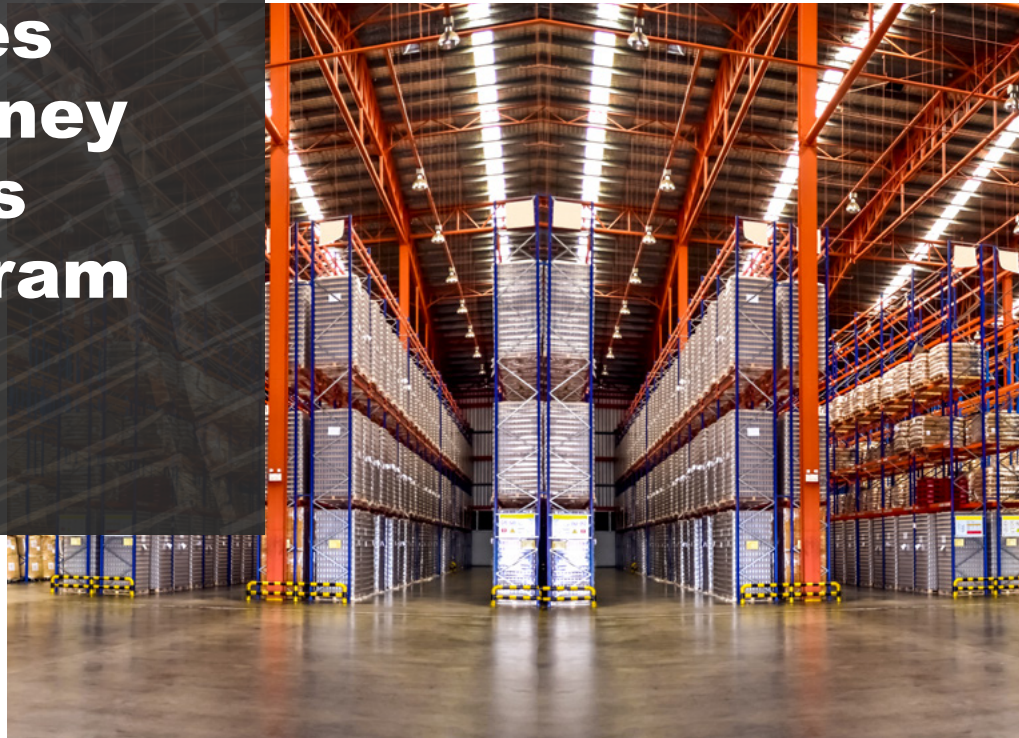




INNOVATIVE PALLET SERVICES

National Retailer Saves Time and Money with a Kamps On-Site Program

CASE STUDY



The Problem

This case study focuses on a large big box retailer, whose facilities were sending most of their used pallet inventory from inbound vendors to individual service providers (pallet recycling companies) through a store sweeps program.

To replenish the pallet inventory needed to ship products or internal use, the customer was then purchasing a mixture of new and used pallets from various pallet vendors. In some cases, the vendors purchasing the pallets and selling the pallets back to the customer were the same.



Challenges at a Glance

- X Lengthy Asset Turnover Time**
- X Complicated Purchasing Process**
- X Warehouse Storage and Sorting**
- X Waste Management**



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The Solution

After further analysis, Kamps determined that the difference in dollars generated from pallet sales and dollars spent on pallet purchases justified an investment in launching a Total Program Management (TPM) On-Site program for the big box retailer.

Kamps would provide labor, equipment, and expertise on-site. In return, Kamps would charge a small repair fee to every pallet repaired, and recycle pallets damaged beyond repair off-site.

The Kamps Advantage

Kamps brought several unique advantages, found no where else in the pallet industry, that allowed them to successfully implement the solution for the customer.

- Leading Experts in every step of Pallet Life-Cycle: From New to Sustainable Byproducts.
- Proprietary data reporting system and infrastructure
- 400+ Locations in National Network.

Results

By implementing the TPM On-Site program, Kamps was able to provide a tangible cost saving on every pallet repaired, along with delivering faster asset turnaround* even compared to traditional repair-and-return programs. The elimination of non-value-added expenses, such as freight, also further increased the cost savings for the big box retailer. The decreased freight also added positive environmental impact to the pallet program. This impact was further increased by Kamps' ability to divert unrepairable pallets from ending up in the landfill to sustainable byproduct production and provide research-backed scorecards to quantify the program's environmental impact.

*the time between exporting damaged pallets and receiving back repaired ones

Cost-Savings of 70% Per Pallet and 25% Per Site

Cost-savings based on the repair cost per pallet at the time* of the on-site program, compared to the average finished goods spread.

Time Savings & Efficiency Improvement

On-Site program eliminated the need for the retailer's staff to dedicate time to managing pallets. This allowed the staff to focus on core responsibilities, increasing the overall efficiency of the warehouse operations.

24 Hour (or less) Asset Turnaround Time

Assets repaired On-Site have the potential to be reinserted into the supply chain within 24 hours (or less) of arrival to facility.

Full Sorting Transparency and Visibility

Pallets sorted on-site provide full transparency on quality and quantity during the sortation and repair process.

Disclaimer: Both repair costs and finished goods spreads are heavily influenced by market and economic pricing. While all on-site programs will carry a cost-savings opportunity, the cost-savings achieved in the case study cannot be guaranteed.