

Stop the Bleeding!

In the Paper-based FMCG Industry's Supply Chain



Three Things to *Know*
About Recovering Lost Profits
& Avoiding Brand Erosion



Lantech[®]



Three Things to Know

About Stretch Wrapping in the Tissue and Paper Products Industries

1. In-transit product damage as a result of ineffective stretch wrapping takes a bigger-than-you-think bite of profits.

Globally, the tissues, diaper, and other paper-based FMCG industries are losing about 230 million dollars a year from products damaged on the journey from mills to retail shelves. North America's share of this loss is about 70 million dollars while Europe's share is about 50 million euros.

Reductions in primary and secondary packaging materials and ever present cost reduction pressures are making most products more difficult to stretch wrap. Fragile or delicate products like paper based FMCG are especially hard to wrap effectively.

Until the same process controls used to ensure the quality of core products are applied to improving and maintaining the quality of stretch wrapping:

- A. Revenue loss from unsalable products damaged in transit will increase.
- B. Plant productivity will decline.
- C. The satisfaction and good will of customers will suffer.
- D. Stretch film costs will increase.

2. The root cause of about 50% of in-transit product damage is ineffective stretch wrapping.

Stretch wrappers are inherently hard to setup and operate at optimal levels. Few organizations have the knowledge or resources to maintain high quality stretch wrapping over the long term.

In North America alone, the in-transit damage caused just by ineffective stretch wrapping amounts to some 35 million dollars a year. At least half of this damage can be avoided simply by improving the quality of stretch wrapping.



3. You can't fix this by yourself.

Rafael Nadal and Roger Federer are both great tennis players. In fact, they're two of the world's best. Something else they have in common is they don't try to coach themselves. They hire coaches.

Federer employs Severin Luthi and Nadal uses a team composed of three coaches. Nadal and Federer know, even though they're experts themselves, they need dispassionate analysis and help and that it must come from outside.

The same is true for high volume stretch wrapping. It's more complex and harder than it seems. Yet the benefits of shifting to effective stretch wrapping far exceed their costs and are realized faster and better when collaborating with a trusted coach.



What's Next? ✓

Forward thinking managers are implementing these stretch wrapping practices:

- 1. Understanding their existing stretch wrapping capabilities and the limitations of their existing stretch wrappers.
- 2. Optimizing their stretch wrapping practices by following *Lantech's 10 Steps for Damage Reduction through More Effective Stretch Wrapping*.
- 3. Preparing for continued emphasis on improving the quality of their stretch wrapping.



A Short Guide to Effective Stretch Wrapping

How to Fix Things Fast!

There are three keys to effective stretch wrapping:



1. Containment Force

Containment force is the holding power applied to the load by the stretch film. It's what holds the load together as it moves through the supply chain.

Containment force is the critical stretch wrapping metric. It's measured in kilograms or pounds with a tool designed specifically for that purpose.

There is a containment force value for every type of product load. To maximize the probability of successful shipment, at least this value (holding power applied by the film) is required to be present everywhere on the load.

Containment Force Recommendations

Using Lantech's CFT-6 Containment Force Tool

Very Light Loads

(0 - 200 kg)

2 - 5 lbs
(0.9 - 2.3 kg)

Paper Towel Bundles
Empty PET Bottles
Empty Containers



Stable Mid-weight Loads

(200 - 500 kg)

5 - 7 lbs
(2.3 - 3.2 kg)

Cartons
Trays



Heavy Unstable Loads

(500 - 750 kg)

7 - 12 lbs
(3.2 - 5.4 kg)

Tall
Narrow Cartons
Unstable Beverage



Very Unstable Loads

(750 - 1000 kg)

12 - 20 lbs
(5.4 - 9.1 kg)

PET Water



*Containment force recommendation is starting point only and does not guarantee successful shipment. It is based on Lantech's field observations.

Lantech's CFT-6 Containment Force Tool ✓



Lantech's CFT-6 Containment Force Tool provides a fast, simple, consistent and nondestructive way to measure containment force. Be aware that there are many different containment force tools available and the measurements taken with one type of tool will not correspond with the measurements of other tools.



A Short Guide to Effective Stretch Wrapping

How to Fix Things Fast!

There are three keys to effective stretch wrapping:



2. Load-to-Pallet Bond

If the product load isn't secured to the pallet, it can slide off during shipment and become damaged. The load-to-pallet bond is best accomplished by a device like Lantech's Pallet Grip® that rolls the bottom 4 - 6 inches of the film web into a tight cable and then drives it down onto the pallet about 1 inch beneath the deck board.

This position is high enough to prevent the cable from being hit or broken by pallet jack or forklift blades yet low enough to create a secure bond that "locks" the load to the pallet.



Pallet Grip properly applied creating secure bond

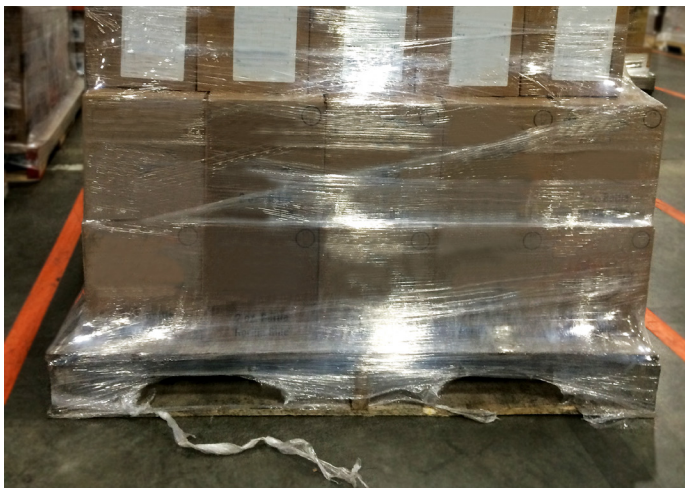


Pallet Grip properly applied - with clearance for forklift

Why stretch wrapping to the bottom of the load is a bad idea:

When the stretch film is punctured by the forklift or pallet jack forks, the containment force at the bottom of the load is reduced. This increases the risk of load failure during shipment.

There is also a risk that the punctures in the stretch film will propagate, and expand up the load, further reducing containment force and adding to the risk of load failure.



Film wrapped to bottom of pallet - forklift puncture



No Pallet Grip - film wrapped to bottom of pallet



A Short Guide to Effective Stretch Wrapping

How to Fix Things Fast!

There are three keys to effective stretch wrapping:



3. No Film Tails Longer than 4 Inches

Besides being unsightly and detracting from brand image, film tails can lead to common, yet serious, problems:

- A. Loss of containment force from film unwinding on the load.
- B. Load failure from tails getting caught on conveyor rollers or in automatic storage and retrieval systems.



Film Tails

A Note about Lantech

In 1972 at the peak of the energy crisis, Lantech made an impact on the world by inventing the stretch wrapper and changing the way companies package and protect their products for shipment. Billions of pallet loads are stretch wrapped every year. Today we build case and tray handling machines in the Netherlands and stretch wrappers in the United States. Over the years our business has been built on innovation, customer support, and the mission to dramatically reduce shipping damage.

With offices on four continents, two manufacturing facilities, and sales and technical support all over the world you are never far from a Lantech packaging expert.

More Resources:

www.lantech.com

10 Steps for Damage Reduction through More Effective Stretch Wrapping

Webinar: *How to Fix Common Stretch Wrapping Problems*

Webinar: *What's the Best Way to Stretch Wrap Your Pallet Load*

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