



# Why Should You Track Your Returnable Shipping Assets



January 25, 2018 - **Prem Sai Sainathan**  
Read Time | **5 Mins.**

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.

**WHY SHOULD YOU TRACK YOUR  
RETURNABLE SHIPPING ASSETS?**



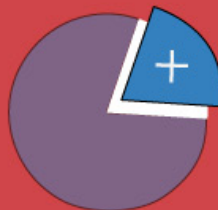


### WHY SHOULD YOU TRACK YOUR RSAs?



**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?





## 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...

Save up to  
**\$2-3 million**  
on purchases

Shrinkage could be hitting 20% -30% annually, and even with insurance covering 90% of your stock, you could still be spending \$2-3 million.

Save up to  
**\$15-30 million**  
in rental fees

Companies overstock their returnable containers by 15% - 30% on average, a potentials savings of \$15-30 million in rental fees.

Save up to  
**\$100,000**  
on warehousing

150,000 pallets less in your supply chain means you'd save another \$100,000 on warehousing at a cost of \$4-\$5 per square feet.

Save up to  
**\$7.5 million**  
on interest (6%)

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%.

Save up to  
**\$10,000**  
detention costs/year

The detention costs for even 5% of those 10,000 shipments, for as little as 2 days of waiting, could climb upwards of \$10,000 every year.

## LET'S TALK BENEFITS

FOR YOUR SUPPLY CHAIN	FOR YOUR ENTERPRISE
↓ IDLE PALLETS	↓ TOTAL LOGISTICS COST
↓ TATs	↓ NON-PERFORMING ASSETS (NPAs)
↓ THEFT	↑ PRODUCTIVITY
↑ AUTOMATION	↑ COMPETITIVE ADVANTAGE
↑ TRANSPARENCY	↑ SUSTAINABILITY

### 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

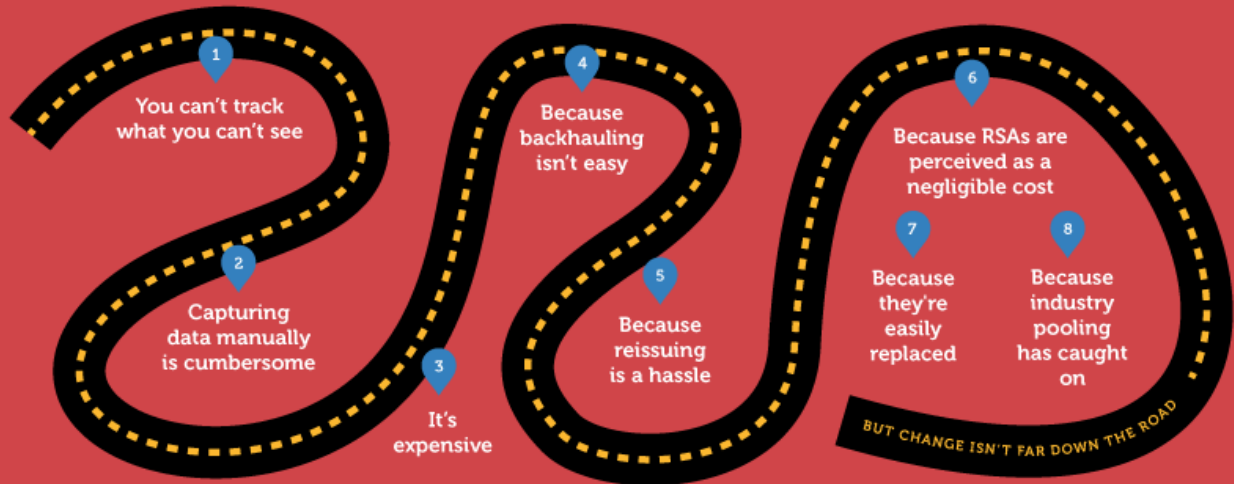


You have to improve Turnaround Time (TAT)

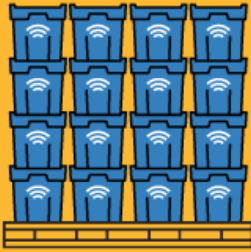




## WHY AREN'T RSAs TRACKED AND MANAGED BETTER?



## 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.



On-demand condition and location monitoring solutions –indoors, outdoors, and in-transit.

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





**Know More, Now.**

<https://www.roambee.com/get-started>

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