

Are you really making money collecting and returning stray proprietary pallets, such as CHEP and PECO and other fleet pallets?

The real answer may surprise you.

Do you pay to acquire proprietary pallets? This includes paying for a trailer load of pallets a set price and receiving no credit for non-saleable pallets.

YES

This cost should be included in your opportunity cost.



NO

Count yourself lucky.

Do you presort pallets and remove proprietary pallets from your operation as early as possible to reduce handling of these pallets?

YES

If you invested money in equipment to efficiently process proprietary pallets, consider those costs in your accounting.

Each handling of a pallet adds cost. Work to reduce the amount of times workers touch proprietary pallets.

NO

Are proprietary pallets stored out of sight in a hard to access place?

YES

Storing out of the way can be advantageous in terms of reserving prime storage areas for white-wood pallets.

Having proprietary pallets easily accessible can reduce your handling and forklift costs associated with loading trucks when it comes time to remove them from your yard.

NO

Do you deliver pallets to CHEP and other proprietary pallet pool owners?

YES

This could be a source of unforeseen opportunity cost if you have less truck supply than you need to service white-wood customers.

Having CHEP and others pick up pallets allows your trucks to focus on white-wood customers. This may be the best option to remove unforeseen costs while pushing CHEP and others for additional compensation if you do decide to deliver stray assets to a depot.

NO

How far must your trucks travel to service a depot? Do you manage backhauls to prevent empty miles?

YES

By using backhaul, you can lower costs to service CHEP.

Air is the most expensive thing you ship. You are doubling your shipping cost for no good reason.

NO

What do you get per returned pallet? Amount: \$ _____

Does this cover the following costs? • Acquisition costs if you have to pay for a complete trailer and a CHEP pallet takes up the space for one or more white-wood pallets. • Transportation costs from collection point to the recycler. • Sortation and handling costs. • Storage costs. • Admin and paperwork costs. • Delivery transportation costs. • Lost opportunity costs associated with trucking and other considerations. • Equipment costs needed to retrofit your facility to efficiently handle proprietary pallets.