Why Should You Track Your Returnable Shipping Assets
Reusable shipping assets are items in a shipment that are used to help package and transport your goods safely. They’re usually made of plastic, metal, or other composites, making them more durable than conventional packaging like cardboard boxes or other flimsy materials, and therefore, more likely to survive a trip and be reused.

A number of companies and industries are shifting from conventional packaging and shipping assets to the reusable kind in their supply chains because:

• They protect goods better in transit.
• They’re sturdier, making them better for bulk handling.
• They make supply chains more environmentally friendly by reducing packaging waste like paper, plastic, and cardboard.

While it makes sense to switch over from conventional packaging and shipping items to the reusable variety, there are a few problems that are preventing more widespread adoption, chief among them being:

• They’re really expensive
• They’re really easy to lose

The cost of reusable shipping assets isn’t really a problem; they can more than pay for themselves through their reuse as well as the other supply chain savings possible only through the use of durable packaging.

The real problem is that they’re hard to keep track of, and hence, easily lost.

In this infographic, we’ll examine

• Why so many reusable shipping and packaging assets like pallets and crates are lost.
• The impact of these losses, both financial and functional.
• The benefits of tracking shipping asset and packaging, and the industries that stand to gain from it.
What are returnable shipping assets (RSA)?

Why should you track your RSAs?

10-40% of returnable shipping assets are typically lost.

10-20% of annual logistics budgets are spent replacing missing RSAs.

15-30% of RSAs are overstocked to compensate for shortages.

That’s billions (or more) getting lost on the long road home.

Why are so many shipping assets lost every year?

They’re stolen.

They’re lost, or incorrectly routed during reverse logistics.

They’re forgotten.

They’re undervalued or mismanaged.
LET'S TALK SAVINGS

Assume a typical FMCG, pharma company, or any multinational that:

- Runs 10,000 shipments a year
- Each with a value of $250,000
- Using 500,000 pallets
- Each costing $200

TRACKING RSAs COULD HELP...

<table>
<thead>
<tr>
<th>Save up to</th>
<th>$2-3 million on purchases</th>
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<tbody>
<tr>
<td>Shrinkage could be hitting 2% - 3% annually and more with insurance covering 90% of your stock, you could still be spending $2.3 million.</td>
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<tr>
<th>Save up to</th>
<th>$15-30 million in rental fees</th>
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<td>Companies overstock their inventory continuously by 10% - 20% on average, a potential savings of $15-30 million in rental fees.</td>
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<tr>
<th>Save up to</th>
<th>$100,000 on warehousing</th>
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<tr>
<td>$50,000 pallets leave your supply chain means you’d have another $100,000 in warehousing at a cost of $4.65 per square foot.</td>
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<tr>
<th>Save up to</th>
<th>$7.5 million on interest (6%)</th>
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<td>If even 5% of them were delayed by just 2 days due to the unavailability of pallets, the cost could add up to $7.5 million at an interest rate of 6%.</td>
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<th>Save up to</th>
<th>$10,000 detention costs/year</th>
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<td>The detention costs for even 5% of these 10,000 shipments, for as little as 2 days of waiting, could climb upwards of $10,000 every year.</td>
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LET'S TALK BENEFITS

<table>
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<tr>
<th>FOR YOUR SUPPLY CHAIN</th>
<th>FOR YOUR ENTERPRISE</th>
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<tbody>
<tr>
<td>↓ IDLE PALLETS</td>
<td>↓ TOTAL LOGISTICS COST</td>
</tr>
<tr>
<td>↓ TAT’s</td>
<td>↓ NON-PERFORMING ASSETS (NPAs)</td>
</tr>
<tr>
<td>↓ THEFT</td>
<td>↑ PRODUCTIVITY</td>
</tr>
<tr>
<td>↑ AUTOMATION</td>
<td>↑ COMPETITIVE ADVANTAGE</td>
</tr>
<tr>
<td>↑ TRANSPARENCY</td>
<td>↑ SUSTAINABILITY</td>
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TRACKING RSAs IS ESPECIALLY IMPORTANT IF:

- You're trying to reduce high inventory levels and their associated costs
- You want to improve security, especially for critical assets
- You need to improve automation, inventory, and audit management for assets as well as goods
- You have to improve Turnaround Time (TAT)

INDUSTRIES THAT COULD SERIOUSLY SAVE MONEY TRACKING RSA'S

- Retail
- Automotive
- Food & Beverages
- Consumer Goods
- Pharma
- Oil & Gas
- Equipment Rental
- Trading companies
- Logistics
- Healthcare
- Retail
- Pallet

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WHY AREN'T RSAs TRACKED AND MANAGED BETTER?

1. You can't track what you can't see
2. Capturing data manually is cumbersome
3. It's expensive
4. Because backhauling isn't easy
5. Because reissuing is a hassle
6. Because RSAs are perceived as a negligible cost
7. Because they're easily replaced
8. Because industry pooling has caught on

BUT CHANGE ISN'T FAR DOWN THE ROAD

INNOVATIONS IN IOT MAKE TRACKING RSAs EASY

IoT technologies such as BLE coupled with low-cost GPS/GSM/Wi-Fi hotspots mean there are options available to everyone.

Roambee
Supply Chain Monitoring | Asset Monitoring | Analytics | Real-time Response & Recovery

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How much would you save if you could increase utilization of your pallets and reduce loss, insurance premiums, lost days in shipping and more...

Calculate Pallet Savings Online