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Fresh Pak helping give wood pallets the slip

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A Houston company is turning discarded plastic bottles and bags into sheets to replace wood pallets in the shipping of goods.

While plastic slip sheets have been in use at least since the mid-1990s, Houston-based Fresh Pak Corp. believes it is the only manufacturer in the country using curbside recycled plastics as raw material.

In addition, Fresh Pak says its recently introduced Eco-Sheet plastic slip sheets offer economic and environmental advantages over wood pallets.

"We buy plastic bottles that have been compacted and sold in bales and plastic bags that come from retailers' recycling bins all over the country," says Rudy Macdonel, director of sales and marketing for Fresh Pak.

The company is currently processing as much as five tons of recycled plastics a month and selling 30 million recycled plastic slip sheets a year.

Fresh Pak has produced plastic slip sheets for a decade using plastic resins, but began transitioning to recycled curbside plastic over the last several years, finally rolling out the branded product Eco-Sheet this year.

Macdonel says Fresh Pak has seen an annual increase in demand for this alternative to wood shipping pallets.

"It's a no-brainer," he says.

WEIGHT OF THE WORLD

A truckload of 500 wood pallets weighs more than 30,000 pounds compared to about 1,000 pounds for 500 plastic slip sheets, which take up a space of only four feet in width, length and height.

That translates into potential savings in shipping -- from reduced fuel and freight rates to increased product space -- along with significant environmental benefits, from saving trees to reducing air emissions through more efficient shipping, Macdonel says.

The cost of the goods themselves is also an issue: The average wood pallet costs about \$10 while a plastic slip sheet runs about \$1.50.

Fresh Pak did an initial implementation and audit of a switch from wood pallets to plastic slip



sheets for a major electronics manufacture and found that in the first year, the manufacturer:

- Eliminated 1 million wood pallets,
- saved 65 million pounds of lumber,
- increased available shipping space by 25 percent,
- reduced transportation supply chain costs by 25 percent, and
- realized total savings of \$50 million.

In 1995, Atlanta-based Home Depot Inc. began requiring vendors to ship products to its stores on slip sheets instead of wood pallets, which the home improvement retailer predicted would produce multiple environmental and economic benefits.

In the first year of implementation, Home Depot said it saved more than \$2 million and some 15 million board-feet of lumber.

Last year, Cincinnati-based The Kroger Co. reported that its stores recycled 9.1 million pounds of plastic nationwide. Most of the company's stores have recycling bins for consumers to return plastic bags for recycling.

And Houston-based Waste Management Inc., the nation's largest waste hauler, recycled 252,000 tons of curbside plastic in 2007, says Richard Abramowitz, director of public affairs for the company.

He says Waste Management has seen a "large increase" in the amount of plastic material being recycled.

But Abramowitz says he doesn't know if that has necessarily translated into less plastic going into landfills because although the quantity of plastic being recycled is growing, so is plastic pro-

duction.

"So the amount of plastic going into landfills is probably staying the same," he says.

Some studies indicate that while Americans use more than 100 billion plastic bags a year, only two percent of them are being recycled.

But there is no question that there is a strong market for recyclable plastic.

"A lot of it is going overseas," Abramowitz says.

And in the U.S., companies like Fresh Pak could use more than is available. For that reason, Fresh Pak and others in the industry formed a coalition that recently won a court order stopping the City of Oakland, Calif., from banning plastic bags.

"We are working with plastic coalitions trying to create awareness so that there is more recycled material," Macdonel says. "More retailers are moving in that direction."

Fresh Pak also gets back some of its own slip sheets from customers and recycles them to be used multiple times.

The company's customers belong to a wide range of industries including food and beverage, chemicals, agriculture and electronics.

And the trend is catching on.

Bentonville, Ark.-based Wal-Mart Stores Inc. earlier this year implemented a requirement that shipping and packaging materials used by its vendors be environmentally sustainable. Meanwhile, another Houston manufacturer, the Drake Co., has rolled out a line of new recycled and recyclable plastic packaging products to meet these criteria.