

HYERUD







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# Toyota Motor Europe streamlines pallets with Dukale's Placard label holders

The metal pallets that travel between Toyota Motor Europe's distribution centers all look perfectly neat and tidy today — no torn labels and dirty adhesive residue here! That's because each label gets its place on the Placard label holders from Dukale Services. This not only looks better, but it also saves time and increases efficiency throughout the logistics process.

Toyota first began selling cars in Europe in 1963. Since then, the company has grown into the leading Japanese car manufacturer in this highly competitive market. Toyota directly employs around 20,000 people in Europe. Their operations are supported by a network of 30 marketing and sales companies across 53 countries, a total of around 3,000 retailers (of which 300 lexus retailers), and 9 manufacturing plants. It also has 14 parts logistic centers, 7 vehicle logistic centers, a design center and a motorsport center. Based in Brussels, Belgium, and staffed by 2,700 people of 63 nationalities, Toyota Motor Europe handles the wholesale marketing of Toyota and Lexus vehicles, parts and accessories, and manages Toyota's European manufacturing and engineering operations.

As part of its European operations, Toyota Motor Europe runs the Parts Center Europe in Diest: Toyota's European distribution center. The distribution center has 100,000 square meters of warehouse space and 900 employees. It holds stock of 265,000 parts, representing a total value of €100 million. The logistics inflow for the distribution center consists of parts and accessories for Toyota and Lexus. The Parts Center Europe keeps after-sales parts in stock and distributes them within the Toyota ecosystem. Half of its shipments remain within Europe; the other half find their way to destinations all over the world.

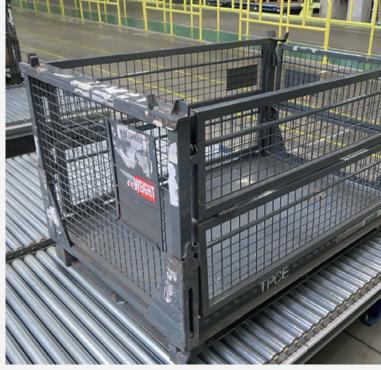
#### **Metal pallets**

"We are responsible for the replenishment of parts at the European distribution centers," says Stefan Ramaekers. "But we also take care of direct deliveries — mostly overnight — to retailers in the Benelux." As Logistics Packaging Specialist for Toyota Motor Europe, Ramaekers is responsible for the management of logistics packaging across all 14 of the European logistic part centers. This packaging takes very different forms: from boxes and crates to reusable metal pallets with foldable side walls. "These reusable metal pallets have a long lifespan," says Ramaekers, "but after 20 years they needed to be replaced." The pallets were worn out and some were broken, which in time threatened to create a shortage and. even more important, generated safety issues. Depending on the parts transported, Toyota Motor Europe uses pallets with upright walls of 1,200 x 800 mm, 1,600 x 1,200 mm, or 2,400 x 1,200 mm. "We investigated what the most suitable solution would be. Switching to a disposable solution was too expensive and not sustainable. That's why we decided to invest in new reusable, foldable metal pallets. The entire operation required a budget of €13 million."

### Danger of mistakes

A central element of the project was identification labels for the pallets, which Ramaekers paid special attention to. "Traditionally, labels are placed directly on the pallet," he says. "And often there is more than one item, and as a pallet doesn't only need a case label but also a heavyweight label or an order group label." Inevitably, a practical problem arises with reusable pallets: before the pallet can start a new route, all labels must be removed. "But that's not always easy. Some glue is very stubborn."





Before

The result is easy to predict, especially with pallets that have been in circulation for 20 years: they are covered in glue and label residue. This looks messy and creates a negative impression of the company. But worst of all, remnants of old labels lead to errors, and therefore costs. "When a piece of an old label gets stuck on a pallet, it can seriously confuse the identification of the goods. Sticking a new label over the previous one each time is not a solution either, because you never know whether the visible label is actually the right one. So, it's not only the cleaning of the pallets that causes extra handling and costs, but also the risk of errors."

#### Always neat, always clear

Toyota Motor Europe found a solution to the problem in Dukale's Placard label holders. "We already used the Placards on another type of packaging, namely plastic boxes that we use to deliver service parts to our retailers," says Ramaekers. "We asked if Dukale could also offer a solution for our metal pallets." Toyota Motor Europe brought the producer of the pallets and Dukale together to find a way forward. In close consultation with the staff at the distribution center, a new design for a metal pallet was developed, with a fixed place for a Placard label holder. Dukale supplied three types of Placards for Toyota Motor Europe: an A4 format that can accommodate different labels, a smaller format (76 x 165 mm) and a narrow rack Placard label holder for the top of the upright wall of a pallet.

All in all, Toyota Motor Europe ordered 51,000 new pallets, and the Turkish manufacturer applied the Placard label holders. Dukale ensured that the producer had all the necessary materials available on time, so that the delivery of the ready-touse pallets to Toyota Motor Europe could go according to plan. "The Placard label holder has a fixed place on the pallet that indicates where all labels should be placed. The labels are easy to apply and adhere well. But the biggest advantage is that the labels are easy to remove after use. "There is no longer any question of torn labels and glue residue. The pallet always remains tidy."



After



After

#### Time savings

Customers who used to struggle with removing old labels gave up after a while. "Now that they see how easy it is to remove the old labels, they are happy to do it," says Ramaekers. "That saves us a lot of time. A pallet that arrives can now be used again immediately." Toyota Motor Europe uses Dukale's industrial Placard label holders. These are resistant to UV light and strong glue and can be cleaned together with the pallet. A Placard label holder has a lifespan of three to five years. Toyota Motor Europe will replace the Placards themselves. "We have a stock of spare parts for repairing our pallets, including the Placards." With the combination of new metal pallets and the Placard label holders from Dukale, Toyota Motor Europe will be in the right place for a long time.

The Placard label holders from Dukale keep the labels firmly and neatly in place, so identification is always easy. After use, the labels are easy to remove, making the pallet quickly ready to use again. They save us a lot of time.





## For more information, contact us!

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