









Pallet Industry Trend Monitor

Dr. L. Allan Austin, email allan@uneducator.com

Trend / Development			Status Indicator			
Pallet Industry		Benchmarks	Industry Status			
Growth Rebound		Recycling now most profitable sector	\$1.6 billion in US 4% annual growth	\$9 billion global 3% annual growth		
Consolidation		Pallet industry arguably the most competitive industry	2,800 pallet manufacturers in US alone			
Objective		Drivers	Materials			
Shift to higher-end materials		Government & insurance regulations	 91% wood	 7% plastic	 2% metal	
		Green world movement				
		Drivers	Factors / Leaders			
Shift to added value plastics:	1	Higher-end plastics	Material handling equipment requires improved durability	Airlite/US	Europack/India	Paxxal/KSA
	2	Embedded materials		Antibacterials Microban	Fire retardants DECO	RFIDs iGPS
		Details	Standard			
Shift to standard pallet sizes		Most common in Australia	1165mm x 1165mm	Number different sizes in US alone: 426		
		Most common in Europe	800mm x 1200mm			
		Most common in US	40 x 48 x 5.62 inches 1016mm x 1292mm			
		Outsourcing Agents	World Leader			
Shift to outsourcing complete materials handling including pallet management		PECO pallets in Yonkers, NY	Brambles in Australia			
		Alternatives	Price			
Shift to cost per trip as industry benchmark		Total inventory cost	US \$1.14 per trip for wood US \$ 0.16 per trip for plastic			
		Countries	Details		Overview	
Shift to pooling, renting, leasing		 Australia	CHEP	75 million wood pool	Overall pooling growing at 4% annually	
		 the Netherlands	IFCO	102 million plastic pool		
		 US	iPGS	65 million plastic pool		
		 UK	PPS	20 million plastic pool		
		 US	Worthington	50,000 metal pool		