



Svenska Retursystem

**ECR Baltic Forum - Effective FMCG distribution through
collaboration between industry and trade**

Riga Nov 05, 2008

Myself

Tryggwe Göransson

Export Director

Joined the company 2000

**Formerly Sales & Marketing positions
within domestic and int'l FMCG companies**



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The company

- **Pooling company**
- **Operating a system of RTPs**
- **Plastic crates and plastic pallets**
- **Washing plants**
- **Operating base is Sweden**
- **Increasingly exporting empty RTPs**

Crates



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Business concept

*We increase efficiency, and environmentally
adapt the flow of goods in the food industry
by operating and developing a system of
returnable items*



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RTPs



600 x 400 mm base



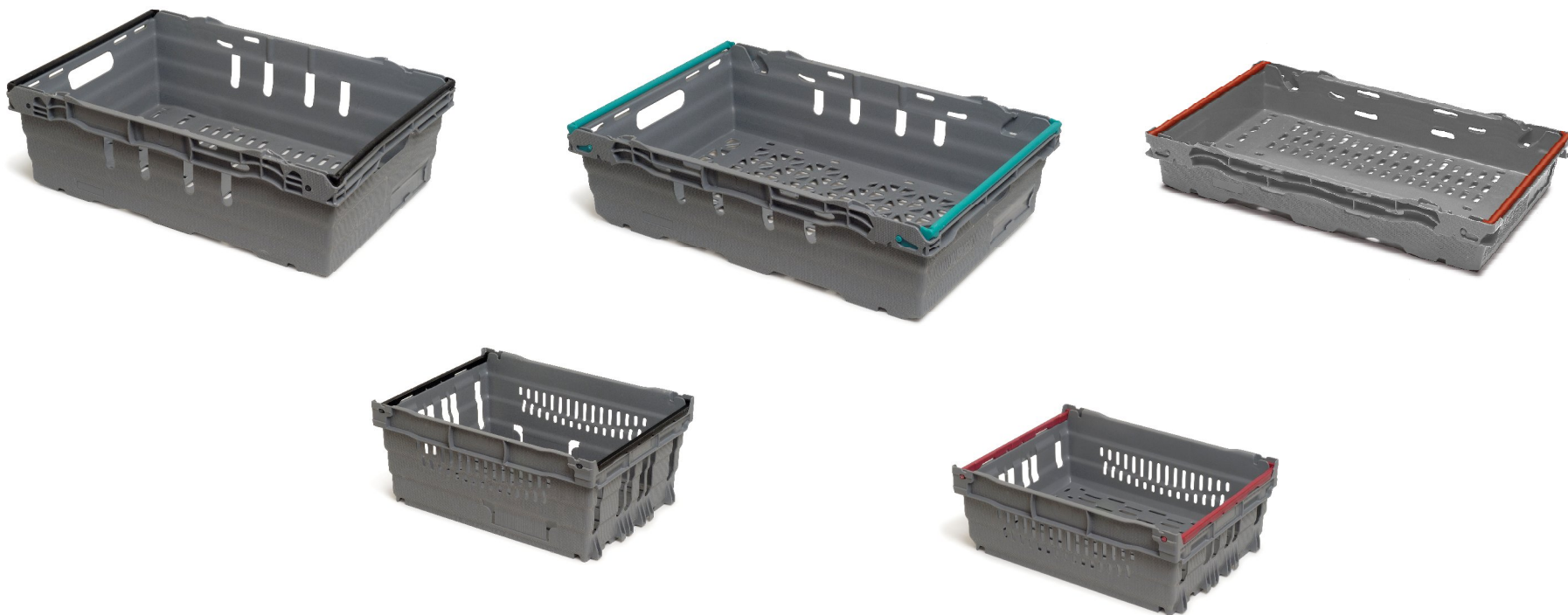
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RTPs, cont'd



400 x 300 mm base

RTPs – product range



Product range - 5 crate sizes
all adapted for EUR-size pallets

RTPs – product range, cont'd



Product range - 5 crate sizes

How it all started

Early/mid 90's:

