

The hidden hero in your warehouse

Why your pallet wrap strategy is key to your operations' success

acopia





The changing operations landscape in 2022

We've reached the perfect storm in 2022 for Operations Directors and Managers.

After two years of a global pandemic which caused supply chain and production disruption on a scale the world had never seen before, operations is entering unchartered waters.

While the fallout from the pandemic continues, there are new threats on the horizon.

Rising interest rates, soaring inflation predicted to hit 10% at the end of the year and talk of a recession looms alongside an influx of new and changing regulations with the introduction of the Plastic Packaging Tax and the arrival of Extended Producer Responsibility for Packaging (EPR) in 2024.

This same McKinsey report highlights that the majority of businesses are overwhelmed with the challenges ahead and don't yet have the operational solutions to overcome them.

It's becoming increasingly difficult to navigate the choppy waters of operations, but it's more important than ever that you do.

Doubling-down on efficiency, reducing your environmental impact and improving your bottom line is essential for operations, and business, success in 2022 and beyond.

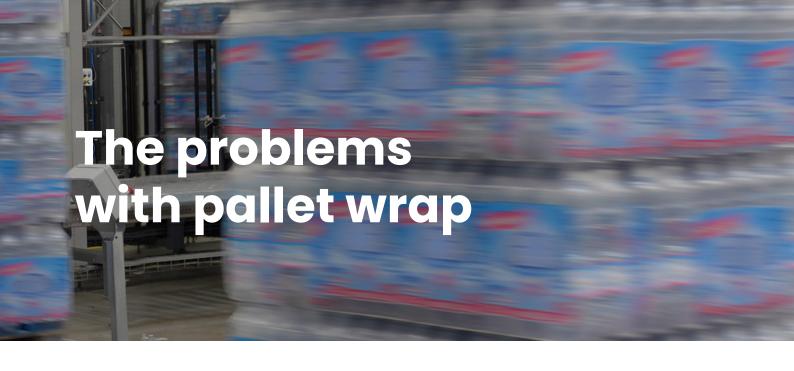
And if you're importing, exporting or distributing goods then improving your pallet wrap use needs to sit at the heart of your operational changes.

Why? Because six out of ten businesses are reporting a rise in packaging costs in the wake of the PPT.³ And with businesses struggling to fill vacancies to keep up with demand⁴, your efficiency is more important than ever.

For advice and guidance on the Plastic Packaging Tax and what it means for your business, just click here to download our free eGuide

- 1 https://www.theguardian.com/business/2022/jun/08/uk-economy-willgrind-to-a-halt-and-then-shrink-bcc-forecasts
- 2 https://www.mckinsey.com/business-functions/operations/ourinsights/the-ceo-architect-of-the-new-operations-agenda
- 3 https://www.foodmanufacture.co.uk/Article/2022/05/06/packagingcosts-rise-in-wake-of-plastics-tax
- 4 https://www.ons.gov.uk/employmentandlabourmarket/ peopleinwork/employmentandemployeetypes/articles/ changingtrendsandrecentshortagesinthelabourmarketuk /2016to2021





We see many common problems when businesses are using pallet wrap and these all present a threat to the pillars of your business; Process → Profit → Scaling



In a recent audit we carried out for large bottled water company, we identified that they were using 69% more pallet wrap than they needed to each month. We also assessed their pallets wrapped per tonne and discovered that they were wrapping 45% less pallets than they could have been.



5 https://www.ons.gov.uk/businessindustryandtrade/ business/activitysizeandlocation/articles/ theriseoftheukwarehouseandthegoldenlogisticstriangle/2022-04-11

Efficiency

Just be aware that you might have very old machinery or even the latest technology machinery you could likely be using 50% more film than you need to...ouch!

Inefficient practice and poor product choice means that wasteful pallet wrap processes are costing your business unnecessary money. Incorrectly set up machines, over-wrapping, using the wrong type of film for your operation will all be impacting on the efficiency of your pallet wrapping.

You might have very old machinery or even the latest technology machinery you could likely be using 50% more film than you need to.

Need advice on the best pallet wrap for your set-up? Just call us on 033 033 300 21

The Office for National Statistics reports that transport and storage is the fastest growing broad industry group – 88% higher than 2011⁵. Pallet wrap is essential in maintaining this rapid scaling but if your processes are outdated and poor, then your profit and growth will be unable to keep up with this pace – and you'll be leaking money.

Of course, investing in machinery, training and new products requires spending - which is a tall order for Operations Directors when you're already being squeezed.

But, if you're still using a one-size-fits all approach to your pallet wrap or you've never audited or evaluated your current processes then perhaps it's time to reconsider the true impact it's having on your operations.



Cost

Sustainable plastic packaging costs are on the rise, along with Plastic Packaging Tax (PPT) liability. Andy Trewin Hutt, Associate Director at product design consultancy Morrama has highlighted the challenges that many businesses are now facing.

