

Industry Guide

Right-Sized Packaging On Demand[®] Solutions for Third Party Logistics Providers



Introduction

When someone places an order online, there are several ways to get the item(s) from the manufacturer or retailer to the end customer. As we move further into this era of e-commerce, it becomes even more important to consider all of the complexities when it comes to delivering flawless unboxing experience. Retailers and brands have a few options to achieve that and one of them is doing it themselves through an old “do-everything-in-house” method which still works today. Another model however has emerged and accelerated for the last decade; and that is “doing it through a Third Party Logistics (3PL) provider”. Retailers and logos trust 3PLs to solve four-wall-intralogistics complexities while they focus on their brands and new product innovations and sales. In these four walls, complexities usually peak at the end of line where bottlenecks happen: Packing!

At Packsize, we have a dedicated team that oversees third party logistics (3PLs) ecosystem to make sure that everyone can utilize our right-sized automated packaging solutions. We do this because of our commitment to empower 3PLs with economic and sustainable throughput solutions enabling 3PLs to better serve their customers.

Right-sized packaging automation offers many benefits, including reduced labor and shipping costs, increased throughput, and an overall lower carbon footprint. In this guide, we'll share some of the challenges 3PLs experience and how an On Demand Packaging® solution can help. ■



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Challenges 3PLs Face

Operational Efficiency

Efficiency can be impacted by many factors, but for 3PLs, one of the biggest challenges is space. Once they reach 80-85% space utilization, many warehouses find that efficiency drops in terms of movement and storage. For 3PLs, this can severely impact their ability to bring in new customers and manage seasonal fluctuations.



This is especially relevant as we are seeing more warehouses operating beyond capacity than ever before – with 15% indicating they are operating beyond 100%. This is not sustainable for future growth, especially as e-commerce continues to expand.

Packsize On Demand Packaging solutions help optimize warehouse space, so you can move products through the packaging process with a smaller machine footprint. Automation also drastically increases throughput, allowing products to move through the warehouse and onto the shipping truck within minutes of an order being placed. And with less workers needed to operate a Packsize machine, movement and storage become smaller factors when considering space optimization.

Managing Costs

According to the 2022 Third-Party Logistics Warehouse Benchmark Report: When citing their



most pressing business challenges, 53% of 3PLs agreed managing costs was at the top of their list – and it makes sense. How much any solution is impacting your bottom line is always going to be top of mind.

There are many ways that a Right-Sized Packaging On Demand solution cuts down on costs. The first and most obvious is the cost of corrugated. Stock boxes can be pricey to keep on hand – not to mention the amount of warehouse space they take up and supply chain issues can have some warehouses waiting months for new ones to come in. With our corrugated Z-Fold®, you get just the amount you need and only pay for what you use. And since your boxes are right-sized, you aren't wasting excess space, which minimizes damages and eliminates excess void filler.

Right-sizing also cuts down on shipping and DIM weight charges. In fact, right-sized boxes take up 33% less space on trucks, consequently re-

ducing the total number of trucks needed to meet your customer requirements. Beyond that, you're experiencing reduced costs on labor, as well as increased throughput allowing more orders to get out the door, faster. For 3PLs, this means you can move more products for your clients and take on a higher workload.

