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20% of pallets returned in first year of CEMEX's pallet retrieval scheme

1st October 2009: CEMEX UK, the building materials provider, now has 20% of its cement pallets returned under a retrieval scheme launched a year ago. The scheme was the first of its kind in the cement industry and aimed to recover as many as possible of the 250,000 CEMEX pallets distributed annually to about 600 different builders merchant outlets. The alternative is for the pallets to be thrown away or shredded.

Over 10 million bags of CEMEX **Rugby** cement are sold every year and transported on pallets. "In the UK, the cost of pallets has escalated with prices rising by 15% in 2007 and 20% in 2008. For economic reasons as well as environmental, it made sense to find a way to prevent all those pallets going to waste," explained Graham Russell, Vice President Commercial, Logistics and Building Products.

The simple but effective system recovers the pallets, a stringer style measuring 120 x 92cm, which are reconditioned and recycled back into the system, minimising waste and offering a valuable service to customers. For builder's merchants, with land scarce for storage and landfill tippage charges increasing, the scheme relieves them of the financial and physical burden of disposal.

The recovery operation is run in conjunction with European Logistics Management, (ELM) the UK leader in the management and control of returnable transit packaging, which is executing the collection on CEMEX's behalf. ELM is collecting the pallets on a regular basis from customers, making any necessary repairs before returning them to CEMEX, ready for new bagged cement deliveries.

"We get excellent data about who is and who isn't returning the pallets and we take every opportunity to show the merchant that the pallets have a value, they aren't free and it is in their interest to return them. The first year has been successful in keeping pallets in the system for several repeated shipments, though repairs and quality control become of increasing importance the longer they are in the system," concludes Graham Russell.