



**2021 SUSTAINABLE PACKAGING DESIGN
OF THE YEAR - INDUSTRIAL
SILVER WINNER**



CHEP Australia
1/6 Pallet Retail Ready Platform



Key Outcomes and Measurement



Allows stock to be shipped as complete unit directly from warehouse to store



Reduces manual handling and high waste with cardboard displays



6 pallets fit perfectly onto 1165mm x 1165mm pallet



Meets 2025 National Packaging Targets



Lightweight (less than **2kgs**)



100% fully recycled PP



Can be washed & sanitised over and over

200 kgs

Withstands a high working height of 200kgs



Share and Reuse solution



1/6 the size of an Aust timber pallet



Pre-built display full of stock

CHEP
A Brambles Company

Product: 1/6 Pallet Retail Ready Platform
Company: CHEP Australia
Country: Australia

CHEP is a global leader in managed, returnable, and reusable packaging solutions, serving many of the world's largest companies in sectors such as consumer goods, fresh produce, beverage and automotive. CHEP's service is environmentally sustainable and increases efficiency for customers while reducing operating risk and product damage. CHEP's 11,000 employees and 300 million platforms (pallets and containers) deliver unparalleled coverage and exceptional value, supporting more than 500,000 customers touchpoints in more than 60 countries. Their customer portfolio includes global companies and brands such as Procter & Gamble, Sysco, Kellogg's, Kraft, Nestlé, Ford and GM. CHEP is part of Brambles Limited.

COORDINATED BY



ANZ REGIONAL AWARDS PROGRAM



INTERNATIONALLY ENDORSED BY



EXCLUSIVE ENTRY TO



The new pallet was designed, constructed, and trialed with a major brand and supermarket to ensure it met the needs of the supply chain, whilst also ensuring appeal and ease of access for the shopper.

Benefits of the new pallet have demonstrated to brand owners and retailers that the pallet:

- ✓ **Increased conformance, exceeding execution standards for promotional displays.**
- ✓ **Increased safety including the reduction of manual handling associated with setting up displays.**
- ✓ **Increased the stock weight ratio, meaning more stock available.**
- ✓ **Incremental sales because of higher levels of conformance.**
- ✓ **Reduction in consumable costs associated with cardboard promotional displays.**
- ✓ **More efficient and optimised transport and logistics offering, due to compatibility with Australian standards.**
- ✓ **Better overall customer experience including allowing greater social distancing measures in the retail store.**
- ✓ **A shared and reused pallet delivers increased sustainability benefits for brand owners, retailers, and shoppers.**

In the context of your packaging innovation, what do you see as Sustainable Packaging?

The CHEP 1/6 Pallet is a new player in the market that was born from an industry need to make pre-built promotions faster, safer, more efficient, and sustainable. Only in its infant year, the new platform has already won multiple industry awards for its innovative design and its sustainability benefits, signifying an industry need and desire to challenge the cost and waste in promotions.

The CHEP 1/6 Pallet is sustainable by design and intended to be shared and reused multiple times within the retail supply chain, creating a circular business model for all parties. By developing a reusable pallet that promotional towers can be connected to, allows brands to ship in finished promotional displays. This means that brands no longer need to send inventory and displays flat packed to be erected in store or alternatively purchase expensive custom-made one-way pallets. This means there are no costly disposal costs as the pallet is washed and returned, ready to be reused in the supply chain. This share and reuse model is the second highest sustainability choice in the Waste Hierarchy, meaning it is one of the most sustainable choices for a promotional display within the retail environment.

What would you say were the decision-making drivers (Internal and External) influencing your packaging design?

The CHEP 1/6 Pallet is a new player in the market that was born from an industry need to make pre-built promotions faster, safer, more efficient, and sustainable. CHEP's customers told them that one of their biggest challenges, considering cost and complexity was specific off location promotional displays.

In its infant year, the 1/6 Pallet has already won multiple industry awards for its innovative design and its sustainability benefits, signifying an industry wide appetite to remove waste in off-location promotions.



What benefit does this new design offer your business and your consumers? Why is the pack more sustainable?