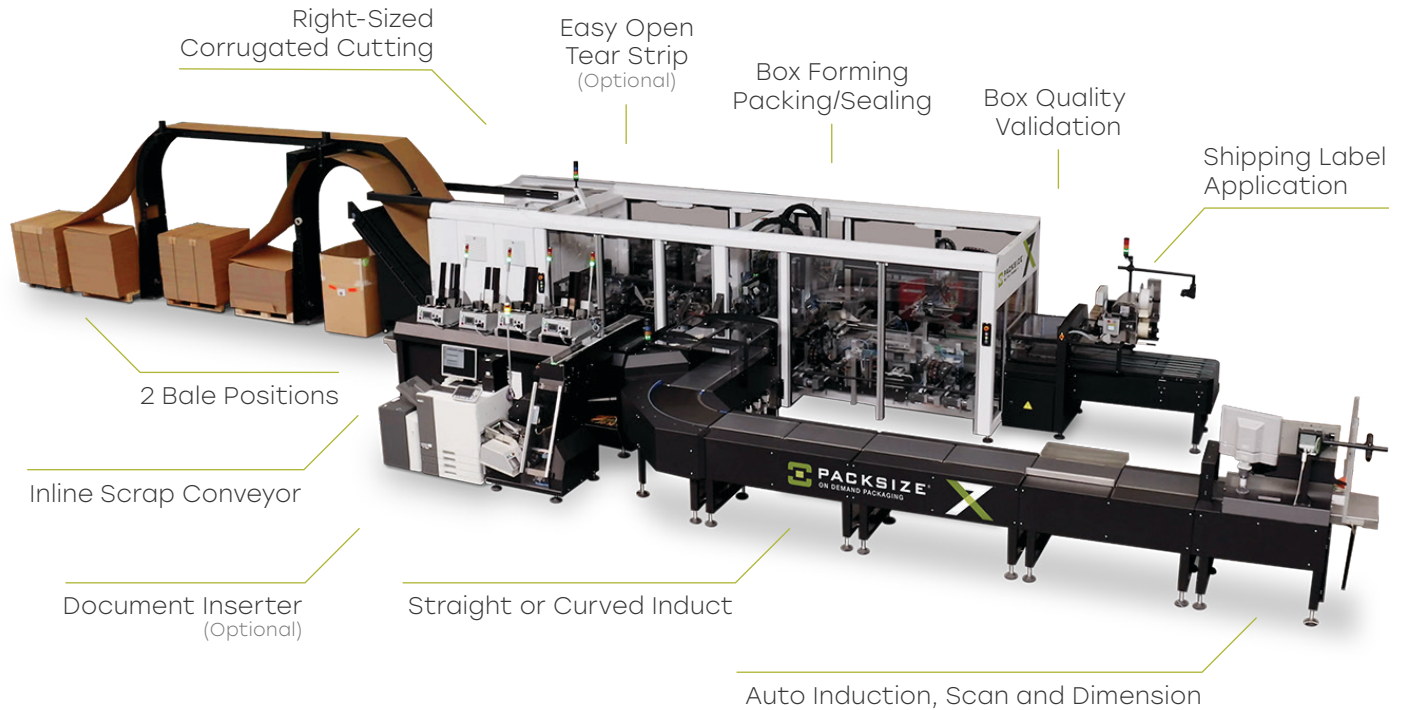
Finding and Retaining Workers

Nearly every supply chain publication has highlighted concerns about supply chain disruption and the worker shortage. It's no surprise that this has impacted the 3PL warehouse industry severely. Fifty-nine percent of 3PLs cite that labor makes up 40% or more of their total costs, and 79% indicated an increase in labor cost as these costs have continued to increase as labor becomes more and more scarce.

Automated packaging solutions reduce the need for as many full-time employees while increasing throughput. This means that, even during peak season, you can maintain operational consistency within your packaging process flow without hiring on additional labor. Automation also requires less training hours, saving you time and money. Most Packsize customers experience higher productivity and are able to reallocate workers to other areas of the warehouse, upskilling their labor force and improving job satisfaction. ■



