



Operations & Logistics Committee

Summary of Conference Call Meeting
February 15, 2017, 2:00 pm – 3:00 pm US ET

Roll Call

Committee Members Present

Chair, Mike Wasson, Tosca Ltd

Andre Luecht, IFCO Systems

Michael Laible, Paxxal

Amy Lathrop, Perfect Pallets

JR Vernon, reLogistics

Shawn Stockman, ReturnCenter

Linda Balwinski, Schaefer Systems

Paul Koleske, Tosca

Sarah Kate Conway, Tosca

Mike Lewis, Xtreme RFID

RPA Staff: Tim Debus

Committee Members Not Present

Shayne Murphy, CHEP Pallecon

Robert Iaria, CH Robinson

Alex Korell, Craemer

Rod Haugh, Homeland Logistics

Jill McLaughlin, Kennedy Group

Bob Petersen, ORBIS Corporation

Emma Townsend, Oryx Automation

Salim Baltagi, Polymer Logistics

Agenda Item 1: RPA in 2017

Mr. Debus opened the conference call by sharing perspective from the RPA Board of Directors on the objective of the committee this year. A focus is on the delivery of content from projects that have value for members and advances RPA's work in the promotion of reusable packaging. Whether the outcomes are best practices, standards, research and data development, for example, committee projects should yield material gains on key industry initiatives such as asset management. To enhance the organizational structure, the Board chairman appointed Mike Wasson from Tosca to serve as the committee chair and to lead the committee agenda. In addition, an increase in funds are available in the RPA budget to support committee projects.

In a recap of 2016 activities, Mr. Debus highlighted the in-person meeting at the Texas Retailers Association (TRA) inaugural forum event and the RPA's sponsorship of their organized retail crime and loss prevention (ORC/LP) education track. The networking of RPA committee members with retail representatives initiated a conversation on ways to reduce the loss of packaging assets due to theft. In addition, RPA staged two education events at leading trade shows Modex and Pack Expo to raise awareness on asset management issues. In November, a meeting was held with members in the fresh produce business to discuss collaborative solutions to improve the recovery of RPCs from food bank networks.

Agenda Item 2: White Paper Analysis on Asset Management

A major discussion at the July TRA committee meeting involved the capabilities of industry to improve the safeguard and return of reusable packaging in open loops such as today's pooled retail operations. The committee discussed a white paper analysis on the current state of asset management, identification of industry options to reduce loss, and quantification of the real and potential impacts from each option. The proposed project is to study and model the cause and effect of practices used in the transaction, supply, handling, collection and post-loss retrieval of reusable packaging products. Key



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findings from the project would be the mechanisms that raise accountability, provide incentives, and change behaviors in favor of improved protection of packaging assets. Mr. Debus advised that this is a longer-term project requiring outside assistance, and while progress can be made in developing the course of action, priority is recommended on starting and completing projects with shorter-term gain.

Agenda Item 3: Retail Market Projects

Two projects are being considered and developed in 2017 that focus on the protection and recovery of reusable products in retail and food bank environments. First, there is interest to conduct an industry study in partnership with a retail organization to quantify the impact of physical barriers around reusable packaging assets when stored outside waiting for pickup and return. Accounts of criminal activities in the theft of products behind retail stores where no barriers exist continue to plague the industry. The project objective is to substantiate an economic benefit from reducing theft through added physical barriers to justify investments behind stores. Mr. Koleske commented that such results are not just retail related but are applicable across many other points in the supply chain, and there are geographic differences in risk levels that can be factored in the study.

Second, perishable food that is rejected from retail distribution centers ending up in a food bank system has a high risk in the return of the reusable containers. The project aims to develop best practices for the effective collection and return of containers at food banks. Ms. Lathrop commented on her experience in working with the Midwest Food Bank and further collaboration with the regional trucking association. Ms. Lathrop offered to introduce RPA to initiate a discussion on the proposed project.

Agenda Item 4: Law Enforcement for ORC/LP Deterrent and Recovery

Information learned at the TRA event suggests that many law enforcement agencies do not fully understand the extent and impact on the economy from theft of reusable packaging products. It has been suggested that RPA team with law enforcement to develop a guidebook that can be used for educational purposes to address the problem. The committee may wish to further discuss this topic and its project potential.

Agenda Item 5: Technology for Asset Management

Mr. Debus updated the committee on RPA's focus on technology as an enabler for reusable packaging systems, specifically in the areas of asset tracking and inventory management. As an example, the RPA Board of Directors meeting in January was hosted by AT&T's Internet of Things (IoT) division. RPA intends to keep technology such as IoT and RFID applications at the forefront of the industry as a means to promote the use and value of reusable packaging.

Agenda Item 6: Industry Events

Mr. Debus informed the committee about the planned RPA presence and activity at the upcoming ProMat Show in April in Chicago. RPA will host a pavilion of exhibiting members and the on-floor Sustainable Solutions Theater. He asked for the committee's feedback on holding another in-person meeting at this year's TRA Forum in July in Fort Worth. Chairman Wasson recommended the TRA venue for an in-person committee meeting, and others agreed. Mr. Debus will explore the options with TRA and report back to the committee.



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Agenda Item 7: Transportation Issues

As transportation plays a significant role in reusable packaging systems, Mr. Debus asked if there were any topics or issues of interest for the committee's discussion. Mr. Stockman asked if RPA provided or is aware of any service in which RFPs could be submitted for the brokering of transportation for reusable products. Mr. Debus responded that RPA has not considered such a service.

Agenda Item 8: Other New Business

No new business was raised on the conference call.

Chairman Wasson requested that the committee meet via conference calls monthly, and such calls will be recurring on the second Wednesday of each month at 2:00 pm ET. [post-meeting note: schedule will be every third Wednesday of the month]. Therefore, the next committee call will be on Wednesday, March 15, at 2:00 pm ET.

The updated committee project list as follows:

Type	Project Name	Description	Action
Short-Term	Marketplace on RPA's Website	Information on RPA's website on the types of technologies and services available in the key areas of automation, asset management and transportation.	Project completed
Short-Term	Retailer Support on Asset Loss Prevention	Engage retailer organizations to determine collaborative areas to impact the recovery of reusable assets.	Ongoing. Collaboration with Texas Retailers Association.
Short-Term	Impact of Physical Barriers on Loss at Retail	Pilot study to substantiate impact of physical barriers around outside reusable packaging inventory.	Project plan and discussion with prospective participating retailer(s) underway
Short-Term	Best Practices for the Recovery of RPCs at Food Banks	Collaborative development of processes to achieve the effective return of RPCs when distributed to food banks.	In discussion with food banks and project design in development.
Long-Term	White Paper on Asset Management	Analysis on mechanisms available to the industry to improve the handling and recovery of reusable packaging through open loop operations.	Project plan under consideration.

With no further discussion, the conference call concluded and the meeting adjourned.