"Wagamama's packaging price has increased by £500,000-plus a year by making that switch [to a more eco-friendly product] when the plastic packaging tax would not have cost that much. Therefore you could argue that the Government initiative is not enough if the cost of the materials with the recycled content is more than the actual tax."

For businesses already grappling with a turbulent market, it's hard to justify switching products when there are savings to be had by simply sticking with the status quo. Equally, if you're not seen to be pursuing sustainability what potential damage will your reputation see? It seems that you're damned if you do, damned if you don't.

Whatever you choose, there is increased risk, and cost, associated with them. And pallet wrap is no different. Making a change to sustainable alternatives comes with associated costs.

The cost of recycled plastic polymers has increased by as much as 70% during the past year⁷ placing pressure on operations to find ways of recouping that money. Pass it on to consumers and you risk losing business. Absorb it and you risk putting your business in jeopardy.

What is being asked of Operations Directors now is to make decisions in the here and now, with little foresight of the potential impact of those decisions in six months, a year or two years down the line.

Right now, there is little reward to be seen for the large risks being faced.

Environmental impact

There is no question that pallet wrap has huge ramifications for the environment. In the UK, Plastic packaging accounts for nearly 70% of our plastic waste and more than 140,000 tonnes of that is pallet wrap.

With little being recycled, it's a large contributor to the waste that UK businesses are producing.

"Galvanising the entire plastics value chain around a common roadmap for flexible plastic packaging is one of the top priorities of The UK Plastics Pact." Marcus Gover, CEO, WRAP

And while this is an admirable aim, individual businesses still find themselves adrift with the practical, day-to-day of how they achieve this. Recycling rates for plastic have stagnated over the last five years⁹, which limits businesses in their goals. If the opportunities to recycle are not there and the incentives to use more sustainable packaging not enough, as we have already seen, then businesses face an uphill struggle to attain sustainability targets without compromising their financial stability.

Add to this the growing pressure for businesses and corporations to prove their sustainability credentials throughout the supply chain (which is responsible for more than 80% of greenhouse-gas emissions and more than 90% of the impact on air, land, water, biodiversity, and geological resources¹⁰) and many businesses are struggling to make headway in their quest for a viable and sustainable future.

- 6 Packaging News May 2022
- 7 https://www.thegrocer.co.uk/suppliers/plastic-tax-faces-shambolic-start-as-material-prices-hit-record-levels/665151.article
- 8 https://wrap.org.uk/resources/guide/creating-circular-economy-flexible-plastic-packaging
- 9 https://www.edie.net/in-numbers-how-much-waste-is-produced-in-the-uk-and-how-much-is-recycled/
- 10 https://www.mckinsey.com/business-functions/sustainability/our-insights/ starting-at-the-source-sustainability-in-supply-chains

iWrap – the key to your operations' success

Pallet wrap can be the hidden hero in your operations success for 2022 and beyond.

iWrap starts at just 8 micron thickness – potentially saving you 25% in costs and reducing your plastic pallet wrap use by 40%.



Despite its reduced thickness, iWrap is stronger than traditional 23 micron wraps. These are just some of the benefits that switching to iWrap brings to your business operations.

- Its superior strength means fewer breaks, fewer re-wraps and less over-wrapping – a huge source of money leaking and plastic waste in operations.
- It goes further. Staff will change less rolls and speed up their processes. One customer saved over 2000 hours in one year won back from roll changes.
- You'll save 40%+ of plastic from heading to landfill - it could be more depending on the type of products you ship.

- You'll reduce your PPT liability (and your customers') by lowering the waste you're producing.
- iWrap is recyclable as it is virgin plastic – you'll be reducing your environmental impact further down the supply chain.

And it's not just all in the wrap. iWrap's latest machinery can stretch pallet wrap up to 400% - ensuring that your use is as efficient as possible.

Changing your pallet wrap is an often overlooked area in operations. But it's a small and mighty step that you can take to make significant changes that will benefit your efficiency, cost and sustainability targets.

The iWrap range – a quick glance



- 10-17 mu thickness
- Ideal for power stretch/core break machines



- 8-12 mu thickness
- Ideal for brake machine

Grip Film System

We would always advocate using a machine to wrap pallets where it makes sense to do so as it's the most efficient way to wrap pallets consistently, however there are situations where hand wrapping is the best solution, then the Grip Film System offers a sustainable and efficient alternative to other wraps.

- Our 5 micron elite wrap has 30% PCR (recycled) content this makes it PPT exempt
- Our rolls are 60% longer, so you'll save time switching less rolls
- The whole roll is usable saving you 5% of wasted film on normal rolls
- You could use 40% less pallet wrap sending less plastic to landfill and saving money



Let pallet wrapping lead your operations success – a case study

A major high street retailer came to us for help with their pallet wrapping operations and processes.

The benefits of assessing your pallet wrap and your wrapping processes can't be underestimated at a time when operational efficiency is more important than ever.

Understanding the resources you're using

They needed to understand how they were performing and where they could make changes that would help them increase their sustainability, boost their efficiency and reduce their costs.

