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## COMPANY BRIEFING

BY BOB TREBILCOCK, EDITOR AT LARGE

# Building the better plastic pallet

*iGPS is betting that the market is ready to pool plastic pallets.*

Does the world need another plastic pallet? Talk to Bob Moore, chairman and CEO of iGPS, an 18-month old start-up company, and the answer is a resounding “yes.”

“I’ve been convinced since the mid-1990s that the wood pallet was somewhat archaic,” says Moore. “We’re coming up on the 60th anniversary, and not much has changed since the wood pallet was introduced during World War II.”

Moore aims to change that. iGPS — the acronym stands for Intelligent Global Pooling System — has developed a 48” by 40” plastic pallet for consumer package goods (CPG) manufacturers currently shipping to big box retailers or grocery stores on a Grocery Manufacturers Association (GMA) pallet.

### Pallet history

Now, if you’ve followed the pallet industry for any length of time, you know that plastic pallets have been around for more than 20 years. But while they have filled a niche, plastic has never really taken off as a broad-based alternative to wood pallets. In part, that’s because of the high cost of a plastic pallet compared to a wooden pallet.

Moore learned this first hand back in the 1990s when he was the CEO of CHEP, which rents wooden pallets on a per-trip basis. “The biggest drawback to wooden pallets is product damage from nails and broken boards,” Moore says. “So,

the CPG companies were excited when CHEP bought all these plastic pallets until I told them they’d have to pay \$1 more per trip because plastic was more expensive than wood.”

### Enter plastic and RFID

The lesson that Moore took from CHEP to iGPS: Create a plastic pallet that can be leased for the same price per trip as a wooden pallet. “Our pricing model is on parity with that of wooden pallets,” says Moore. “We did that by designing a pallet so robust that we expect it to last 15 years.”

Moore is also using the RFID technology built into the iGPS pallet to reduce charges to customers for lost pallets. “We ask our customers to allow us to install RFID reading equipment at their facilities so we know where our pallets are at all times,” says Moore. “If they’ll agree to do that, we’ll forgive them of any losses.”

Whether the iGPS pallet will make headway where other plastic pallets have failed is still up in the air, but Moore is betting that any manufacturer seriously concerned about product damage will give his pallet a second look.

“We just completed shipping trials with a well-known cereal manufacturer shipping into a big box retailer,” says Moore. “We shipped 160 unitized loads with out any product damage at all, while there was damage on 30% of the loads shipped on wooden pallets.”

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