- **The trade wanted to reduce waste**
- **The industry wanted more cost effective packaging**
- **One-way cartons often poor quality – waste of goods**
- **Decision on joint venture industry/trade**
- **SRS founded as a project 1996**

How it all started, cont'd

Ownership:

➤ 50 % DLF (Food Manufacturers Association)



Kunskap • Inspiration • Nätverk

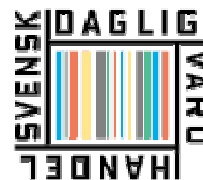


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How it all started, cont'd

Ownership:

➤ 50 % SDH (Swedish Food Trade Association)

The logo for Coop, featuring the word "coop" in a blue, rounded, lowercase font.The logo for Coop Forum, featuring the word "coop" in blue above the word "FORUM" in a smaller, blue, sans-serif font.The logo for ICA, featuring the letters "ICA" in a large, bold, red, sans-serif font.The logo for Bergendahls Gruppen, featuring a green stylized mountain peak above the text "Bergendahls Gruppen" in a green, cursive font.The logo for City Gross, featuring the words "CITY GROSS" in a bold, blue, sans-serif font on a yellow rectangular background.The logo for Vi Butikerna, featuring a large red "Vi" above the word "BUTIKERNA" in a smaller, black, sans-serif font.The logo for Svensk Daglig Varuhandel, featuring a central barcode with the words "SVENSK", "DAGLIG", and "VARUHANDEL" arranged around it.The logo for Glitter, featuring the word "Glitter" in a black, cursive font.The logo for MEI East Import, featuring the letters "MEI" in a red box above the words "EAST IMPORT" in a black, sans-serif font.The logo for axfood, featuring the word "axfood" in a black, lowercase font, with the "o"s in red and green.The logo for Willy:S, featuring the word "WILLY:S" in a bold, black, sans-serif font, with the "S" in red.The logo for PrisXTRA, featuring the word "PrisXTRA" in a bold, black, sans-serif font, with the "X" in red and green.The logo for Svenska Retursystem, featuring a green stylized "U" with an upward arrow above the text "Svenska Retursystem" in a black, sans-serif font.

How it all started, cont'd

Late 90's:

- **Technical cross-functional groups gathering information**
- **Evaluation of products and suppliers of RTPs**
- **Evaluation of existing systems**
- **Specifications determined**
- **SRS in operation Feb 01, 1999**
- **First washing plant built, opened Nov 2000**



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Initial marketing

Highlighting easy handling



In shop



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I butik shop, cont'd



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Key idea – uniqueness?

Standardization:

- Same RTPs regardless of retail chain
- Same RTPs for different industries:
meat
cheese
fruit & vegetables
- Centralized return logistics
- One nationwide pool operator

Background

Three major benefits:

- **Cost**
- **Handling**
- **Environment**

Cost effectiveness

- **Reduced purchasing cost wrapping material**
- **Reduced waste of goods**
- **More effective handling throughout the supply chain**
- **Non profit-maximizing company**

Effective handling

- **Frequent deliveries – reduced stock of wrapping material**
- **Ready to use – no assembling of cartons**
- **Quick and easy when unpacking**
- **Increased hygiene – no carton dust or wooden particles**
- **No waste to take care of**
- **Crates totally compatible**
- **Adapted for automation**

Environment

- **An open deposit-based system minimizes the number of RTPs in circulation**
- **Effective utilization of transport units**
- **Reduces the waste mountain**
- **Working environment improved**
- **Appointed by EU LIFE fund**

Environment, cont'd

➤ Comparison to one-way cardboard

-RTPs require 39 % less energy

-RTPs produce 95 % less waste

-RTPs generate 29 % less green house emissions*

* Life cycle inventory of reusable plastic containers and display-ready corrugated containers used for fresh produce applications. Singh et al; Franklin Associates, 2004

Environment cont'd

➤ RTPs are more environmental friendly

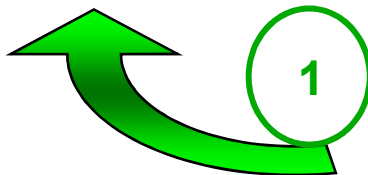
- as the material used for producing cardboard, stable and moist resistant enough, have very complex production processes being much more harmful to the environment**.

