

EPAL continues to organize the boundless exchange pool of the Euro pallets with all its advantages. 13 reasons.



1. The EPAL Euro pallet exchange pool – successful for more than 40 years

The Euro pallet exchange pool in its present form is not a railway pool but is exclusively the result of the activities of EPAL and its National Committees since the mid 1970s. EPAL and the National Committees of EPAL have further developed the earlier exchange pool of the railways into a pallet exchange pool comprehensively suitable for all forms of transport, for companies across all levels of production and trade. In contrast, the UIC and its member railways and the new UIC pallet organisations have undertaken no operative activities with respect to the organisation and expansion of the exchange pool within the last decades. Like in the 70s of the last century, the European pallet pool of the railways is restricted to the countries Austria, Switzerland, Czech Republic, Slovakia, Hungary, Germany, Slovenia, Croatia and Serbia. Despite the decisions of the UIC working group from 2012, the UIC working group and its new pallet organisations have carried out no activities to date. It is therefore also impossible to reckon in the future with sustainable action on the part of the UIC working group and its pallet organisations, for the promotion of the international exchange pool and the benefit of the users of exchange pallets. A "railway pool" - as is planned by the UIC working group and its pallet organisations - will focus specifically on the interests of the railways. It will not take into account the fact that the large majority of the users of exchange pallets have long since been organisations from trade, industry and logistics - rather than the railways - who transport a significant proportion of their goods not (only) by rail. In contrast, only EPAL considers itself obligated to all participants in the exchange pool – companies from trade and industry, logistics but also producers and repair companies. Only EPAL and the National Committees of EPAL can therefore also guarantee the function and the development of the exchange pool in the future, as a prerequisite for a positive development of goods and transport logistics.



2. EPAL – the strongest brand on the pallet market

The "EPAL in oval" mark is internationally recognised and has replaced the "EUR in oval" mark as a synonym for high quality and internationally exchangeable pallets. The reason for this is the internationally uniform quality of the EPAL Euro pallets (see point 3), assured through an internationally uniform pallet organisation and an internationally uniform audit company. In situations where particular safety requirements apply, e.g. with use in high bay warehouse systems, it is therefore frequently the case that only EPAL Euro pallets are accepted. Only the users of EPAL Euro pallets will be able to qualify themselves in the future on the basis of the high and uniform quality of the exchange pallets, verified by the "EPAL in oval" mark.

3. Global and unlimited exchangeability

EPAL rejects any limitation of the exchange of pallets. Only in the EPAL Euro pallet exchange pool, organised in the past and also in the future by EPAL, will it be possible to exchange all pallets with the "EPAL in oval" and/or "EUR in oval" marks without limitation. In contrast, participants in the "railway pallet pool" created by the UIC working group will be unable to exchange any EPAL pallets in the future, according to the information released by the UIC working group. In the future, the participants in a UIC railway pallet pool will therefore be required to sort the pallets time-intensively and costly. The participants in the EPAL Euro pallet pool will, however, be able to apply the current valid exchange conditions without any change, and therefore continue exchanging pallets without any requirement to sort these and store exchange pallets with the "EPAL in oval" and "EUR in oval" marks separately. In this way, participants in the EPAL Euro pallet pool will avoid added costs due to sorting, as well as any hindering of logistics processes.

4. Internationally uniform quality

EPAL guarantees internationally uniform quality of the pallets through uniform organisation of the exchange pool, as well as internationally uniform quality assurance through a single audit company. Through the organisation of the Euro pallet exchange pool by EPAL, quality differences that arose in the past - caused by national pallet organisations and audit companies - have been successfully eliminated. The avoidance of problems within the international pallet exchange through the elimination of varying benchmarks in quality assurance was the reason behind the establishment of EPAL. The concept of the UIC working group to approve a number of (in part national) pallet organisations would therefore constitute a step backwards to the time preceding the existence of EPAL. National solutions out with the quality assurance of EPAL, e.g. in Poland, Hungary or the Czech Republic, have not been accepted by broad areas of the market as a result of discrepancies in quality. Furthermore, it is also by no means certain that the UIC working group and its pallet organisations will be represented in all of the countries in which EPAL is active. Only the participants in the EPAL Euro pallet exchange pool will therefore be able to trust in



internationally uniform quality as a prerequisite for problem-free use of pallets within the framework of international pallet exchange.

