



EQUIPMENT: AUTOMATION

FOAM-IN-PLACE PACKAGING

HOW MUCH DOES THE WRONG PACKAGING COST
YOUR BUSINESS?



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Learn more about the real costs of product damage

The cost of returns and damaged goods increases the impact of the cost of packaging and shipping. Quality shipping is a competitive edge and can provide a real return on investment.



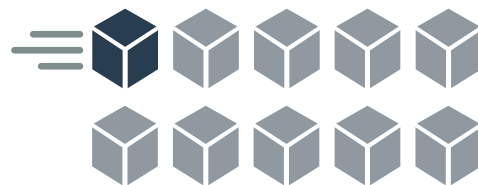
Do you know the real cost of damage during shipping? The fact of the matter is that nearly 10% of all packages shipped are damaged during transit. And, of those damaged packages, approximately 5% have definitive product damage.

OK, you're probably thinking that that small a percentage of damage products doesn't really add up to that much. However, the real cost is an astonishing \$2.05 billion in unsaleable items. Sure, not every unsaleable item is due to damage, but when it's a portion of a number in the billions, it's still too much.

But it isn't just the cost in actual dollars and cents. There are other significant costs to shipping damage, including drops in quality delivery metrics, decreases in customer perception of your brand, and loss of customers.

The loss of the money on the damaged product hurts, but when an average of 1 in every 10 boxes shows up damaged, the loss of respect in the customer's eyes hurts even more.

"FOAM-IN-PLACE PROTECTIVE PACKAGING PROVIDES THE HIGHEST DEGREE OF PROTECTION TO PREVENT DAMAGE TO FRAGILE, HEAVY OR ODD SHAPED ITEMS."



1 in 10

boxes shipped will be damaged

with improper tape application being the leading cause of closure failure on a shipped box.

Quality delivery never goes out of style

Quality delivery is a business must. No matter how great your product is, it needs to arrive professionally, promptly and safely to your customers.



Quality delivery is a business must. However, it's also critical to find a way to lower shipping rates, improve customer satisfaction, and reduce losses.

Ecommerce has led to a dramatic rise in shipping and, thus, damage. Websites like Amazon offer all kinds of products, shipped directly to your home or office. We all want fast delivery, but we don't want it to be expensive. With increases in shipping rates by the major carriers, retailers risk customer anger with increased shipping costs.

And with internet addicted and instant gratification expecting millennials now finding their way into the economic landscape, it's more likely than not that online shopping and shipping will only continue to grow at astronomical rates.

The volume of business however, moved by the digital hands of online masters risks counter-productivity in a few given examples such as:

- When the customer complaints increase insurance claims on damaged products
- When shipping rates increase because of fuel cost and package size
- When the purchasing and supply chain starts to make less and less sense.

NEW PRICING EFFECTIVE AT THE START OF 2015 AT UPS AND FEDEX IS CHANGING THE WAY VENDORS LOOK AT **PACKAGING.**

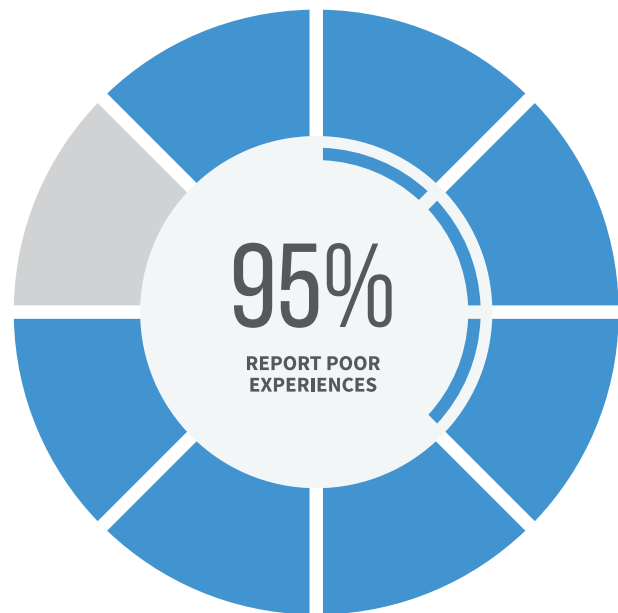
Customer Values

Customers have the reasonable expectations that their purchase will arrive on time and in shape. Regardless of the e-commerce retailer, customers expect products to be working and damage free. Their expectations seem to have risen with the aggressive approach of online sources - and they are willing and able to voice their dissatisfaction.



A 2014 Global Customer Service Barometer report claimed that only 5% of consumers feel their customer experience exceeded their expectations and some 29% say that companies miss the mark. Perhaps the bigger concern is that customers now feel empowered to complain about their dissatisfaction:

- 93% of customers talk about good experiences at least occasionally
- 46% talk about their good experiences all of the time
- 95% of customers will report their poor experiences to others some of the time
- 60% will tell others about poor experiences all of the time



The survey shows, on average, that consumers tell 8 people about their good experiences, and over twice as many about their bad experiences.