** The Sustainability of Packaging Systems for Fruit and Vegetable Transport in Europe based on Life-Cycle-Analysis, PE International och Universitt Stuttgart p uppdrag av Stiftung Initiative Mehrweg, 2007

Circulation



Industry



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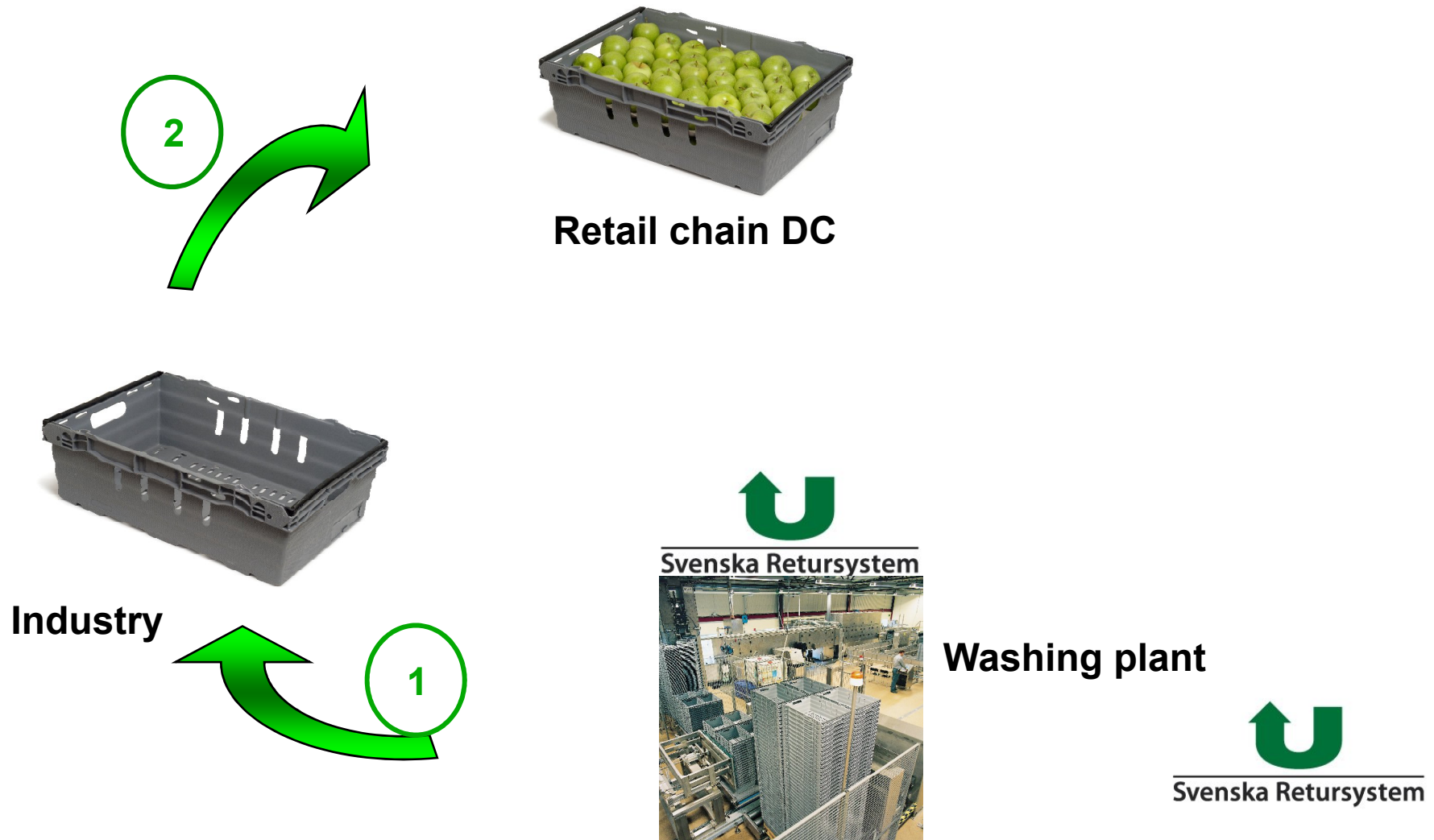


