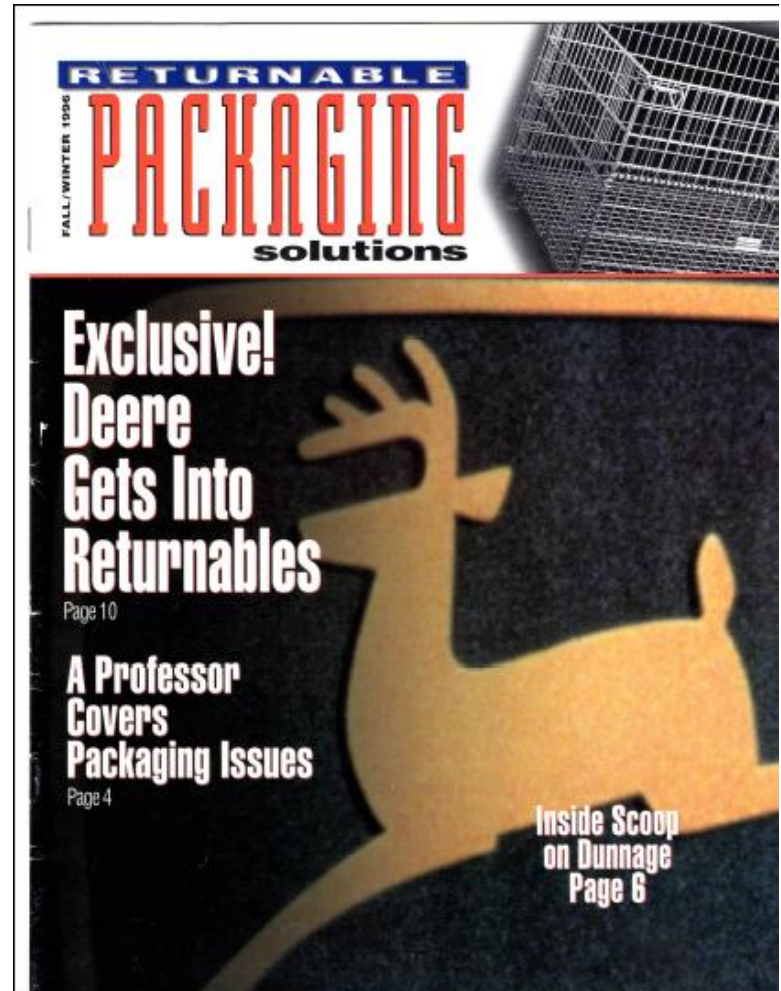
## Costs (hard and soft)

- Purchase price (can be mitigated through other financial arrangements such as leasing or rental)
- Reverse logistics (staging and return shipment)
- Replacement cost
- Production disruption related to lack of availability

# Are Reusables Right for You?

First issue of Returnable Packaging Solutions in 1996.

Simple supply chains were the target market.



# Are Reusables Right for You?

The Low Hanging Fruit circa 1996:

- In-plant applications
- Single shipping and offload points
- High volume, frequent delivery
- Dedicated carrier
- Where reusable packaging is emptied at time of delivery so can be returned on same truck

# Today – Expanding Frontiers

Today, we see the increasing role of reusable packaging, including an expanding range of reusables across a greater number of industries. More custom packaging systems are appearing, as well as the emergence of rental programs for high volume applications.



# What Logistics Approach Will Work Best for You?

- Simple Delivery Systems
  - Simple delivery systems are great for self-managed (often non-managed) reusable packaging systems, but more complex distribution systems will require greater attention.
- Rental programs
  - RPC rental, IBC rental programs for fresh produce, protein, food ingredients
- Retrieval and Management Programs
  - internally managed
  - Managed through 3<sup>rd</sup> party providers
- Fungible Programs
  - whereby emptied packaging can be reutilized locally by others
  - specifically 9BLOC, although this happened with GMA pallets, reusable drums and other industrial packaging

# What Can Go Wrong?



# Implementation Issues

What can go wrong?

- Performance falling short of expectation
- Not where or when needed
  - Theft of reusables
  - Loss of reusables
  - Unanticipated dwell time in your supply chain
  - Unauthorized use

# Implementation Best Practices

- Consult with your supplier
- Check out resources at RPA, Stopwaste
- Discuss with your trading partners
- Fully review packaging in your current system first and determine touch points, non-value added activity or consequences associated with its use.
- Remember that reusables offer not just an opportunity to replace single use packaging, but to possibly re-engineer your process as well

# Implementation Best Practices

- Treat implementation as a project rather than just a procurement
- Project management
- Executive sponsorship
- Communication and agreement of stakeholders
- Site champions
- Metrics and management
- Remember to manage packaging as an asset!