



STRAWBERRY CASE STUDY

Corrugated Saves \$6.6 Million Annually Vs. RPCs in Strawberry Shipping Case Study

Fast Facts

\$44M vs. \$50.7M Cost

The analysis showed total annual costs of more than \$44 million using corrugated vs. \$50.7 million using RPCs.

\$6.6M Cost Savings

Corrugated demonstrated an annual cost savings of \$6.6 million vs. RPCs

15.1% Lower Costs

Total shipping costs were 15.1 percent higher using RPCs.

\$8.3M Avoided Costs

RPCs require backhauling to return from retailer to the next point of use. During this backhaul leg of the trip, RPCs incur \$8.3 million in costs for shipping, handling, and washing.

Corrugated avoids these costs altogether as it does not require back-shipping.

Grocery retailers seek profitability by reducing costs through the entire distribution channel. Transportation packaging is one area of note scrutinized by retailers for possible cost savings. The choice of shipping containers, specifically corrugated versus reusable plastic containers (RPCs), can play a role in reducing costs, according to a study performed for the Corrugated Packaging Alliance.

Methodology: This analysis was completed using FullDisclosure, a cost modeling software tool, using data provided by a large strawberry grower based in Salinas, CA. **Using strawberries** as an example, the analysis assumed a shipment of **144 million pounds** shipped annually over a route approximately **covering 2400 miles** based on a route from a strawberry grower in Salinas, CA to retailer in Cincinnati, OH.



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