

Packaging optimization does not always have to be rocket science



15% less packaging film with simple measures

Achieve considerable savings with limited investments. That is the ultimate goal of every company in these difficult economic times. Logistics company Colfridis proves that it can be done. An optimization of the packaging processes in its warehouses has already reduced consumption of plastic film by 15% in just the initial phase. "These results did not require large-scale investments or long-term research and development projects", emphasizes Finance Manager Tom Lokermans. "Rather it was about observing the workplace, seeing what processes could be improved, and finding simple, feasible solutions."

prevent pack

The packaging optimization project at Colfridis was partly inspired by the company's participation in the Lean and Green program of the Flemish Institute for Logistics (Vlaams Instituut voor de Logistiek, VIL). "We drew up a plan to reduce CO₂ emissions from our operations by 20% over a five-year period", explains Tom Lokermans. "Sustainable transport and reduced use of energy

were obviously the main points of interest in the project, given the nature of our business. However, we quickly noted that there was also room for improvement in our packaging – specifically with the plastic film we use to pack our pallets. The packaging optimization now represents 3% of the total CO₂ reduction we aim to achieve within the Lean and Green project".

Minor investments, remarkable results

Colfridis uses 72 tons of plastic film a year for wrapping goods pallets. "This not only represents a significant cost to the company – about 200,000 euros on a yearly basis – but also a major environmental burden", says Hugo Vandermeiren, Facility Manager. "Every kilogram of film causes 3.5 kilograms of CO₂ emissions. This means there are plenty of good reasons to use the film sparingly and look for optimization opportunities".

The first step in the optimization project was a thorough observation of the workplace. "We had to get a good view of the existing packaging processes", says Hugo Vandermeiren. "We soon realized that a considerable amount of unused film ended up in the trash and that employees lacked a systematic approach in

the packing of pallets. And that we could book great results with some relatively simple interventions. Compared to other efforts that we delivered in the Lean and Green program, such as the installation of solar panels, the investments needed in this case were very modest indeed".

The results came fast. Film consumption has already been reduced by 15%, representing an annual CO₂ reduction of approximately 38 tons, along with a considerable cost saving for the company. "The project has taught us that packaging optimization does not necessarily have to be rocket science", concludes Tom Lokermans. "Sometimes you can achieve outstanding results with modest means and some common sense".

good to remember

Packaging optimization enables logistic companies to **save costs, work more efficiently and reduce CO₂ emissions.**

An optimization project does **not always** require **large investments.**

Start with a **thorough observation** of the workspace and find **feasible solutions** for practical problems.

Packaging optimization does not always have to be rocket science

Lean and Green

Sustainable solutions, **reduced costs, better image**

Lean and Green is a program that encourages and supports companies to drastically reduce CO₂ emissions from transport and logistics activities. The program was launched in 2007 in the Netherlands. The Flemish Institute for Logistics (Vlaams Instituut voor de Logistiek, VIL) is responsible for the rollout of the program in Flanders. Participating companies commit themselves to improve their energy efficiency and reduce their CO₂ emissions by at least 20% over a five-year period.

In January 2013, the first twelve companies in Flanders received the

Lean and Green Award. In May 2013 another twenty companies, including Colfridis, followed them. "Care for the environment and cost savings go hand in hand within the Lean and Green program", says Tom Lokermans, Finance Manager at Colfridis. "Electricity and diesel alone represent a yearly cost of more than 2 million euro for Colfridis. Reducing these costs has a direct and positive effect on our profitability. But Lean and Green is also an added value to our customers, which include almost all of the major retailers in Belgium. They of course attach an increasing importance to sustainability".

Optimizing your packaging - Step by step

Identify: acknowledge the problem and put it on the agenda

"We have always suspected that the quality of our pallet packaging could be better", says Tom Lokermans. "But only by quantifying the problem and realizing that our company annually spends about 200,000 euros on plastic films can a business case be made. Suddenly, an optimization project is

higher on the agenda". The participation in the Lean and Green program further acted as a catalyst. "Every kilogram of plastic film that we use causes 3.5 kilograms of CO₂ emissions. This means that optimizing our packaging can also improve our environmental performance".

Observe: visit the workplace and see where it goes wrong

A thorough observation and analysis of the workplace and associated processes immediately made it clear that a huge amount of plastic film was wasted. An initial visit suggested that about a quarter of the hand wrap film was discarded unused. During a second visit, this went up to almost half. The reasons proved quite diverse. "We noticed immediately that many employees left behind partially used rolls of film all over the workplace. The result was that many of these rolls became damaged and eventually ended up in the trash.

We also saw that many employees prefer to start with a new film roll because it is easier to remove the film from a new roll than from a used one. A second problem lay in a lack of systematic approach in the packing of the pallets. Each employee had their own method. Some employees used considerably more film to pack the pallets than others did. Thirdly, we also observed that the quality of the film plays an important role—the strength and ductility of the film strongly influences consumption", says Hugo Vandermeiren.

Remediate: think of feasible solutions and provide support

Colfridis chose to tackle each one of the three problem areas. "Firstly, the film rolls are now distributed centrally. You can only get a new roll when you return the empty shell of the last one you used. In addition, after each shift employees must return the used rolls. This ensures partially used film rolls are no longer left around the workplace and employees become more conscious of their use. Secondly, we introduced a consistent approach to packing the pallets. We worked out a standard

procedure for manual packing and invested in a number of packing machines. This not only makes the packing of pallets much easier for employees, it also reduces waste to an absolute minimum. Finally, we chose to purchase higher quality film. It is true that it is more expensive than what we used previously, but it has a better ductility so less film is needed to adequately pack the pallets".

Colfridis

Logistics expertise for the retail sector

Colfridis offers specialized logistics services tailored to the retail sector. The company supplies goods to retail outlets throughout Belgium and provides retailers with a complete service: storage of products, order picking, delivery to the final destination, inventory monitoring and reverse logistics. The company also specializes in the fine distribution of temperature-sensitive products. Due to its central location in Londerzeel, Colfridis can deliver goods to any outlet in Belgium from a single distribution center.

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