This reusable, retail-ready platform is ideal for one-touch replenishment in-aisle or off-location promotional displays.

When the store no longer needs the pallet, it is simply returned to be reused within the supply chain again and again reducing its carbon footprint each time within the supply chain versus single use alternatives. The pallet supports the CHEP sustainability principle of creating circular economies of products and their associated movements throughout their customers supply chains.

A reusable pallet reduces the need for brands to purchase expensive one-way custom-made pallets to transport their displays from warehouse to store. The interlock-ability of the product (nesting of pallets) means that when not under load, more 1/6th Pallets can be transported using less trucks, delivering better truck utilisation and less carbon emissions.

There are no costly disposal costs as the pallet is washed and returned, ready to be used in the supply chain again. The pallet can be scrapped at the end of its life, with the scrap material put back into the production of new 1/6 Pallets or reused for other sustainable products as part of CHEP's Waste Positive Sustainability Targets of zero product materials sent to landfill.

What volumes of materials, packaging and waste have you saved by designing this new packaging?

Did you do this through changing materials, lightweighting, recycled content, making the packs recyclable or reusable?

The 1/6 Pallet is a unique product in the Australian marketplace. The development of the new 1/6 fractional-sized pallet to meet a significant industry need involved industry-wide collaboration, research, testing and trials over an 18-month period.

To be compatible with existing retail and supply chain infrastructure, the new platform included features to ensure it could be stored, stacked, and transported safely with other supply chain equipment. It was specifically designed to be 1/6 the size of an Australian timber pallet, meaning that six of these pallets fit perfectly onto an Australian timber pallet (1165mm x 1165mm) and great for storage and transport logistics.

The creation of an innovative 1/6 fractional-sized pallet was born that facilitated a pre-built display full of stock and could suit material handling equipment and automated warehouses within the entire supply chain. This allowed stock to be shipped efficiently, safely, and cost-effectively as a complete unit directly from warehouse to store, reducing manual handling and high waste associated with cardboard displays.

The 1/6 Pallet is made with polypropylene plastic, a superior material choice for durability and strength compared with existing weight-limiting single-use cardboard alternatives in the market.



How much on-pack and off-pack information do you provide your customers?

In its full form, the pallet can be customised with POS and promotional displays to suit the brand in activation. The pallet features areas to clip on tower displays and signage to suit endcap promotions. It is designed for maximum functionality throughout the entire supply chain and shop-ability within the store.

As a carrying platform, the 1/6 pallet supports the FMCG partner to achieve their off-location promotional plans as such all indications, markings and directions on the pallets are to ensure the safe use by the supply chain in getting the pallet into a saleable position on the retail floor and then to assist return to be used multiple times in the supply chain. It is not intended for consumer reference.

Please share a little bit about each of the partners/collaborators who worked on this packaging design.

Can you explain each of their roles?

The 1/6 Pallet is a unique product in the Australian marketplace designed by CHEP Australia to meet a significant industry need involved industry-wide collaboration, research, testing and trials over a 24-month period with multiple FMCG brands and retailers.

The 1/6 Pallet system was designed by CHEP. Each partner of the supply chain, from manufacturer, co-packer, logistics provider, retail warehousing, distribution and store operations were consulted to provide input to ensuring the final solution would flow seamlessly as intended and significantly improve the ROI of in-store promotions.



What do you feel will be needed to further improve packaging design in the future? (e.g. education, investment, policy/legislation, tech, etc?)

Greater awareness in the share and reuse circular economy.

Packaging design should be driven by the principles of the Waste Hierarchy meeting the form and function required to package the product. In the area of primary packaging, minimising the use of harmful and difficult to recycle materials is the first step and where possible the use of recycled content should be maximised.

As with Circular Economy principles, systems thinking is required for the inputs to designing sustainable packaging, manufacture, use and recovery. Secondary/Tertiary and Transport Packaging has long been ahead of primary packaging in closing the loop to achieve recovery or reuse. However, this requires all actors in the supply chain to align and collaborate to make these systems work.