Customer Friendly

It appears that customer satisfaction is a function of the size and pricing of products. Expectations increase on the safe product delivery of high-tech and fragile items that might include anything from a large television to small bottled fragrances.



Customer satisfaction is relative to the size and price of the products that they are having shipped. The more money they spend, the more likely they are to be concerned about the potential for damage. And knowing that they can return a product will do nothing to alleviate the anxiety and negativity they will feel should they need to exercise that capability.

Customers have reasonable shipping expectations:

- Deliver ordered items in a high-impact and long-lasting comfort cushion
- Wraps the product without hiding it in annoying loose fill
- Secure the item with less product and something that is a sustainable solution
- Protect fragile, odd-sized, and odd-shaped products
- Reduce the worry about product performance and the need to return
- Lower or maintain current customer share of shipping cost

But, no matter what - every package will still have the same likelihood to incur

“To be honest, anyone of us would be more likely to understand damage to a paperback book we ordered off of Amazon over the newest iPhone we ordered from our cellular provider.”

It no longer makes sense for retailers to simply increase the size of the package in order to improve protection; in shipping dimensional weights matter more than actual weights, so retailers must take into account their customer's needs and interests as they consider their packaging.

10%
damage during transit.

So, what's a shipper to do?

Quality delivery improves customer loyalty. The buying experience improves with ease of opening and discovery of the products as promised.



PACKAGING SOLUTIONS NEED TO BE INNOVATIVE.

Easy access to purchase and parts with the hassle of foam peanuts and bubble wrap is also a real plus, as is the easy removal of contents with the hassle of containers within containers. And easily recyclable materials make everyone a little happier.

Customers have reasonable shipping expectations:

- The right packaging pleases customers, lowers shipping costs, and reduces returns of damaged purchases.
- Containers should be rigid and large enough to allow room for adequate cushioning material on all sides of the content.
- Fragile articles should be wrapped separately. Each piece needs proper separation from each other and clearance from the corners and sides of the box.

They are smart to insulate and protect contents in the most cost efficient and secure way.

And that is exactly what Foam-in-Place packaging does.

Impressive packaging will differentiate retailers who want to create loyal brand advocates, offering a retailer an advantage over



It fills the space fully with a customized cushion that molds itself around the product it is protecting – sharp edges, corners, odd shapes, and all. The product is securely seated in a pocket of protection. Parts and other peripherals are nested in their own specific inserts, and when you receive your package, everything is easily removable; no concern for scratches or damage, nor for packing peanuts your dogs or kids will find and scatter.

Foam-in-Place Packaging

Foam-in-place provides unique customized cushioning properties. It is extremely versatile because it molds around the product it is protecting.

Foam-in-place provides unique customized cushioning properties. It is extremely versatile because it molds around the product it is protecting. This molding happens when two liquid chemicals are injected into a high density polyethylene bag; once this happens, the reaction begins to “foam” and expand to surround the item, filling the void between the container and the product, creating a completely custom protective shell.

- This technology offers the highest degree of product protection available.
- It allows operators to work smarter and more simply for maximum productivity.
- It reduces or eliminates damage expense.
- Its small footprint maximizes space and cost efficiency, while increasing consumer confidence.

If you're constantly trying to manage consumable usage, frustrated by unexpected equipment downtime, or annoyed about having to wait days for a technician, you're not alone. The fact is that equipment is supposed to help make packaging easier, safer, more efficient, and keep your facility more productive.

Today, the most cost-effective and time-efficient foam-in-place technologies are designed with the operator in mind, by simplifying the packaging process, reduce costs, and increasing productivity. These technologies include ways to:

- Better manage costs associated with consumables
- Avoid downtime due to equipment malfunctions
- Operate the unit quickly, easily, and by any employee, not just highly trained ones
- Know that every package going out the door has the right level of protection
- Use new, state-of-the-art equipment without a huge capital expenditure

As basic as it might sound, these weren't really a possibility until recently. Many facilities were using 20th century technology to package 21st century products because they were trying to avoid spending extra capital on upgrading their packaging.

But sometimes it takes moving your packaging into the 21st century to ensure that your products arrive to your customers undamaged and that your brand and reputation are not tarnished by a shipping company's 10% damage statistic.

Telemetry

In the same way that your car can most likely alert you to a potential maintenance issue before a catastrophic failure, so to can many of the newest models of foam-in-place equipment. Designed to monitor, collect, and measure critical information, such as foam and film usage, temperature, pressure, etc. each time it is operated, this system ensure that the machine stays up and running to your custom specifications. Any potential issues are automatically relayed back to your equipment provider's service team and a technician is dispatched to fix the problem before it becomes one.

By being proactive, systems can optimize uptime and ensure that proper system maintenance is performed.

