Brambles

Enabling the Physical Internet via collaboration and innovation

November 2016

A perspective on the networks required to enable the Physical Internet
The World is Changing
Principles of the New Economy

Collaboration in the New Economy
The World is Changing
Principles of the New Economy

Four key principles emerge:

1. Access
2. Sharing
3. Network Advantage
4. Standards
GCI: 2016 Value Chain*

- Multi-partner information sharing
- Collaborative warehousing & transport
- Urban hubs for city delivery
- Focus on in-store logistics, collaborative physical logistics, reverse logistics (recycling & returnable assets)

*Global Commerce Initiative

Source: “2016 Future Supply Chain” by GCI and Capgemini. www.cgi-net.org
The Physical Internet

Dynamic flows

“Open global logistics system founded on physical, digital and operational interconnectivity through encapsulation, interfaces and protocols”

- Open market for logistics
- The network effect of users
- Shared networks
- Community
- Modular Containers

Source: Physical Internet Manifesto, Prof. Benoit Montreuil
CIRRELT, Université Laval, http://physicalinternetinitiative.org/
Brambles’ perspective

End-to-end involvement in the world’s supply chains

60+ COUNTRIES

14,500 EMPLOYEES

+550 million PALLETs, CRATEs, CONTAINERs

REUSE

SHARE

SERVICE

Serving multiple industries: FMCG, Fresh food, Automotive, Aerospace, Oil & Gas
Brambles Model

Shared flows

Pallets, crates and containers are the industry standard means by which products, fresh produce and materials are moved between locations.

An invisible network that supports and enables the operation of millions of businesses in both national and international markets, from local stores to almost all of the globally recognised corporate brands.
Independent cost analysis showed clear efficiency gains are enabled by **palletisation**, to increase materially over the next 5 to 10 years.

Environmental and safety benefits.

The challenge of standardisation, collaboration, education, innovation.
Collaboration / harmonisation
All players benefit from working in harmony in the physical internet

Biggest catalyst for a collaborative approach to logistics

Source: IGD
Innovation: data & logistics web
Combining Physical and Digital for Greater Customer Value

Brambles established BXB Digital in Silicon Valley
- to accelerate innovation in digital supply chain solutions for our customers
- Make 550 million assets smarter

A Final Thought

Opportunities in Malaysia?

Malaysia employs 1 standard shared pallet for every 10 people

Australia employs 7 standard shared pallets for every 10 people

What efficiencies could the Malaysian Supply Chain generate by moving further along the sharing journey?