More than ever to move from waste management solutions to waste reduction solutions will require these partnerships to come together greater than ever before. In many ways, these partnerships will be innovative searching for new business models, materials, platforms, logistics and collection systems.

Trading partners will need to consider the value of the approach of 'the lowest price' and embrace a new collaborative model to create a more sustainable packaging value chain. An over-arching government framework will provide support to some industries along the path.

Awareness, education, resources, collaboration, innovation, and regulation will drive further improvements in packaging design. However, the over-arching imperative should be to achieve a truly sustainable future.



What does your company have planned in the future? Any new innovations on the horizon?

CHEP continually collaborates with customers to find more innovative and sustainable ways of working. They are seeking further innovation in In-Store Solutions including the greater use of recycled materials and their establishment of more supply chain partnerships to expand their share and reuse footprint.

Examples may include the use of post-consumer recycled materials as feed stock straight back into the manufacture of their platforms. CHEP's Innovation Centre in Orlando is constantly testing post-consumer recycled materials to ensure they can meet performance criteria required in a multi-year, numerous uses rigorous pooling environment.

Overall, CHEP's sustainability vision is to pioneer regenerative supply chains which will lead them to put more back into nature, their people, and their communities more than they use. To achieve this CHEP will require much innovation and collaboration with all the stakeholders now and for the future – removing waste inefficiencies and relentless drive for logistics optimisation through their Zero Waste World Program.



As a winner of the PIDA awards, how valuable is the award to your organisation?

“Retailers and consumers in recent years have found more sustainable solutions of getting products from stores to homes. With CHEP’s In Store Solutions we are focused on the sustainability benefits in the supply chain to stores.

Consumers, retailers, and manufacturers are all on the same journey, to make products and their supply chains more sustainable. The use of a fractional pallet throughout the supply chain, from manufacturer direct to the retail floor, is yet another lever to build a better more sustainable supply chain.

This is an exciting new industry development that will transform the promotional supply chains of Australia, for a more sustainable future,” says Andreas Bauspiess, Director of Retail and FMCG at CHEP.



How is winning a WorldStar Packaging Award valuable to your organisation?

Andreas Bauspiess, Director of Retail and FMCG at CHEP says “Creating more sustainable retail supply chains is not just an Australian priority, it matters globally. In over 60 countries, CHEP standard pooling pallets support this in supply chains of packed goods into retailers.

Now, fractional pallets like the 1/6 Pallet are enabling suppliers and retailers to benefit through CHEP’s role in the share and reuse circular economy.

The WorldStar Packaging Awards puts Australian innovations on the global stage for sustainability leadership and that is pretty exciting for CHEP, Nestle and Coles.”



The Australasian Packaging Innovation & Design (PIDA) Awards are an Australia and New Zealand program that is coordinated by the Australian Institute of Packaging (AIP). The awards recognise companies and individuals who are making a significant difference in their field across Australia and New Zealand. The PIDA Awards are the exclusive entry point for Australia and New Zealand for the prestigious WorldStar Packaging Awards.

The Design Innovation of the Year company awards recognise organisations that have designed innovative packaging within each of these six manufacturing categories:

- Food
- Beverage
- Health, Beauty & Wellness
- Domestic & Household
- Labelling & Decoration
- Outside of the Box

There are four special awards available:

- Sustainable Packaging Design
- Save Food Packaging Design
- Accessible & Inclusive Packaging Design
- Marketing Award

The **Sustainable Packaging Design Special Award** is designed to recognise companies that have developed innovative packaging solutions that incorporate sustainability considerations. All entries are judged on Sustainable Packaging Design considerations such as social impact, material, source reduction, energy and recovery and what packaging changes the company is undertaking to meet the 2025 National Packaging Targets. This is also a WorldStar Packaging Awards category.



The Australian Institute of Packaging (AIP) is the peak professional body for packaging education and training in Australasia. The AIP helps shape the careers of generations of packaging professionals – from packaging technologists to international packaging business leaders along with a host of people in associated disciplines – sales and marketing, purchasing, production and environment.

Australian Institute of Packaging

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