After an initial audit and subsequent recommendations by us, they switched to iWrap and invested in new pallet wrapping machinery.

The results were significant:

Production efficiency was paid back on their machinery in just

28 days

They made a plastic waste saving of

49.66%

a reduction of 45 tonnes of plastic wrap

They saved

£9,000

on PPT

They shipped

44 less pallets

each year thanks to improved load containment

They made

2,848

less roll changes – reducing downtime and increasing efficiency

They saw overall savings of

£62,759

each year thanks to improved load containment

The benefits of assessing your pallet wrap and your wrapping processes can't be underestimated at a time when operational efficiency is more important than ever. By implementing changes, you have the opportunity to rapidly boost efficiency and see that converted into valuable savings.

How long has it been since you reviewed your pallet wrap processes and procurement?

Why not discover your opportunities for operational efficiencies by speaking to us on 033 033 300 21

How safe is your pallet wrap?

How could using less plastic on pallets mean they are more stable and safer?

Typically, we see customers using 40+% less plastic with iWrap so it's only natural to be concerned about load stability and risk when considering using around half the plastic. You'll be painfully aware that the aftermath of failed deliveries because of pallet wrap failure touches every aspect of business, including putting workers at risk.

You're looking at damaged goods, wasted time and money with the headache of recall and resupply, as well as damaged reputation.

The risks of not putting safety first

10,000,000 pallets are damaged during transport in the UK every year. Unstable loads are dangerous for you despatch teams as well as other road users who may be impacted.

These unstable loads cause more than 20,000 accidents on UK roads every year. Using high performance pallet wrap minimises this risk, keeping everyone safer.

As part of our commitment to advancing safety when transporting goods, Acopia are members of the European Safe Logistics Association. For help and advice on better load securement when palletising and transporting your goods call us on 033 033 300 21



European Safe Logistics Association

How can I test that my pallet wrap is safe?

iWrap is pre-stretched through the machine to its lockout position which means when a load is subjected to external pressure, movement is contained so there is no loss of stability.

This containment force can be tested and analysed for you, providing complete reassurance that your teams palletising your products, as well as the products themselves, are completely safe.

Having a pallet wrap audit can reveal failings with the pallet wrap you're using and help you to safer and more efficient practices.

Your first step to change - request an audit By requesting a free audit with us you'll get answers quickly about the changes you need to make to your pallet wrap strategy that will solve the problems of inefficient processes, excess plastic waste and ineffective spending habits. Assessing your current wrap A recent pallet wrap audit completed by thickness and quality and showing you us showed that we were able to save the business over £110,000 a year and reduce alternatives - we'll wrap pallets side-bytheir plastic consumption by 30.88%. side so that you can see the difference between the old and the new. What would a change like this mean for • We'll evaluate your machinery and your business? discover where it can be improved for It's easier to achieve than you think optimal performance - this could be recalibration, performance updates or a Once our audit is complete, you'll know exactly what to do to begin improving recommendation for new machinery. your processes, reducing your waste and · A containment force diagnostic on your cutting back on costs. current and new wrap will show you how strong our wrap is. You'll be reassured If you're ready to overhaul your that you're using exactly the right wrap approach to pallet wrap, then we're and thickness, your products will be here to support you. Call is on 033 protected and you'll be saving you the 033 300 21 to arrange an audit or maximum amount of money. chat with us for help and advice. · We'll look at your current wrapping Alternatively, book your audit with processes and highlight areas where us here: www.acopia.co.uk/sign-uptraining would benefit staff to improve for-a-free-plastic-packaging-audit/ efficiency and performance.



About Acopia

Acopia has been supporting leading brands with 46 years of experience and expertise.

From foundations that are built on solid ethics and a commitment to continued excellence, we help businesses with sustainable packaging, process improvement and supply of essential and every day consumables across manufacturing and retail.

Our strapline, Together Better, reflects our collective, collaborative approach to business and partnership as well as the comprehensive range of products and services we offer. Our packaging products and consumables are sourced locally and globally, stored and delivered at point of need, with the sole aim of sourcing the best possible solutions for your specific needs, at a very competitive price.

Why not get in touch for a free help and advice on how Acopia can uncover the true cost of your pallet wrap spend.

Useful resources

There are plenty of additional resources out there that can help you to manage your pallet wrap strategy, your environmental impact and your business costs more effectively.

From best practice to advice on up-coming regulation changes, being aware of the challenges you face is an important step to ensure you'll be well prepared for change.

Wrap

Optimisation of Pallet Wrapping Film Use →
Eliminating Problem Plastics →

UK Government

Prepare for extended producer responsibility (EPR) → Plastic Packaging Tax: steps to take →

Less Plastic

Doing good is good for business →

UK Circular Plastics Network

Smart Sustainable Plastic Packaging Challenge →

Recour

Packaging Recyclability & Design →

iWrap High Performance Pallet Wrap

Understand more about the commercial benefits of high performance film. <u>Click here to download our iWrap brochure</u> →

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