Washing plant



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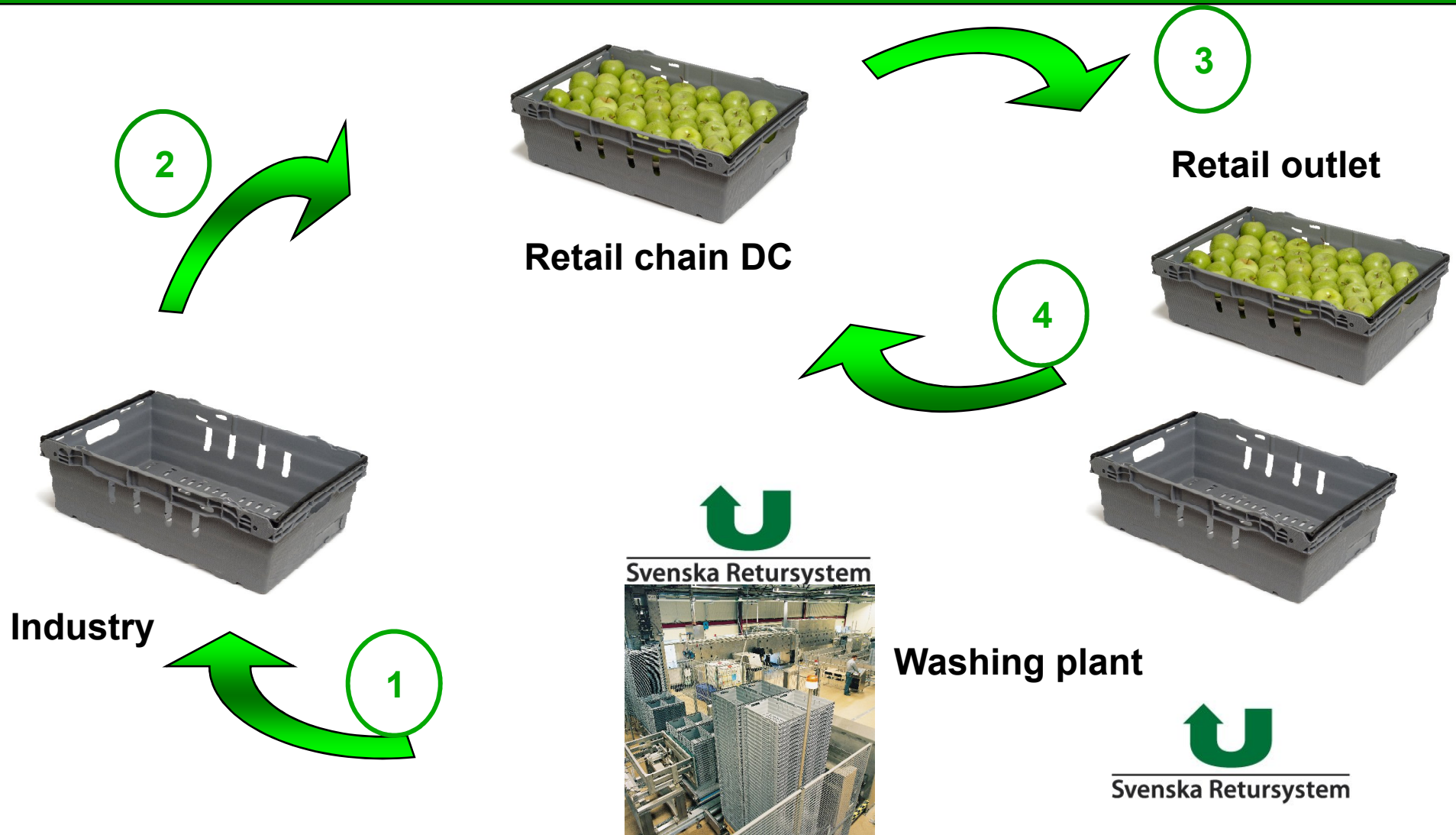
Circulation