5. An internationally comprehensive network

The users of EPAL Euro pallets are part of a unique international network. EPAL, the National Committees of EPAL and the over 1600 licence holders of EPAL, form, together with a big number of users, an international network which offers participants in the EPAL Euro pallet pool assurance that they will be able to receive and exchange pallets everywhere in Europe and in many other places around the world. The users of EPAL Euro pallets can therefore be certain, even when sending goods to remote locations, that reuse of the pallets will always be possible and that the costly and ecologically harmful return transportation of the pallets will therefore be unnecessary. At the same time, the close-knit network is a guarantee of constant and global support to the users in the event of problems with the use and exchange of EPAL Euro pallets. The users of other pallets cannot count on a comparable network and support of an international association like EPAL with its numerous national associations.

6. Strict orientation towards the interests of the market

As an association, EPAL is not obligated by any commercial interests and is therefore able to orientate itself towards the interests of the market when making decisions; in other words towards the interests of industry, trade and logistics companies. By terminating cooperation with the UIC working group, the independence of EPAL - and therefore its ability to orientate itself consistently towards market interests - has been further strengthened. When making future operative decisions EPAL will no longer be required to act on the basis of the consent of the UIC working group. Given the many years required by the UIC working group to reach decisions - the decision regarding the planned change to the labelling alone took the UIC working group two years according to its own information, without pallets with the "UIC" mark even existing on the market to this day - EPAL will be able to act more quickly and in accordance with the changing requirements of goods transport and logistics in the future. Decisions that are detrimental to the interests of the market, for example limiting exchangeability as per the decision of the UIC working group, are inconceivable within the Euro pallet exchange pool organised by EPAL. Such restrictions complicate the process of exchanging pallets and damage the Euro pallet exchange pool and therefore the interests of the users. In contrast, EPAL only aims to support the interests of the users in stipulating exchange conditions. EPAL sees itself as a service provider for the users and therefore places their interests at the centre of all its activities. The international pallet exchange will therefore only be safeguarded and expanded in the long-term if the interests of the users are focal to the development of cargo carriers and the exchange conditions.



7. Permanent advice and support to the users of EPAL Euro pallets

EPAL and the National Committees of EPAL offer the users of EPAL Euro pallets comprehensive and rapid support in relation to all issues of the pallet use and pallet exchange (purchase of new pallets, repair of used pallets, sales and exchange of pallets, technique, quality, legal matters, etc). This is based on experience gained over a number of decades of professional organisation of the pallet exchange pool by EPAL and by the National Committees of EPAL represented in numerous countries around Europe. Users of other pallets are unable to utilise such service and are themselves required to act in the event of issues arising. This is generally associated with considerable demands in terms of time and costs.

8. Fair competitive conditions due to uniform quality assurance

EPAL guarantees fair treatment of all production and repair companies through its independent, uniform quality controlling. This avoids any competitive disadvantages to the detriment of pallet quality. Due to strict compliance with the quality specifications, e.g. the use of high quality and therefore cost intensive materials, the licence holders of EPAL need not fear any competitive disadvantages in relation to other licence holders of EPAL. Only the users of EPAL Euro pallets can therefore be certain that the internationally uniform, high quality of the pallets will also remain discernible in the future - through the "EPAL in oval" mark. At the same time, the excellent reputation of EPAL Euro pallets as high quality and reliable cargo carriers will remain intact.

