Excess Packaging

SURVEY

Introduction

Excess packaging and waste equals unnecessary and avoidable cost in logistics. Whilst tertiary packing was discussed before the COVID crisis, with the increased cost of doing business for both retailers and manufacturers the opportunity to remove waste in both packaging and cost has never been more relevant. With the following survey we want to kick-off a complementary path in logistics to tackle the environmental problems caused by excess packaging.

The aim of the survey is to gather the necessary collaborative components of a framework that handles packaging material, related data and connected financial process flows, and eventually highlight pre-competitive ways to manage the impact of packaging waste in the entire supply chain.

Focus: Total Supply Chain Brick & Mortar, as well as growing Online Business.

Drivers: Environmental Impact and Cost Reduction.

The pilot will focus on two major points during one (or more) 12 weeks sprints:

1. the reduction of all non consumer packaging including cardboard polymers and other commonly used materials (KPI: m3 I kg),

2. the scalability through potential modularisation of reusable transport items - and its implication on packaging management throughout the value network (KPI: €/$).

The emphasis is on assessing optimal conditions for an ecosystem based on a solid business model in which excess packaging can be actively and positively gauged - creating financial value for everyone involved while reducing the environmental impact.

This survey is the first step towards building the framework and 'testing the waters'. We look forward to sharing learnings and insights resulting from the survey findings.

Reduce / Reuse

## Investigate options of lowering excess packaging utilizing new technologies

Definitions:

Value-Chain efficiency requires 3 levels of unit loads that seamlessly "work together" and are more or less dependent on each other (e. g. design, handling efficiency, stackability, compatibility, product protection, material, identification).

Unit Loads:

• **Primary Packaging**
• **Secondary Packaging**
• **Tertiary Packaging**

Secondary and tertiary loads require a multi-functional approach, because of their key interface with the primary product. A key to success is challenging the current constraints imposed by the design of primary products, redesigning them to fit modular spaces and designing secondary loads to fit shelves or to support efficient delivery in (automated) online trade processes to the consumer and also fit tertiary spaces.

PRIMARY LEVEL   SECONDARY LEVEL   TERTIARY LEVEL

MODULAR SPACES
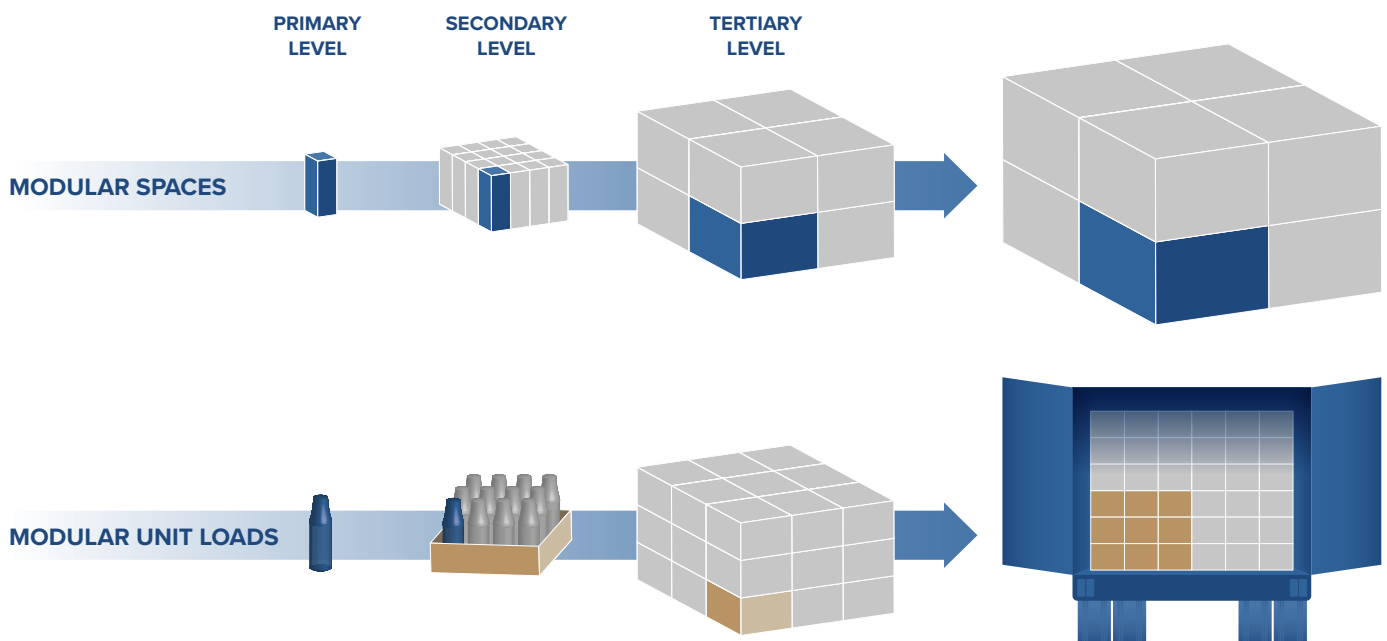
MODULAR UNIT LOADS

Source: Modular spaces and modular unit loads/ ECR Europe, The Efficient Unit Loads Report, 1997, page 27

CGF developed the Paper "Modularisation" to build on earlier ECR work and prepare the industry for system relevant concepts in the light of the Internet Of Things and expected increased automation of supply chain processes.

[source: E2E Learning Series]

Setup: 12 Weeks Sprint
(Expert Task Force)

We would like to focus on the next step on the excess of packaging at the tertiary (and potentially secondary) level.

Please indicate your opinion/assessment/argument to the two following statements:

1. We would like to propose the following process steps for the pilot or task force. Please share which steps are missing or you would like to change:

   a. Identify current process steps of pack|unpack in the supply chains

   b. Structure the findings to make underlying decision processes visible

   c. Capture differences when specific packaging is applied/reused during certain process steps (B2B)

   d. Identify current business models in this space and look into collaborative, pre-competitive approaches to improve options and lower environmental impact

   e. Identify the potential role of new technologies to help manage material, data and financial flows which impact excess packaging

   f. Investigate the optional path of modularisation of reusable transport items (RTIs)

   g. Agree on a KPI system to be put in place, solving for excess waste

2. Efficient Unit Loads / Reusable Transport Items (RTI):

   Please describe one or more experiences with - or your opinion on - RTI's

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**PLEASE SUBMIT TO
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