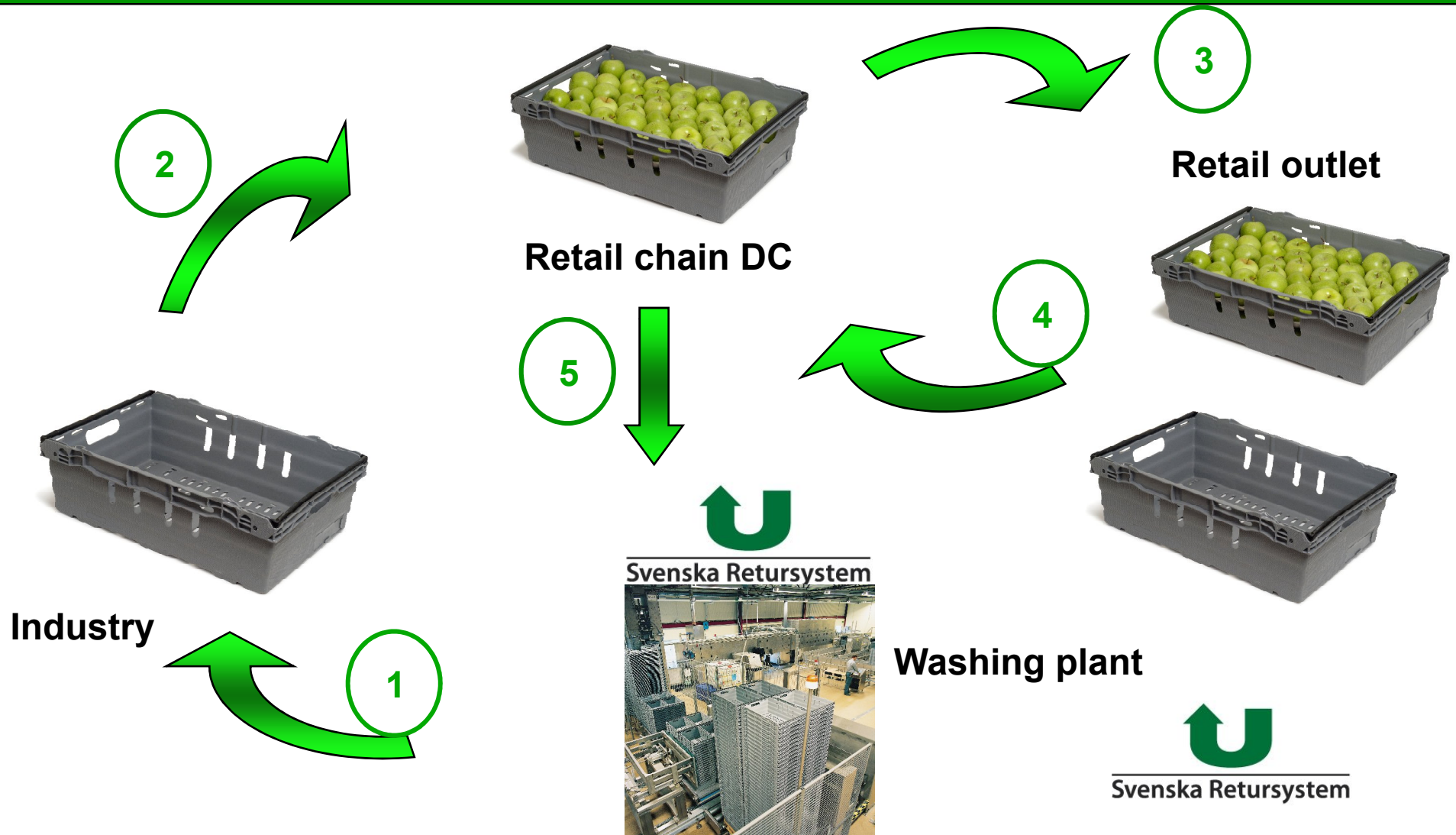
Circulation



Circulation



Circulation

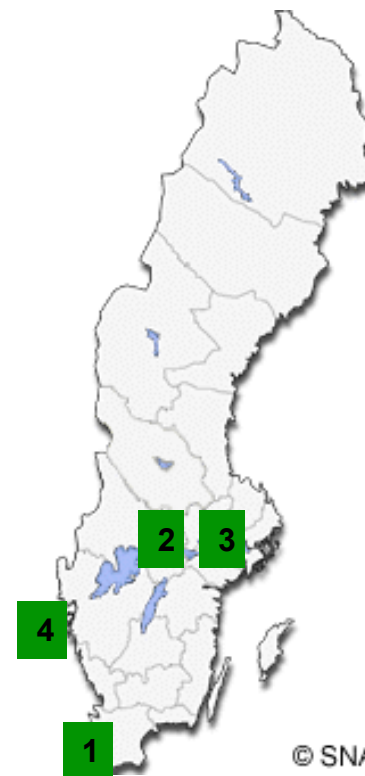


System design

- **Deposit = security**
- **User Fee**
 - **distribution**
 - **return logistics**
 - **washing**
 - **over head costs**
 - **financing**
- **All transportation handled by external hauliers**

Washing plants

- **1 = Helsingborg**
- **2 = Örebro**
- **3 = Västerås**
- **4 = Gothenburg**
- **Locations to minimize transport mileage**



© SNA



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Order procedure domestic

Day 1

Order
registration up to
11 am

12.00 booking
of transport

PRODUCTION

Day 2

Loading of goods
long range

Day 3

Loading of goods
short range

Unloading at
customer
kl 07.00 – 17.00



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Web shop

➤ Ordering


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Welcome to Svenska Retursystem!

Order registration (numbers of units)[Main menu](#)

Item:

Ref:


Qty:

Delivery date: 03 Sep

Box 6620 SE-113 84 Stockholm Sweden Orders department: Tel +46 19 33 37 22 Fax +46 19 10 63 20

Web shop, contd

➤ History



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Welcome to Svenska Retursystem!

Delivery history[Main menu](#)

From Date (YYYY-MM-DD):

To Date (YYYY-MM-DD):

Item:

Ref.:

Box 6620 SE-113 84 Stockholm Sweden Orders department: Tel +46 19 33 37 22 Fax +46 19 10 63 20