9. Openness to new developments concerning the use of pallets and the pallet exchange

EPAL and the National Committees of EPAL, as company associations, profit by the permanent contact of the members and licence holders with the users of EPAL Euro pallets. New developments concerning the use and the exchange of Euro pallets are taken into consideration whenever decisions are taken by EPAL on the further development of the EPAL Euro pallet pool. Only the users of EPAL Euro pallets can therefore be sure that their interests will be taken into consideration in the future creation of the Euro pallet exchange pool and that these will not come second to the commercial interests of the pallet organisation.

10. Continuous development of the EPAL Euro pallet exchange pool

EPAL and the National Committees of EPAL carry out active marketing in order to ensure the further expansion of the market share of EPAL Euro pallets, e.g. through advertisements, participation in trade fairs, representation on the associations of pallet users and other public relations work. In recent years it has therefore been possible to increase the annual production from less than 20 million in 1995 to more than 67 million in 2012. Unlike EPAL and the National Committees of EPAL, the UIC railways implemented no advertising measures for the Euro pallet exchange pool. The previous audit company also failed to take part in the improvement of the pallet exchange. In the future it can therefore be anticipated that such activities aimed at the improvement and development of the pallet exchange will be carried out only by EPAL and its National Committees. Because EPAL is not required to report a profit, all surplus funds from the licence business can be used in order to further the Euro pallet exchange pool in the interests of the users. EPAL will be further intensifying its activities in the future, in order to continue the expansion of EPAL Euro pallets, and to highlight the differences from other suppliers.

11. Representation of interests for licence holders in the media and committees

EPAL and the National Committees of EPAL actively represent the interests of the participants in the EPAL Euro pallet pool in relation to other organisations as well as the authorities. Unfavourable developments for the exchange pool, which could also have a negative effect for the users of EPAL Euro pallets, are avoided in this way. The following also applies here: Because EPAL and the National Committees of EPAL are not required to generate profits, all revenues can be utilised on a targeted basis for the interests of the participants in the Euro pallet exchange pool. At the same time EPAL will naturally continue to support the unrestricted exchange of pallets in the future, in accordance with the conditions of the EPAL Euro pallet pool, and will act against any limitation to the pallet exchange - as is being pursued by the UIC working group.

12. Legal measures to combat inferior forgery

EPAL and the National Committees of EPAL legally and officially pursue infringements of the quality standards as well as the forgery of pallets, and protect the users of EPAL Euro pallets in this way against inferior forgery. Exchange pallets of inferior quality do not only represent a concrete danger to the safety of humans and goods, but can also lead to problems when they are used in high bay warehouse systems or in automated facilities EPAL avoids this through strict quality controls and the continuous legal prosecution of forgeries of inferior quality. The users of EPAL Euro pallets can therefore be sure that pallets with the "EPAL in oval" mark will fulfil the necessary quality requirements for the comprehensive use in the logistics of goods and transport.



13. Transparency and reliability create trust

EPAL and the National Committees of EPAL offer reliable and trustworthy cooperation for the long-term maintenance and development of the Euro pallet exchange pool. This also serves as a basis for a consistent improvement of the pallet exchange in the interests of the users of EPAL Euro pallets. EPAL aims for open and transparent communication with all commercial partners. The users of EPAL Euro pallets shall therefore not be confronted with decisions in the future, which impair the pallet exchange as a basis for logistics and transport of goods without any problems. This is guaranteed from the outset by the cooperation of the National Committees of EPAL in relation to all important decisions and the associated direct influence that users are accordingly able to exert. EPAL enables them to take active part in all new developments (e.g. RFID or introduction of new products) so that it is guaranteed that decisions of EPAL do not lead to disadvantages on the part of the users.

By the end of the third week of February the European Pallet Association e.V. (EPAL), based in Düsseldorf, operator of the largest open pallet pool in the world, had already recorded the production of the nine millionth Euro pallet under the quality controlling of the new partner for independent quality assurance, Bureau Veritas Industry Services GmbH.