Turning Disruption into Opportunity: Taking Control of Your Pallet Supply

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Just as domestic and global supply chains have been rocked by disruption, delay, and shortages, the pallet supply situation has been no exception. Pallet shortages have stopped production, delayed shipments, and negatively impacted revenue. Frustration over the lack of pool pallet availability recently reached a boiling point in one LinkedIn social media discussion. "I put an order in for 330 and we were issued 50 which will be ready on Monday," one participant commented. "What a joke!"

For decades, the pallet was prefaced by descriptors such as "lowly" or "humble," but those days now seem like ancient history. Over the last year, headlines such as Australia tackles latest supply chain kink - missing pallets and Chronic pallet shortage adds to supply chain woes have chronicled the importance of pallets. They have underscored the pain that pallet shortfalls have inflicted on Australian industry and consumers alike. But there is a better way forward for many supply chains, as outlined below.

Just as many companies are acting to reduce supply chain risk through strategies such as dual sourcing, they can also eliminate the risk of pallet shortages by taking control of their pallet supply. A pallet review by **UBEECO Packaging Solutions** can help identify options for improving pallet supply certainty and product protection while reducing costs in the process. Check this list. Chances are, you are a candidate to improve your pallet strategy.



You would be better served by a non-standard pallet size

Pallet poolers can offer you exactly the size of pallet that you need, as long as it is 1165 x 1165mm! But is that the best fit for your shipping needs? In other parts of the world, such as the United States, the standard pallet size (48x40") represents only 35% of total pallet production. The reason is simple. Custom pallets usually add more value.

For example, if your products regularly overhang the pallet (extend beyond the pallet's footprint), then they are unduly exposed to damage. And if your pallets under hang the pallet (requiring less than the full deck), then you are

likely spending more on the pallet than needed in addition to wasting space in freight and storage. Pallets that under hang are also more difficult to stack and stabilise during transport.

Pool pallets are also designed to bear heavy loads and are often over-specified for many applications. A lighter pallet might make better sense for your use and save money in the process. Other modifications can help provide superior product protection; for example, adding a felt layer, pre-drilled holes, or scalloped boards.

Pallets used for lengthy product storage

In applications that require long storage periods, including frozen foods, some refrigerated agricultural products, and curing cheese, paying a daily rental can be a waste of money. Those costs add up quickly. By purchasing custom-made pallets in conjunction with pallet transfer machinery (if required), you can specify the best pallet for your load and storage system. Once again, a custom solution can free you from the shackles of pool pallet availability and substantially reduce your total pallet cost.

Intra-company pallet exchange

Depending upon the complexity of your supply chain, creating your own pool can be a winning approach. For example, if you are exchanging pallets within your own group or with a limited amount of trading partners, a closer look is warranted. One of UBEECO's customers, an automotive parts retail chain, has done just that, utilizing an inhouse pallet pool for its network that has saved it money and eliminated the threat of pallet supply failure.



UBEECO's team of industrial packaging designers work with the sales team to custom engineer the size and style of the pallet that best meets your needs, versus the one size fits all approach of pool pallets. Additionally, they can be branded to boost marketing and aid in pallet control.

You haven't reviewed your pallet specification lately

If you have a custom pallet specification that you haven't reviewed in years, the time to review your specification is now. Products and processes change over time - new handling and storage equipment, acquisitions and mergers, changes to product packaging and new customers, for example.

Likewise, perhaps your production facilities have made informal changes over the years that have not been updated in the specification. A fresh review, including an onsite visit, can ensure that your pallet specification is still optimal - and allow for apples-to-apples bidding on your pallet needs.

Over the last year or more, pallets have gone from "humble" to crucial. While to some degree we are powerless to deal with supply chain disruption, it doesn't have to be that way with pallets. Custom pooling and non-standard pallet options can provide better value and supply certainty for many supply chains while eliminating daily rental fees and hefty lost equipment charges. At UBEECO (www. ubeeco.com.au), we can help you secure and optimise your pallet supply. Contact us today to find out more 1800 147 977.