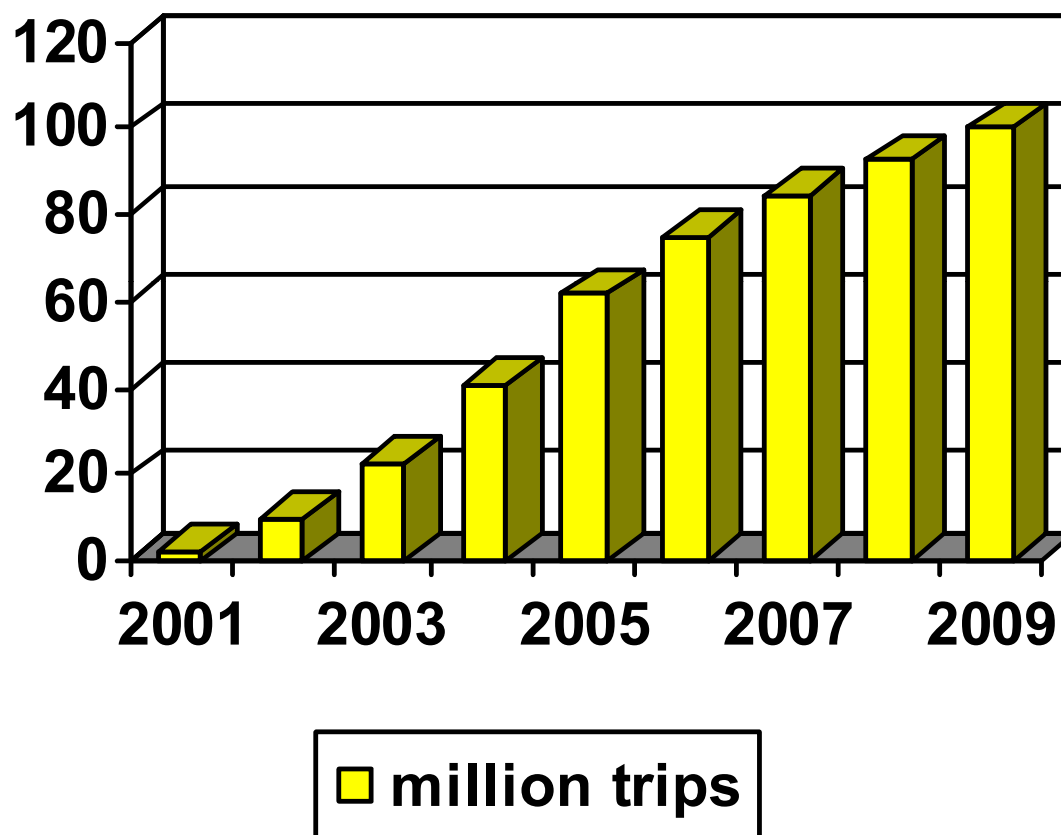
Market development

- **2001: first full year in operation**
- **Fresh produce, first category to convert**
- **Processed meat, poultry followed**
- **Cheese followed**
- **2005: All major players contracted**
- **Rapidly increasing export volumes**