Packsize Solutions for 3PLs

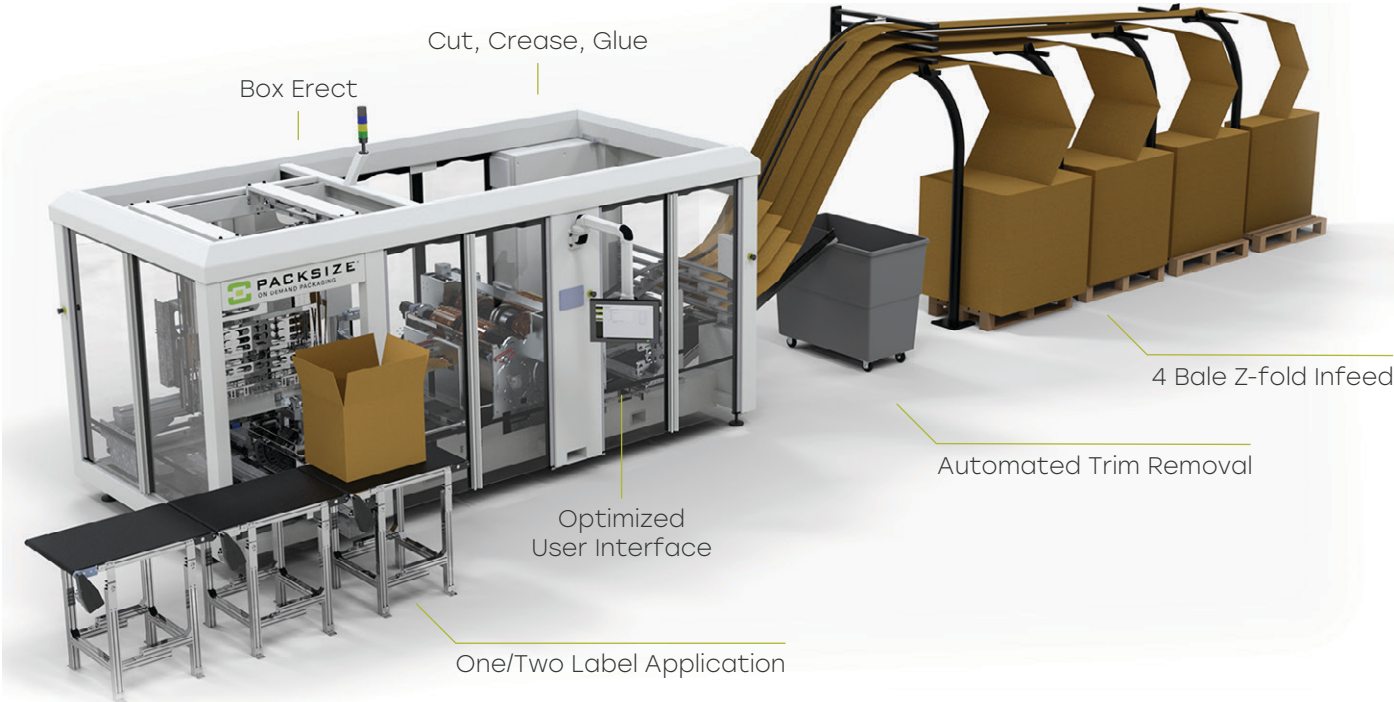


X7® Our All-in-One Machine

The X7 gives you the most needed functions to make, pack, and ship a right-sized box in just 3.5 seconds. It starts by scanning the item(s) you want to package. Then, it creates a right-sized box, wraps it around the order, glues it shut, and applies a label to it. Our most automated machine, the X7 is perfect for single-item orders and unitized, multi-orders.



Type	In-Line Packing/Fulfillment
Automation	Advanced Automation
Speed	17 boxes/minute (1,020/hour)
Software	PackNet®—Packsize Software Platform
Services	Packaging as a Service™ Packsize Care™
Box Capacity	Min: 12.4 x 5.9 x 23 inch Max: 24.2 x 13.8 x 8.2 inch



