



The Pallet LOOP's distinctive green pallets are different by design and engineered to be used again and again | Photo source Pallet LOOP

Innovation > Property & Construction > New scheme transforms pallet distribution model

NEW SCHEME TRANSFORMS PALLET DISTRIBUTION MODEL

 PROPERTY & CONSTRUCTION

A new scheme helps avoid construction waste with a system that gives a financial incentive to each part of the pallet supply chain

Spotted: Most people are now well aware that the construction industry is a major contributor to CO2 emissions. But while concrete use is getting a lot of press, several schemes are taking aim at other unsustainable processes within the sector. One of these is Pallet LOOP, a joint venture between Paul and Ryan Lewis (formerly of HLC Wood Products) and Scott Group – one of the UK's leading pallet producers.

Pallet LOOP aims to eliminate pallet waste by using a deposit-based system to incentivise companies to return their used pallets. The startup has its own range of FSC-certified pallets, which are both stronger and more sustainable than existing designs. Users pay a deposit on each pallet. As the pallets move through the supply chain, the deposit passes from manufacturer to merchant to end user.

Once the pallets reach their final destination, they are collected through Pallet LOOPS' dedicated recovery infrastructure and the deposit is repaid to the end-user. The system ensures that there is an incentive to reuse the pallets at every stage of the supply chain. This will prevent pallets from being thrown away before they can be picked up and recycled.

Paul Lewis, a founder of Pallet LOOP, described the thinking behind the scheme. "At present, the vast majority of pallets circulating in the sector are designed for single use. The current industry specification for pallets works on the assumption that they will be scrapped or skipped once they reach their final destination", he said, adding, "We're turning this outdated, inefficient and linear practice on its head".

The Pallet LOOP scheme is just the most recent attempt to create a circular life cycle for many different products from diverse industries. At Springwise, we have seen circular economy innovations in contexts that range from [EV battery recycling](#) to a [subscription service](#) for baby clothes.

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Takeaway:

According to Pallet LOOP, up to 10 percent of the construction waste stream is made up of wooden pallets. This represents not only a huge waste of natural resources, but also a large cost burden on construction companies. At the same time, Pallet LOOP's innovative solution to encourage the reuse of pallets, offers benefits both in terms of sustainability and cost savings. The adoption of the system could form a key part of the construction industry's shift in mindset from 'deliver, distribute, discard' to 'recover, repair and reuse'. Pallet LOOP believes the time is right for this move, and that, "the UK construction industry is ready to embrace this transformational shift towards a circular solution".