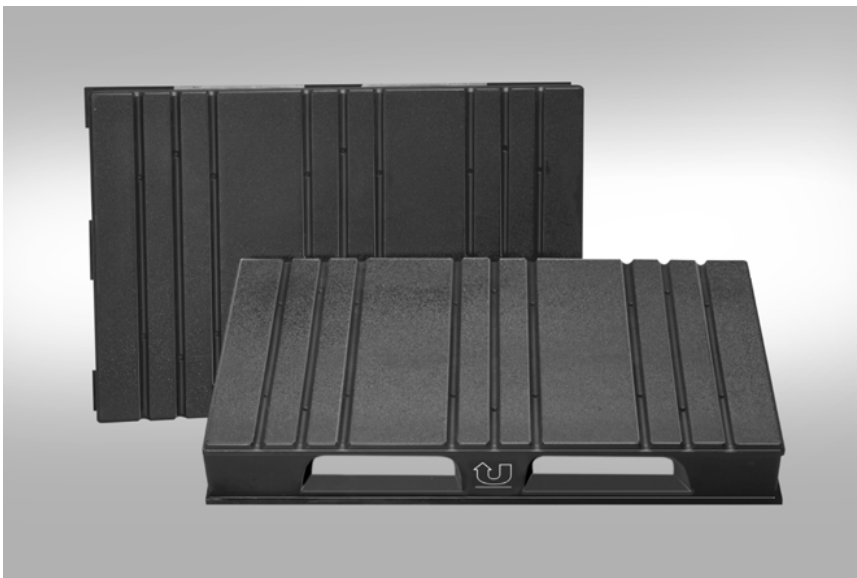


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Market development - crates



Pallets



1200x800 mm
1000 kgs capacity



800x600 mm
500 kgs capacity



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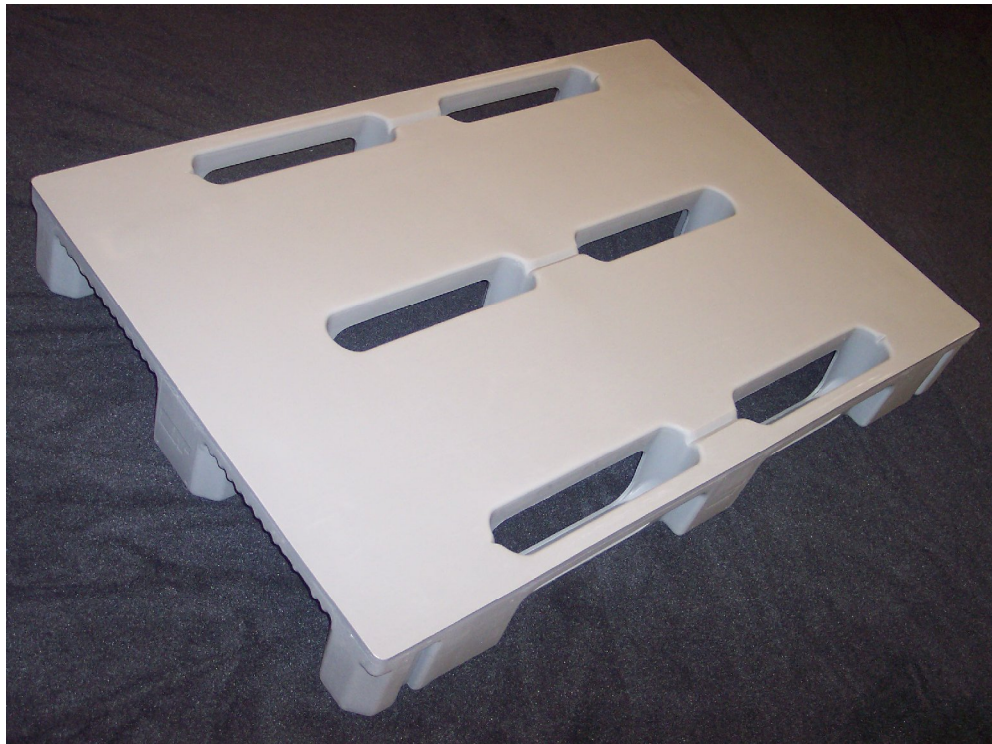
New plastic pallet

- **Generation 2 pallets initiated**
- **New technical specification**
 - **reduced weight – 15 kg**
 - **increased friction**
 - **easy to handle**
- **Launch beginning of 2009**



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New plastic pallet, cont'd



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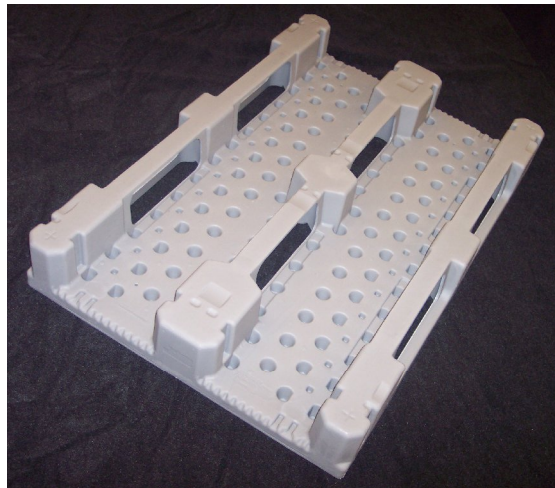
New plastic pallet, cont'd



Normal EUR measures



RFID tag equipped



Runner design



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Svenska Retursystem future:

- **Increase export business**
- **Support launch of system in Northern Europe**
- **Identify additional products in fruit & vegs**
- **Expand into new food categories**
- **Continuously develop our services to customers**

Website

www.retursystem.se

in Swedish but with English summaries

Thank you!



Svenska Retursystem



Efficient Distribution and Transportation