X5® The World’s First Fully-Automated Erected Box System

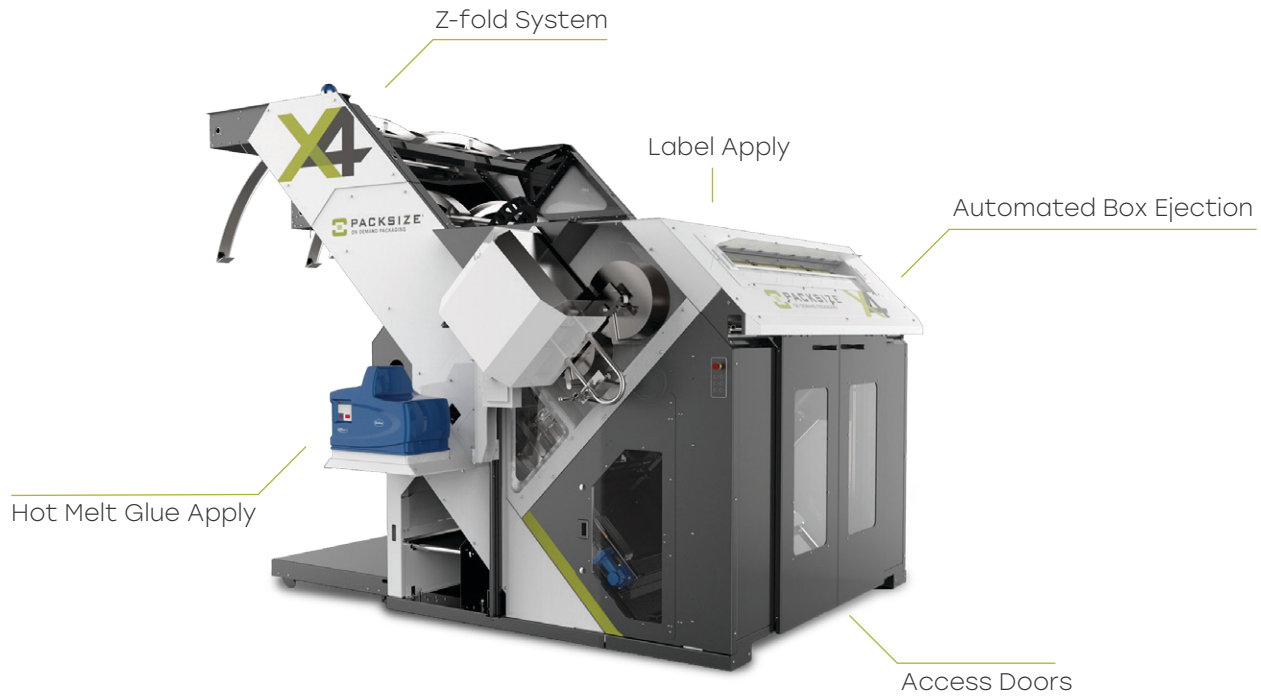
Combining production stability with optimized packaging throughput, the revolutionary X5 fully-automated, Right-sized Packaging on Demand® system accommodates both Box First and Box Last production methods at industry-leading speeds. The first of its kind, the X5 produces up to 600 right-sized, fully-erected boxes per hour.



Type	Erected Box System
Automation	Full Automation
Speed	10 boxes/minute (600/hour)
Software	PackNet®–Packsize Software Platform
Services	Packaging as a Service™ Packsize Care™
Box Capacity	Min: 8 x 6 x 3 inch Max: 30 x 20 x 20 inch

Packsize Solutions For 3PLs

(continued)



X4® The Smallest Footprint with Four Automated Functions

The X4 is the first Right-sized Packaging on Demand machine system to combine four packaging functions into one. Its small footprint and functionality allows for a box to be erected and inducted onto a conveyor line, placed on a cart, or packaged right next to the machine.



Type	Semi-Automation
Automation	Automation
Speed	5 boxes/minute (300/hour)
Software	PackNet®–Packsize Software Platform
Services	Packaging as a Service™ Packsize Care™
Box Capacity	Min: 8 x 6 x 3 inch Max: 30 x 20 x 20 inch

Our Diagnostic Approach

What sets Packsize apart is our collaborative approach. We believe that understanding your unique needs is paramount to delivering successful outcomes. Inefficient processes, excessive materials usage, and complex supply chains can all impact your bottom line. That's why we assembled a group of experts who specialize in designing and implementing tailored packaging automation solutions. Our dedicated solutions professionals work closely with you to gain a deep understanding of your challenges, goals, metrics, and objectives, and create customized solutions that address your specific requirements. From advanced automation technologies to streamlined processes and everything in between, our team is here to guide and support you every step of the way.



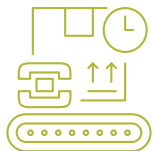
Explore

Packsize experts evaluate your current packaging process flow to identify bottlenecks.



Customize

We discuss which Packsize solution(s) will best meet your needs without disrupting your warehouse setup.



Integrate

Packsize solutions are integrated seamlessly into your process flow, with minimal downtime.



Train

We train your team to operate and service the Packsize equipment. We also offer a comprehensive service which includes both remote and on-site resident service.



Produce

Watch as you reap the benefits of Right-Sized Packaging On Demand (i.e. increased throughput, reduced waste, labor, DIM, shipping charges, etc.)



Scale

Packsize experts evaluate your current packaging process flow to identify bottlenecks.

Talk to an Expert

Our dedicated team of packaging specialists and engineers will apply their industry knowledge and expertise to help you reduce your carbon footprint, increase efficiency, and improve your overall packaging process flow. Get in touch with us today to find out which Packsize solution is best for you.

Request an Evaluation.

Contact Us



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