

Business News

PRECISE PALLET MANAGEMENT - SAVING INDUSTRY PALLET HIRE CHARGES

Two Melbourne transport industry executives, Phil Doolan and Geoff Bird, have just launched their specialty business - Precise Pallet Management Pty Ltd - to assist Australian businesses reduce their costs and avoid the problems which accrue with the use and hire of the humble square timber pallet.

The magnitude of the problem for businesses can be quickly calculated when at any one point in time, Australian manufacturers are estimated to be using 21 million timber pallets - or equal to a timber pallet for every person in Australia!

Pallets are provided for hire by two long established companies, CHEP - part of the Brambles Group and Loscam.

The two largest pallet hirers have an estimated 22,000 active pallet hire accounts Australia-wide, while CHEP hires 250 million pallets to manufacturers world-wide.

"Daily hire charges may only represent a handful of cents a day per pallet, so nobody pays much regard to their pallet use, until the monthly hire account is received and the scale of the monthly hire cost becomes apparent.

"Then there are charges for lost, damaged or simply unaccounted for pallets, and credits for recoveries, so for many organisations there is a significant additional labour cost in tracking down, justifying and reconciling the number of pallets on which the hire charges are based.

"From our transport industry experience we know many businesses have at least one full time employee engaged in nothing else but attempting to sort out their pallet use, reconcile their hire charges and accountability" Phil Doolan said.

Recognising the scale of the efficient and cost effective pallet management problem and hire costs associated with them, Precise Pallet Management employs a unique software tracking and auditing program to assist in managing the problem.

"We decided to start Precise Pallet Management after our initial consulting project, which we undertook on behalf of the mid sized Melbourne based transport, distribution and storage company, the Glen Cameron Group.

"Using our skills, experience and software, we have successfully reduced the monthly usage of pallets at the Glen Cameron Group by 62 percent, achieving a significant reduction in monthly hire costs, as well as removing the in-house labour input previously consumed in tracking, checking and confirming the status of the monthly pallet hire charges.

"We believe that with our expertise and experience, Precise Pallet Management can reduce the monthly pallet hire account for manufacturing, distribution companies and transport businesses significantly" Doolan said.

While the standard square timber pallets are used universally, there are approximately 40 other different types of stillages, storage containers and similar materials handling and distribution aids, which are used widely and subject to monthly hire charges.

"We believe we can apply the same successful principles to managing these and reducing both the hire cost and associated time inputs for business as well" Doolan added.

For more information contact Phil Doolan or Geoff Bird of Precise Pallet Management Pty Ltd on 03 9729 9466, fax 03 9729 9381 or info@precisepallets.com.au



Photo Caption

Phil Doolan (left) and Geoff Bird have established Precise Pallet Management Pty Ltd to provide Australia's businesses with efficient, cost-effective pallet account management.

They claim to be able to assist many pallet users to significantly reduce their monthly pallet hire charges.

With a national pallet population totalling an estimated 21 million timber pallets, the magnitude of the problem is apparent.