For companies with multiple products of varying size and shape, a barcoding "smart" feature helps take the guesswork out of what bag to use and how much foam to use. The system is programmed to automatically dispense the precise amount of foam and film needed for the optimal pack-out of each product based on its unique barcode.

The process is simple, automatic and ensures that your bottom line is as protected as your product.

This seemingly simple feature allows you to:

- Increase productivity
- Optimize equipment performance
- Stay ahead of problems and costly downtime

Barcoding

Equipment Design

The worst part about trusting your packaging line to machines? The downtime when they breakdown. And, inevitably, something will happen and a part will need to be replaced. No amount of preventative maintenance will stop you from needing to replace the brakes or shocks on your car, if you have it long enough.

With traditional machines, replacing parts can take up to an hour. And who has that kind of time to spend on a machine, especially when you need to be pushing products out the door.

With the newest technological advances in foam-in-place packaging, part replacements can take mere minutes and quick and easy film roll loading is done via loading arms that take the potential for employee strain injury out of the equation.

Is Foam-in-Place packaging right for you?

Foam-in-place provides substantial benefits, but only when it's implemented in the right environment, with the right people behind it to make it successful.



WHERE IT MAKES THE MOST SENSE

The really fancy technology sounds great. And you know that products need snug and lightweight protection to assure customer satisfaction and cost-effective shipping.

But where do these machines really make the most sense?

- Home-based businesses are especially cost-bound to packaging and ship safely and efficiently.
- Furniture and appliances are heavily discounted when they have surface scratches.
- Shipping stores and business mailrooms ship with various options, but they rely on the low cost, speed, and minimal space of shipping equipment and supplies.
- Retail and e-commerce have new reasons to consider the value of “free” shipping offers.
- Museums and antiques need protection for sensitive and fragile materials.
- Medical products should arrive cleanly, as well as safely.
- Electronics include sensitive parts and glass requiring protection and separation.



CUSTOMER-FOCUSED COMMITMENT

No matter what your intentions, the fact of the matter is that you want someone who will work on your behalf. Well, rest assured, we have our customers at the forefront of every thought and we treat every customer like they are the only customer.

We start by performing an on-site assessment of your current packaging and logistics operations to help identify the costs and inefficiencies that are plaguing your high-volume operation. You probably know that there are issues; let our dedicated professionals, with dozens of years of industry experience, tell you exactly what those issues are.

Once we've determined the right solution, our training team will work directly with you to ensure that your packaging operations are back online quicker and more productively than ever before.

IPS Packaging offers a unique program that is customized for each customer; we don't believe in “one size fits all” programs because every business is different.

PACKAGING. KNOWLEDGE. DEDICATION.

Let's Get Started

Protecting your products starts with knowing what is right and what isn't. The benefits are plentiful, but the know-how to see that return on investment requires a company that is truly in the know.

You need a solution.

With costs and competition increasing daily, how can you stay competitive? You need to increase your throughput while reducing costs. It seems counterintuitive trying to do more with less resources, but that is the direction of American manufacturing. With imports arriving daily produced for much less, American companies are turning to new and innovative ways to make sure that they are competitive in the constantly evolving world economy.

Most manufacturing facilities have found ways to automate many aspects of the production cycle. There are machines on the floor that help eliminate workers having to manually handle the product. Lean manufacturing focuses on the elimination of waste in waiting, inventory, defect production, over production, and unnecessary motion.

WE'RE HERE TO HELP

Automating your process has many benefits, and we're here to make sure you benefit from every single one of them.

Step 01 | **Get in touch.**
Our product specialists are ready with the answers you need.

Step 02 | **Get answers.**
We'll assess your needs and show you how we can help.

Step 03 | **Get a solution.**
Damage prevention starts with the right solution. We'll provide that solution.



Call Us

Our knowledgeable specialists are ready with solutions.

888-490-6514

Email Us

No time to call? No worries, send us an email.

knowledge@ipack.com

About IPS Packaging

Since our inception in 1976, Industrial Packaging Supplies has been serving our customers with complete packaging supplies, systems and solutions. We are your packaging partner in productivity.



We can provide you with an end-to-end packaging solution to boost your productivity and maximize the effectiveness of your industry on the packaging side of your business. IPS can be your total packaging partner in productivity.

Our business isn't just to provide packaging supplies, but to provide packaging solutions, using our top-of-line packaging products, packaging equipment, and highly trained and knowledgeable packaging professionals.

“IPS Packaging provides innovative solutions that will lower your operation costs, increase your productivity and positively impact your bottom line.”

Who we are

IPS Packaging's name has become synonymous with the entire industry, after all our name describes it best, **Industrial Packaging Supplies**.

What we do

IPS Packaging is a complete solutions and service provider offering:

- Full line of packaging supplies
- Full line of packaging equipment systems
- Innovative, cost-saving solutions



IPS Packaging & Automation
P.O. Box 2009
Fountain Inn, SC 29644

P 800-277-7007
E sales@ipack.com
W www.ipack.com

